

February 2021

David R. Bean
Director of Research and Technical Activities
Governmental Accounting Standards Board

Sent via email: director@gasb.org

Re: Projects 3-20 and 3-25

Dear Director Bean:

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 the Government Accounting Standards Board take the lead in requiring accurate reporting of long-term costs incurred by state and local governments. We have found government accounting standards to be opaque to the public and unhelpful to decision-makers. We believe reform is needed.

Unfortunately, the proposed standard and accompanying concept statement will exacerbate the deficiencies we are concerned most with. The accounting of public infrastructure such as roads, streets, sidewalks, water and sewage systems, and public drainageways as assets that can serve as collateral, be depreciated, and ultimately be discarded, ignores the role such systems play in service of the community, and distort the obligation local governments have as stewards.

Public officials, who are generally not accountants or financial advisors, need an accurate and transparent accounting of all public commitments and ongoing obligations so they can make decisions for the long-term financial health of the community. Likewise, the public deserves disclosures that accurately represent their understanding of local government's charge to maintain the infrastructure systems in their care. Current accounting practices undermine this covenant and are in urgent need of reform.

Current proposals allow -- and in some cases direct -- local governments to present incomplete and misleading information, with dire consequences on current and future generations of our citizens.

I request that Strong Towns, on behalf of our thousands of members, be afforded an opportunity to testify at the hearings you have planned for these projects.

Sincerely,

Charles L. Marohn, Jr. PE

Professional Engineer, Planner

Author of [*Strong Towns: A Bottom-Up Revolution to Rebuild American Prosperity*](#)

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