

From: Judi Willard
To: GASB Director <director@gasb.org>
Subject: Project No. 3-20 & 3-25

Dear Director of Research and Technical Activities,

I would like to make a comment about project No. 3-20 & 3-25. I encourage GASB to adopt “FACT-based accounting standards” for the budgeted funds of local, state and federal governments.

If government leaders demand FACT-based accounting when it comes to business finances, shouldn't we expect them to apply those same standards to our governments' finances?

If governments start using FACT, then the media, watchdog groups and the general public would all have a transparent look at how taxpayer dollars are being allocated. Elected officials would need to explain the actual implications of their budgetary decisions. As a society – and a democracy— we could finally have an honest debate about what we want our state and local governments to do for us—and how the bills will get paid.

Thank you for your time.

Sincerely,

Judi

Director of Research and Technical Activities,

Dear Director of Research and Technical Activities,

Thank you for the opportunity to comment on Project Nos. 3-20 and 3-25.

As a concerned citizen and taxpayer I believe it is imperative that GASB take the lead and shine a light on the long-term costs incurred by state and local governments, which are often obscured from public view.

Unfortunately, your proposed standard and accompanying concept statement will establish a basis for financial statements that will continue to mislead citizens and taxpayers.

Governmental funds statements will continue to exclude some of the largest liabilities, and thereby show inflated net positions that can be advertised as “surpluses.” Governments may choose to make their funds statements look better in the short run simply by underfunding necessary pension and other retirement benefit contributions.

At a time when it is vital that state and local governments provide reliable financial reporting, GASB’s proposals will paint incomplete pictures of government finances. Your proposals will allow state legislators and local government officials to validate budgets that include loan proceeds as revenue and exclude costs that weren’t paid in the respective year. With incomplete and misleading information, policymakers will continue to make ill-advised financial decisions that have major repercussions for those who ultimately will be responsible for the bill when it comes due: constituents like me, as well as future generations.

Thank you.

Judi Willard

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