



CITY OF PAPIILLION
David P. Black, Mayor

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Letter of Comment No. 247
File Reference No. 19-20E
Date Received: 1/30/2015

January 29, 2015

Mr. David R. Bean
Director of Research and Technical Activities
Governmental Accounting Standards Board (GASB)
401 Merritt 7
Norwalk, CT 06856-5116

RE: Project 19-20E

Dear Mr. Bean:

The City of Papillion takes great pride in providing a high quality Comprehensive Annual Financial Report. City management works diligently to insure our compliance with the preparation and fair presentation of our financial statements in accordance with accounting principles generally accepted in the United State of America. We understand the importance of our CAFR to the various users, such as elected officials, citizens, financial investors and those investing in our community through development.

The City of Papillion would like to express our opposition to the proposed new disclosure as currently drafted. For the City of Papillion and other Nebraska municipalities is the issue of who controls these economic tax incentives resulting in the tax abatement, the State of Nebraska. Under Nebraska's current statutes the cities are provided very limited information as to who is receiving these incentives, for how much and when the tax abatement or refund will occur. We do not want to be non-compliant because of our legal inability to obtain the necessary information for disclosure. The city is not even a party to the agreements which result in these tax abatements. It is also our belief that tax abatements to individual businesses results in other off setting economic growth, so reporting only one side of the tax abatement agreement would not create an accurate picture of the financial health of the city.

We appreciate the opportunity to comment on this document. I would be happy to discuss this letter with you at your convenience.

Respectfully,

Nancy Hypse
Finance Director