

# **Bond Case Briefs**

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## **MSRB Publishes Updated Report on Timing of Annual Financial Disclosures by Issuers of Municipal Securities.**

Alexandria, VA - The Municipal Securities Rulemaking Board (MSRB) today released an [update to its 2013 report on how many days after the end of the fiscal year that issuers of municipal securities and other obligated persons make their annual financial information available to the public](#). Timing of typical financial disclosures remained largely unchanged year to year, although the data clearly reflected the effects of a federal enforcement initiative to encourage voluntary disclosure of overdue financial information in the latter part of 2014.

Today's 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 2014. The EMMA website is the official repository for financial and other disclosures made by issuers of municipal securities.

Consistent with previous years, the timing of audited financial statement disclosures made in 2014 averaged approximately 200 calendar days after the end of the applicable fiscal year. Annual financial information submissions averaged 188 calendar days after the end of the applicable fiscal year. These averages exclude delayed, "catch-up" submissions made by issuers to correct a prior year's failure to make a timely submission.

The EMMA website experienced a significant increase in catch-up submissions in the second half of 2014 coinciding with the Municipalities Continuing Disclosure Cooperation Initiative, a voluntary program announced by the Securities and Exchange Commission in March 2014 to provide issuers and underwriters the opportunity to self-report previous instances of noncompliance with continuing disclosure obligations. Including these overdue submissions in the data set extended the annual average length of time between the end of the fiscal year and the date on which audited financial statements were submitted to EMMA to 448 days in 2014, up sharply from 342 days in 2013. Similarly, the timing of all annual financial information submissions was 374 days in 2014 compared to 261 days in 2013.

Audited financial statements and annual financial information report key financial and operating data for municipal bond issuers and obligated persons over time. The timeframe for issuers to make annual financial information available is set forth in continuing disclosure agreements. 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. As part of its mission to protect investors and enhance market transparency, the MSRB provides educational resources and free tools such as a financial disclosure email reminder service to assist submitters in making timely and complete 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.

