Letter of Comment No. 16 File Reference: 13-3PV Date Received: 2/13/12

From: Wolfe, Robert

**Sent:** Monday, February 13, 2012 10:13 AM

To: Director - GASB

**Subject:** GASB Presents Preliminary Views on Financial Projections

## To Whom it May Concern:

GASB does not require the federal government or the State of California to do financial projections. If fact the State of California cannot even generate a budget for one year as they currently use a 6 month "model".

California funds its public schools on a revenue limit, or per pupil attendance, model. As a low wealth district in the state (defined as having a low percent of local property tax funding, the State provides around 90% of my unrestricted general fund revenue. The State provides 96.1787% of my total revenue). I am required by the State to include a current year plus 2 year Multi-year projection on all my financial reports. The State does not even do this and no one requires that of them. You are proposing forcing me to do a presumably current plus 5 year MYP while not requiring the same of the State Government or the US Government. You seem to follow this theme of "users of government financial reports". It does not appear that Standard and Poor's or Fitch have any problems with the current method or system of reporting in California since they seem to be willing and able to issue the District a credit rating with a copy of the financial statements and the independent audit report.

Maybe you all should look for a touch of reality before considering yet another attempt to make government financial statements look like private sector ones. I would love to be able to charge whatever the market would bear, or limit the supply to drive my profits higher (wait I don't make a profit hence the nature of governments) or raise rates/fees to line the pockets of the CEO and Board, unfortunately that is not the reality of government funding and if my "parent" can't give me a clue where they are going to be 7 months from now, a school district can't possibly be expected to produce a 5 year MYP that would be worth the paper it's printed on

Robert Wolfe
Asst. Supt., Business Services
Menifee Union SD
rwolfe@menifeeusd.org
951-672-1851 x 263