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MSRB: Continuing Disclosure Timing Remains Stable.

Washington, DC — Audited financial statements of municipal bond issuers reach investors an approximate average of 200 days after the end of the issuer's fiscal year, based on an updated report from the Municipal Securities Rulemaking Board (MSRB). In the six years since the MSRB began analyzing data on the timeliness with which municipal securities issuers and other obligated persons make their audited financials available to the public, the typical timing has remained stable, averaging between 196 and 202 days after the end of the issuer's fiscal year.

The *Timing of Annual Financial Disclosures by Issuers of Municipal Securities* report analyzes submissions of annual financial information and audited financial statements made by issuers and obligated persons to the MSRB's Electronic Municipal Market Access (EMMA®) website between January 2010 and December 2016. Consistent with previous years, the timing of audited financial statement disclosures made in 2016 averaged approximately 199 calendar days after the end of the applicable fiscal year. Annual financial information submissions averaged 189 calendar days after the end of the applicable fiscal year. These averages do not include what the MSRB's methodology assumes to be "catch-up" submissions made by issuers to correct a prior year's failure to make a timely submission.

When comparing timing by the bonds' source of repayment in 2016, revenue bond disclosures were typically filed the soonest, averaging 179 days after the end of the fiscal year for audited financial statements, compared to 201 days for general obligation bonds and 213 days for double barrel bonds. Similarly, revenue bonds offered the most timely disclosure of annual financial information compared to general obligation and double barrel bonds.

Issuers in the health and housing sectors typically filed their audited financial statements the most timely in 2016, averaging 138 and 146 days, respectively. That same year, issuers of improvement, tax revenue and various purpose bonds exceeded an average of 200 days before the audited financial statement was filed. The health and housing sectors also led with timeliness of their annual financial information submissions.

Issuers establish the deadline by which they commit to make their filings in a contract known as a continuing disclosure agreement. The MSRB's report finds that the majority of issuers had a commitment date of 180 days or 270 days from the end of the issuer's fiscal year. Over the last several years, the number of commitments of 180 days has generally decreased while there has been an upward trend in commitments of 270 days.

The MSRB does not regulate issuers of municipal securities or other obligated persons and therefore does not establish requirements or set recommended timeframes for the content or timing of disclosures. It does, however, operate the EMMA website as the official repository for municipal market disclosures, including issuers' annual financial information. As part of its mission to protect investors and enhance market transparency, the MSRB provides a set of guiding principles for timely and complete disclosure, as well as educational resources and free tools such as a financial disclosure email reminder service to assist submitters in making on-time disclosures.

The MSRB’s market data publications like today’s updated report ensure municipal market stakeholders have access to objective, factual information about disclosure practices, trade activity and other aspects of the market.

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