



## Safeguarding the Municipal Securities Market



ANNUAL REPORT 2012

ENHANCING  
MARKET  
TRANSPARENCY  
**The Future of EMMA®**  
*see page 10*





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## ABOUT THE MSRB

The Municipal Securities Rulemaking Board (MSRB) protects investors, state and local governments and other municipal entities, and the public interest by promoting a fair and efficient municipal securities market. The MSRB fulfills this mission by regulating the municipal securities firms, banks and municipal advisors that engage in municipal securities and advisory activities. To further protect market participants, the MSRB provides market transparency through its Electronic Municipal Market Access (EMMA®) website, the official

repository for information on all municipal bonds. The MSRB also serves as an objective resource on the municipal market, conducts extensive education and outreach to market stakeholders, and provides market leadership on key issues. The MSRB is a Congressionally-chartered, self-regulatory organization governed by a 21-member board of directors that has a majority of public members, in addition to representatives of regulated entities. The MSRB is subject to oversight by the Securities and Exchange Commission.

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## LETTER FROM THE MSRB LEADERSHIP



## Complex Challenges, Effective Solutions

The mission of the Municipal Securities Rulemaking Board (MSRB) is to protect investors, state and

local governments and related entities, and the public interest by promoting a fair and efficient municipal market. We are honored to lead the MSRB at a time when our mission is of such critical importance to the many participants in the \$3.7 trillion municipal market.

While the word “rulemaking” is an important part of our name and what we do, the MSRB is committed to finding alternative, cost-effective solutions to address market challenges. These include promoting market transparency, providing education, promoting vigorous enforcement of existing rules, hosting outreach programs and providing leadership in the municipal market.

Our priorities for the fiscal year that began October 1, 2012 include taking a fresh look at our rules for regulated entities with two goals in mind. We want to ensure that the rules continue to be relevant given current market conditions and we want to determine whether there are cases in which we could provide greater consistency with other regulators to improve efficiency in the market. Creating new rules for municipal advisors is on our agenda this year pending action by the Securities and Exchange Commission to define municipal advisors. We hope to establish a set of core rules for municipal advisors so that state and local governments are afforded further protections in their municipal finance transactions.

We intend to continue enhancing our Electronic Municipal Market Access (EMMA®) website to improve market transparency, particularly with regard to pre-trade price transparency and continuing

disclosure. The EMMA website is a free resource that is readily available to all market participants, and new features and functionality planned for the year will be directed at the many different types of users of the site. The MSRB will continue to focus on providing market leadership and conducting education and outreach to help state and local governments that issue bonds to meet their disclosure obligations to investors.

We encourage you to explore the MSRB’s website for the most up-to-date information about our priority initiatives and to read our long-range plan for market transparency. Our website provides additional information related to the MSRB’s governance, finances and operations to help ensure that our own organization meets the highest standards of corporate governance.

As a self-regulatory organization, we rely on regular input from market participants to help us shape our priorities and initiatives. There are many ways to communicate with the MSRB and we encourage you to take advantage of those opportunities. Whether through the formal process of responding to requests for comment on potential rules, or through contact forms on the MSRB websites, we appreciate and carefully review and consider each and every response we receive. Input from a wide variety of market stakeholders helps us ensure that our efforts contribute to our goal of a fair and efficient municipal market.

Thank you.

Jay Goldstone  
Chair

Lynnette Kelly  
Executive Director

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2012-2013

OFFICERS 2012-2013



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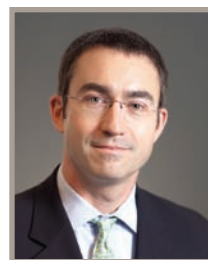
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**Craig A. Noble**  
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Head of Retail Fixed  
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## Investor Protection

Individual investors own about two-thirds of the \$3.7 trillion in outstanding municipal securities, either directly or through mutual funds. A central focus of the MSRB's mission is protecting these individual investors and ensuring they can participate in a fair, efficient and transparent municipal market.

The MSRB works to protect investors by developing rules and standards for financial firms and professionals and by operating the Electronic Municipal Market Access (EMMA<sup>®</sup>) website to provide investors with access to free information and data about the municipal market and individual securities. The MSRB also develops educational materials to help investors understand the features of municipal bonds and make appropriate decisions.

## Launching an Online Investor Toolkit



The MSRB's Investor Toolkit, launched in May 2012, is a set of online resources designed to help investors gain confidence in their ability to navigate the municipal market and get the most out of the EMMA website.

The toolkit is a valuable resource for current and prospective municipal bond investors who want to learn more about evaluating, purchasing and monitoring municipal bond investments.

The toolkit includes an investor guide with sections outlining questions to ask when investing in municipal bonds, how to evaluate a municipal bond's risk and what to expect from financial professionals, among other resources.

The toolkit also includes an introductory video and fact sheets about the information and services available through the MSRB's EMMA website. For example, investors can subscribe to free alerts when updates about a municipal security are made available on the EMMA website.

The complete toolkit is available online at [www.msrb.org/Municipal-Bond-Market/Investor-Resources/Investor-Toolkit.aspx](http://www.msrb.org/Municipal-Bond-Market/Investor-Resources/Investor-Toolkit.aspx).



**FISCAL YEAR 2012:  
ADVANCES IN MUNICIPAL  
MARKET REGULATION**

**NOVEMBER 2011**  
MSRB Creates New Category of Registered  
Municipal Securities Representative and Reminds  
Principals of Supervisory Obligations



## New Obligations for Broker's Brokers and Other Dealers in the Secondary Market

Several years ago, the MSRB reviewed its existing rules for municipal securities firms to identify opportunities to strengthen investor protections. In June 2012, the MSRB completed rulemaking to establish specific obligations for municipal securities dealer firms that act as "broker's brokers," who help provide secondary market liquidity in the municipal securities market. Such liquidity is critical to ensuring that retail investors receive fair and reasonable

pricing for their purchases and sales of municipal securities. The MSRB also provided additional guidance on the duties of dealers that use broker's brokers.

The new rules, which are effective December 22, 2012, affirm a broker's broker's duty to make a reasonable effort to obtain a fair and reasonable price for municipal securities, and remind selling and bidding dealers of their own fair pricing obligations to their customers.

## Improving Access to Information about 529 College Savings Plans



Virtually every state has established one or more programs to provide an investment vehicle for individuals wishing to save for qualified higher education expenses. The MSRB collects disclosure information about 529 college savings plans and has taken steps to make it easier for people to find this information on the EMMA website.

The MSRB developed a new interactive map accessible from EMMA's homepage to allow parents and others interested in learning about 529 college savings plans to more quickly and easily access information currently available on EMMA. The plan disclosure documents and other relevant documents available on EMMA help families understand the risks and features of particular 529 college savings plans.

The MSRB has proposed collecting additional information and performance data on 529 college savings plans with the goal of enhancing its oversight of the size, growth, characteristics and risks of specific 529 plans and the market as a whole.

NOVEMBER 2011

MSRB Begins Providing Free Access to Credit Rating Information on the EMMA® Website

NOVEMBER 2011

Prohibition on Financial Advisors Switching Roles to Become Underwriters Becomes Effective

## Municipal Entity Protection

The MSRB continues to focus on its expanded mandate under the Dodd-Frank Wall Street Reform and Consumer Protection Act to protect state and local governments and other municipal entities that issue municipal securities. This oversight is important to ensure that municipal entities have fair access to the capital markets to support their infrastructure and economic development needs. MSRB rules outline standards and

requirements for the financial professionals working with state and local government officials during a bond deal.

Education is another important aspect of the MSRB's commitment to protecting state and local governments, and other issuers of municipal securities. The MSRB seeks to educate issuers, particularly the infrequent or less experienced issuers, so that they have the information they need to act in the best interests of their taxpayers.

## Expanding the State and Local Government Toolkit



The State and Local Government Toolkit is a collection of online resources for small to mid-sized issuers of municipal securities. The toolkit provides information for state and local governments about issuing municipal bonds and using the Electronic Municipal Market Access (EMMA®) website to communicate with investors. Several

resources in the toolkit are designed to help state and local governments understand their legal protections under MSRB rules and better evaluate their municipal financing options.

Launched in November 2011, the toolkit was expanded in 2012 with new resources and tools. The centerpiece of the expanded toolkit is the EMMA® Trade Monitor, a new tool that enables state and local governments to export trade data from the EMMA website to a desktop application for analysis of secondary market bond trading activity. State and local governments can use the downloaded data to analyze the prices, yield and amount of secondary market trade activity of municipal bonds in support of, among other things, evaluating pricing for their new issues.

The expanded toolkit also includes an overview of the roles and responsibilities of the financial professionals involved in municipal bond transactions, information on key market regulations and many other resources.

The complete toolkit is available online at [www.msrb.org/MSRB-For/Issuers/Issuer-Toolkit.aspx](http://www.msrb.org/MSRB-For/Issuers/Issuer-Toolkit.aspx).

### FEBRUARY 2012

MSRB Publishes Long-Range Plan for Market Transparency Products

### MARCH 2012

MSRB Receives SEC Approval to Make Updates and Enhancements to its Real-time Transaction Reporting System (RTRS)

## Improving Market Transparency for Municipal Entities

The MSRB amended its rule on the disclosure by underwriters of information related to new issues of municipal securities to help provide more timely and full price discovery for state and local governments. This is important to help state and local governments ensure that their bonds are offered at competitive prices or yields.

Amendments to MSRB rules limited the use by municipal securities dealers of the designation “not reoffered” or “NRO” without also including price or yield information in

written communications about new issues of securities. The rule took effect in November 2012. The “not reoffered” or “NRO” designation indicates that certain maturities of a new issue of municipal securities are not available to be reoffered to potential investors. The MSRB believes the expanded availability of price and yield information for not reoffered securities will benefit not only state and local governments, but investors and other market participants as well.

## MSRB Rule G-17 on Fair Dealing: Expanded Protections for State and Local Governments

To fulfill its expanded mission to protect state and local governments, the MSRB has focused on ensuring that municipal officials have the information they need to make informed decisions about financial transactions.

These officials often are inexperienced with the mechanics of a municipal finance transaction and may rely on the recommendations of financial professionals. A landmark interpretive notice outlines enhanced obligations for underwriters to provide important information to state and local governments at various stages of the bond deal.

The interpretive notice, which took effect in August 2012, provides these expanded protections for state and local governments under MSRB Rule G-17 on fair dealing. In addition to upfront information about the nature of their role in the transaction, underwriters must also disclose potential or actual conflicts of interest as they arise and the risks and characteristics involved in complex

municipal financings, among other information.

The interpretive notice reiterates that MSRB Rule G-17 requires that all statements and representations made by underwriters to state and local governments must be truthful, accurate and not misleading. The notice specifically prohibits any statements that discourage a state or local government from hiring a municipal advisor.

The notice significantly clarifies the roles, responsibilities and relationships of the financial professionals involved in municipal bond deals. For example, an underwriter must disclose that, unlike municipal advisors, underwriters engage in an arm’s-length commercial transaction and do not have a fiduciary duty to act in the best interests of the state or local government without regard to their own financial or other interests. Additional required disclosures assist state and local governments in evaluating the impartiality of

the underwriter and the material financial terms and risks of transactions recommended by the underwriter.

The notice also addresses duties regarding the financial aspects of an underwriting, providing guidance on fairness and appropriate disclosure related to compensation, pricing, profit-sharing arrangements and payments to issuer personnel. Underwriters also must honor the intention of state and local governments to sell certain portions of their bonds to retail investors.

The MSRB hosted a webinar and developed implementation guidance to help underwriters in fully understanding and complying with their expanded fair dealing obligations. These materials are available on the MSRB’s website at [www.msrb.org](http://www.msrb.org).



APRIL 2012

MSRB Encourages State and Local Governments to Make Voluntary Disclosures about Bank Loans

MAY 2012

MSRB Adds Inter-dealer Yield Data on EMMA®



## The Future of EMMA®

In February 2012, the MSRB published a detailed blueprint for the future of the Electronic Municipal Market Access (EMMA®) website. “EMMA 2.0” will build upon the success of the website since 2009 to bring enhanced transparency and efficiency to the municipal securities market.

The MSRB’s EMMA website provides widespread access to key municipal market disclosure documents and data. Today the EMMA website houses primary and secondary market disclosure documents, real-time trade prices, interest rates and liquidity documents for variable rate securities, and current municipal credit ratings, among other information.

The MSRB’s Long-Range Plan for Market Transparency Products establishes a vision for developing EMMA into a central hub for the municipal securities market through the addition of new information and features. The plan promotes greater market transparency through the development of additions and enhancements designed to help investors, state and local governments, financial professionals and other market participants access information about the municipal market.

The MSRB has already begun the work of building in upgrades to the EMMA website outlined in the long-range plan. In November 2011, the MSRB integrated the display of current credit ratings from Fitch and Standard & Poor’s. In February 2012, the MSRB optimized EMMA for viewing on a mobile device and began offering free subscriptions to end-of-day email alerts when a particular security

trades. The trade alerts supplemented previously available email alerts to help investors and others stay up to date when new disclosure information becomes available on the EMMA website for a particular security or group of securities. Continued improvements to alerts management tools are part of the development of EMMA 2.0.

In 2012, the MSRB has added graphical representations of EMMA data on overall municipal market trading activity, the amount traded by customers and dealers, and the volume of trades for any given date range. The MSRB continues to seek out additional data-driven tools that would help the public evaluate market trends.

The future of EMMA 2.0 includes integrated display of information to provide issuer “homepages” that consolidate information about bond issues with easy navigation to related securities and disclosures. This development would make it easier to locate information on the EMMA website.

State and local governments also will have access to additional tools that will help them manage their debt portfolios and promote comprehensive and timely disclosure to the marketplace. One such tool, to be used to monitor bond trading activity, became available in September as part of the MSRB’s State and Local Government Toolkit. The EMMA® Trade Monitor enables state and local governments to export trade data from the EMMA website to a desktop application for analysis of secondary market bond trading activity.

MAY 2012

MSRB Launches Online Investor Toolkit

JUNE 2012

MSRB Offers Historical Data Products for Primary Market, Continuing Disclosure and SHORT System

## AVAILABLE ON EMMA®

**1.2 million**  
outstanding  
securities



**70 million**  
trades



**800,000**  
disclosure  
documents



State and local governments play an important role in expanding and enhancing the information available to the public on the EMMA website. The MSRB already allows and encourages state and local governments to submit to EMMA additional information on a voluntary basis that goes beyond their required annual and event-based disclosures. State and local governments may voluntarily post pre-sale information, such as preliminary official statements, the timing of and accounting standard used to prepare annual financials, and an investor website address, to the EMMA website.

The MSRB intends to help state and local governments effectively provide disclosure to their investors by improving the process by which continuing disclosure documents are submitted to EMMA and made available to investors. The MSRB plans to streamline the process of submitting documents and data for municipal securities dealers. For example, the MSRB is moving ahead with a proposal to create a straight-through process system for municipal new issue data that will allow underwriters to satisfy their new issue submission requirements to EMMA with data they already submit to the New Issue Information Dissemination Service (NIIDS). The straight-through process will help to increase market efficiency and reduce chances for data errors.

Improvements to “pre-trade” transparency for retail investors are also a priority for the MSRB. Its long-range plan for market transparency envisions a “central transparency platform” to provide public access to real-time pre- and post-trade pricing information across the municipal market on EMMA. This platform could serve to enhance transparency and improve the pre-trade valuation process, particularly for municipal securities that trade infrequently. The additional pricing information would be integrated with the full library of disclosure documents and information available on EMMA.

The MSRB has made a long-term commitment to ensure that its flagship EMMA website remains aligned with the needs of the municipal market and responsive to changes. Public feedback and input is welcomed as EMMA 2.0 begins to take shape.



The EMMA website is located at <http://emma.msrb.org>.

## JUNE 2012

MSRB Receives SEC Approval to Strengthen Regulation of Broker's Brokers

## JULY 2012

Revised Definition of Sophisticated Municipal Market Professional Takes Effect



## Education, Outreach and Market Leadership

### MSRB Event Highlights

The MSRB is committed to helping market stakeholders understand all aspects of the municipal market so that they can make informed decisions. To do so, the MSRB hosts outreach events nationwide to help educate industry practitioners about MSRB rules and market transparency initiatives, and provide an opportunity for stakeholders to offer feedback to the MSRB. In 2012, the MSRB hosted events in New York, Miami, Dallas, Chicago and San Francisco. The MSRB also serves as a resource to Congress, other policymakers and journalists, and welcomes stakeholders to its offices in Alexandria, Virginia, for industry roundtables and other events.



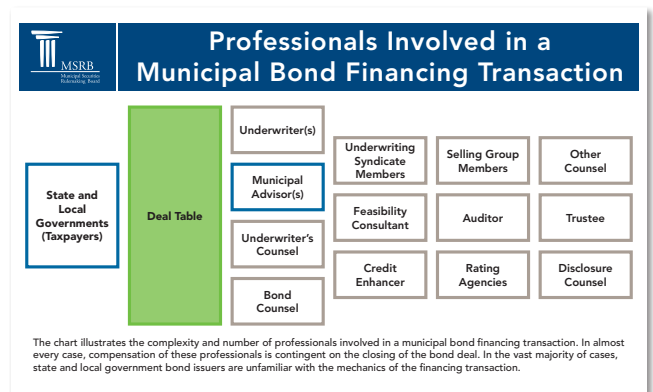
Alan D. Polsky and CA State Treasurer Bill Lockyer

#### San Francisco, CA

MSRB Chair for FY '12, Alan D. Polsky, and California State Treasurer Bill Lockyer delivered the keynote address at an education and outreach seminar co-hosted by the MSRB and California Debt and Investment Advisory Commission on July 24, 2012 in San Francisco, California.

The seminar provided market participants and, in particular,

public agencies, with information about how regulation of the municipal securities market is changing and the MSRB's long-range plan for greater market disclosure and transparency.



#### Congressional Testimony

MSRB Chair for FY '12, Alan D. Polsky, provided congressional testimony on behalf of the MSRB on the effect of municipal securities provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The July 20, 2012 hearing before the Subcommittee on Capital Markets and Government Sponsored Enterprises of the House Financial Services Committee offered the MSRB an opportunity to emphasize the need to protect state and local governments in their municipal finance transactions, which often can involve complex structures and multiple professionals whose compensation is tied to the deal's closing. The full text of the written testimony is available on the MSRB's website at [www.msrb.org](http://www.msrb.org).

#### AUGUST 2012

Enhanced Duties of Underwriters to State and Local Governments Under MSRB Rule G-17 Take Effect

#### SEPTEMBER 2012

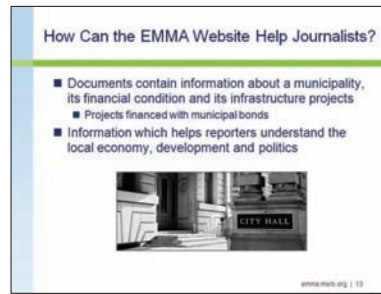
MSRB Improves Access to Information about 529 College Savings Plans on the EMMA Website



### Student Muni Finance Day in DC

The MSRB hosted a "Muni Finance Day in DC" on July 16,

2012, for 35 interns participating in the Municipal Forum of New York's Urban Leadership Fellows Program. The interns visited the MSRB offices for an overview of the organization, heard from staff of the Securities and Exchange Commission, and visited the U.S. Supreme Court and the U.S. Capitol.



### Training Journalists on Using EMMA

The MSRB and the Reynolds Center for Business Journalism hosted a webinar series in March 2012 designed specifically for journalists. The webinar series familiarized reporters with the data and documents available on the Electronic Municipal Market Access (EMMA®) website, how to find this information and why it is invaluable to business, government and personal finance reporters.



## Providing Market Leadership on Issues of Importance to Municipal Market Participants

The MSRB stays apprised of events affecting the municipal market and advances market understanding by providing expertise to policymakers and other regulators whose jurisdiction includes aspects of the municipal market. The MSRB is uniquely positioned as a market leader to provide analysis and facilitate conversation.

### Market Indicators

Following market concerns about manipulation in the rate-setting process of the London Interbank Offered Rate (LIBOR), the MSRB developed educational resources to enhance understanding of the methodologies, mechanics and use of municipal market indices.

One publication provides an overview of the types of indicators used to estimate the general level of municipal bond yields and briefly describes the methodologies



*LIBOR and the Municipal Market*

used to create the most commonly used indices, benchmarks and yield curves in the municipal market. The MSRB hosted a roundtable with providers of market indicators to facilitate a discussion of how to further enhance transparency and understanding.

A second publication provides an introduction to LIBOR and its relevance for

the municipal market, and provides guidance for state and local governments seeking to evaluate transactions with structures based on LIBOR.

### SEPTEMBER 2012

MSRB Expands Online Toolkit for State and Local Governments

### SEPTEMBER 2012

MSRB Receives SEC Approval to Improve Price Transparency for "Not Reoffered" or "NRO" Municipal Securities



### Volcker Rule

As mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act, federal regulators drafted a proposed rule to restrict proprietary trading by banking entities. The MSRB submitted a comment

letter to regulators in January 2012 that urged expansion of an exemption for governmental obligations to include those issued by all municipal entities. The letter argued that the draft rule, known as the Volcker Rule, would exclude agencies of states and political subdivisions from the exemption, resulting in a “bifurcation” of the municipal securities market without benefiting the soundness of the banking system.



### Bank Loans

With private placements of municipal securities on the rise, the MSRB reminded the financial professionals who facilitate bank loans for state and local governments to consider carefully whether the nature of the transaction would make it a private placement. The MSRB also encouraged state and local governments to provide voluntary disclosure of bank loan financing information through the MSRB’s EMMA website.

Voluntary disclosure of bank loans by state and local governments can provide timely access for bondholders, potential investors and other market participants to key information useful in assessing their current holdings of municipal securities or in evaluating prospective investments in municipal securities.

If a bank loan is considered a private placement, registration as a broker with the Securities and Exchange Commission and the MSRB would be required under federal securities laws. Because determining whether these products are loans or securities is a multifaceted analysis, the MSRB has encouraged the SEC to provide further guidance on this issue.



### Regulatory Cooperation

The MSRB works closely with the Securities and Exchange Commission (SEC) in its oversight of the municipal market. MSRB staff and the SEC confer on a regular basis regarding rulemaking, examinations, enforcement and market transparency.

The MSRB looks forward to continuing its strong working relationship with the SEC’s Office of Municipal Securities.

The MSRB provides enforcement support to the regulatory authorities that enforce MSRB rules, including the SEC, the Financial Industry Regulatory Authority (FINRA) and federal bank regulators, and also provides support to the Internal Revenue Service. The MSRB meets regularly with these fellow municipal market regulators to discuss MSRB rule interpretations, dealer and municipal advisor inspections, and other market issues. The MSRB ensures that data from its information systems are available for examination and enforcement activities and supports these efforts through training and other initiatives.



SENIOR LEADERSHIP



**Lynnette Kelly**  
Executive Director



**Ernesto A. Lanza**  
Deputy Executive Director



**Gary L. Goldsholle**  
General Counsel



**Elizabeth Wolfe**  
Chief Financial Officer



**Al Morisato**  
Chief Operations and  
Technology Officer



**Ritta McLaughlin**  
Chief Education Officer



**Jennifer A. Galloway**  
Chief Communications  
Officer

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<http://emma.msrb.org>  
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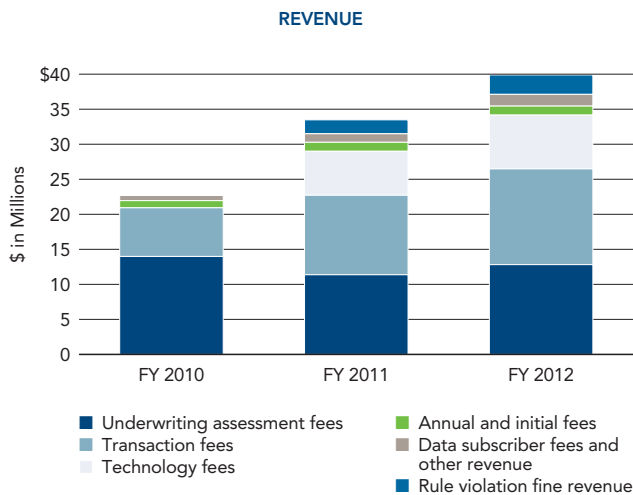


## Financial Highlights

The MSRB’s mission requires that the organization have stable, sufficient funding to ensure that it has the resources necessary to promote a fair and efficient municipal market. Adequate reserves allow the organization to operate without interruption, regardless of market conditions and the level of underwriting and transaction activity, and support a robust and reliable technological infrastructure. Financial highlights from Fiscal Year 2012 are provided below. Full audited financial statements are available on the MSRB’s website at [www.msrb.org/Publications/Annual-Reports](http://www.msrb.org/Publications/Annual-Reports).

### Revenue

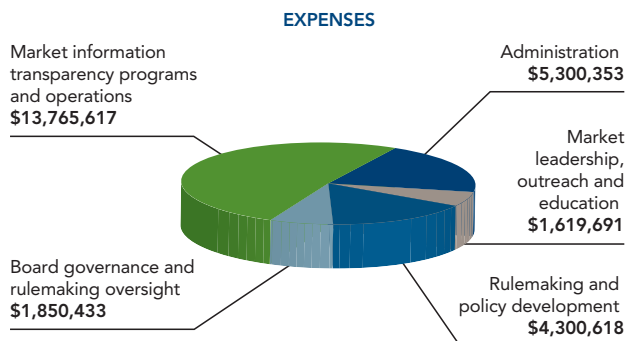
The MSRB’s FY 2012 revenues reflect ongoing diversification of revenue sources, consistent with the MSRB’s goal of more balanced and equitable financial support. The MSRB will continue to diversify its revenue base when it assesses fees on municipal advisors pending finalization by the Securities and Exchange Commission (SEC) of a municipal advisor definition.



FY 2012 revenue totaled \$39.9 million, up 19 percent from FY 2011. The addition of a technology fee in January 2011 established a fund for the ongoing maintenance, updating and replacement of aging MSRB technology systems, including the Electronic Municipal Market Access (EMMA®) website and its technical infrastructure. The growth in revenue in FY 2012 reflects the impact of a full year of the new technology fee and increased transaction fees, both effective January 1, 2011. Additionally, FY 2012 reflects growth in fine-sharing revenue with other regulatory agencies. The SEC and the Financial Industry Regulatory Authority (FINRA) began sharing fines for violation of MSRB rules with the MSRB in 2011 as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

### Expenses

In FY 2012, operating expenses totaled \$26.8 million, up 3 percent from FY 2011. These expenses reflect the organization’s core mission, with an emphasis on rulemaking and policy development; board governance and rulemaking oversight; market information transparency programs and operations; market leadership, outreach and education; and administration.



## 2012 FINANCIAL HIGHLIGHTS

<i>September 30,</i>	2012	2011	2010
<b>Statements of Financial Position</b>			
Total Assets	\$50,041,243	\$36,651,410	\$29,760,889
Total Liabilities	3,646,681	3,312,474	3,825,563
Total Net Assets — Unrestricted	46,394,562	33,338,936	25,935,326
<b>Statements of Activities</b>			
<b>Revenue:</b>			
Underwriting assessment fees	12,812,254	11,368,394	13,984,780
Transaction fees	13,667,607	11,348,228	6,940,551
Technology fees	7,681,655	6,280,060	
Annual and initial fees	1,284,408	1,281,200	1,018,821
Data subscriber fees and other revenue	1,674,679	1,217,774	736,094
Rule violation fine revenue	2,771,735	1,983,833	
Total Revenue	39,892,338	33,479,489	22,680,246
<b>Expenses</b>	26,836,712	26,075,879	23,131,408
<b>Change in Net Assets</b>	\$13,055,626	\$7,403,610	\$(451,162)
<b>Statements of Cash Flows</b>			
Cash Provided from Operating Activities	\$15,963,436	\$8,572,169	\$2,563,789
Investment in Technology Systems and Other Fixed Assets	\$3,077,524	\$4,236,002	\$3,819,043

These highlights are supported by the audited financial statements, which are available on the MSRB's website at [www.msrb.org/Publications/Annual-Reports](http://www.msrb.org/Publications/Annual-Reports).



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