

August 25, 2009

Emailed to: rule-comments@sec.gov

RE: SR-MSRB-2009-10

To the SEC and MSRB,

Although the public comment period is now closed, the Utah Government Finance Officer Association (UGFOA) would like to express the concerns of our member municipal finance officers regarding notice number SR-MSRB-2009-10. The UGFOA is extremely concerned about the requirement to voluntarily submit annual financial information to EMMA within 120 days of the end of their fiscal year. In most cases municipalities would be unable to produce the information required within this time period.

For at least two months after the end of the fiscal year, certain large tax payments are still being received that need to be included in the entities financial statements. These adjustments, along with other adjusting entries usually take at least 90 days to be prepared and submitted for the independent auditors review. This only leaves 30 days for the auditors to complete their assessment and the official financial statements to be prepared for submission.

In Utah, financial statements are required to be submitted to the State Auditor within 6 months of the close of the prior fiscal year. Because of the complexities of the audit process, many governmental reporting entities are submitting their financial information to the State near the end of the allowed period. This is not a reflection of their efficiency but rather a result of required adjustments to ensure that the financial statements are accurate.

Within the recent several years, municipal governments have been under pressure from other regulatory agencies to produce more detailed reports (see GASB 34, and 45). These reporting requirements are stretching the limited resources of financial officers who are struggling to do more without additional funding. Though voluntary, the added pressure of attempting to submit financial data within 120 days of fiscal year end presents an unreasonable expectation.

The UGFOA Board strongly opposes the 120 days language. Please re-consider this requirement by deleting it altogether or modify it to match the state reporting requirement of 6 months (180 days).

Sincerely,

David Muir, President
Utah Government Finance Officers Association
Finance Director, Cottonwood Heights City