November 1, 2018

Director of Research and Technical Activities
Project No. 26-6
director@gasb.org

Esteemed Director,

The Colorado Housing and Finance Authority (the Authority) appreciates the opportunity to comment on the exposure draft of the proposed statement on Conduit Debt Obligations being considered by the Governmental Accounting Standards Board.

Broadly speaking, the Authority agrees with the language used to define a conduit debt obligation. More specifically, we agree with the language used to describe the varying levels of commitments issuers make with regard to debt service payments on conduit debt and the appropriate recognition of a liability on the Statement of Net Position depending on the level of commitment made by the issuer. Absent additional commitments by an issuer, the Authority agrees a conduit transaction should not be reported as a liability on the face of the financial statements, as described in paragraphs 6 and 7 of the exposure draft.

Additionally, the Authority agrees with the recommended footnote disclosures in paragraphs 20 and 21. The Authority believes providing specific information on each conduit transaction is unnecessary and we agree with the aggregate reporting approach proposed in the draft language.

The Authority appreciates the steps taken by the GASB Conduit Debt team in reaching out to active issuers of conduit debt and obtaining their thoughts and insight on the reporting process. The Authority feels the exposure draft adequately addresses the topic of Conduit Debt Obligations and provides a framework for consistent and comparable reporting among entities.

Respectfully submitted,

Thomas Bryan, CPA
Controller/Director, Accounting
Colorado Housing and Finance Authority