



Ms. Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**RE: SEC Release 34-60315/SR-MSRB-2009-10**

Dear Ms. Murphy:

The City of Rock Hill would like to provide comment on the proposal submitted by the Municipal Securities Rulemaking Board (MSRB) to provide voluntary fields within the Electronic Municipal Market Access (EMMA) system. The city appreciates the fact that you are willing to accept comments on this issue.

The City does – in general - support the MSRB proposal but does take exception to the field that would promote an undertaking to file annual financial statements within 120 days of the end of a government's fiscal year. Our objections arise from several concerns:

1. Adding a more strenuous deadline will make life more difficult for independent audit firms. These firms are increasingly less inclined to bid for governmental audits because of the specialized continuing education requirements and the perception that the work is not lucrative. The City of Rock Hill is fortunate to have a simple organization structure that is relatively easy to audit – and we received only two bids the last time we went out for proposals.
2. Because of the many and varied intergovernmental relationships, grant revenues and expenditures are often difficult to finalize until well after the end of the fiscal year.
3. The focus of governmental financial reporting, generally, is on accurately capturing the costs to provide public services and the revenue that was raised to pay those costs. Governments do not exist to make a profit. We have no equity shareholders and are not under the same pressure to provide instantaneous or quarterly information to maintain earnings growth or other metrics to support a common stock share price. For these reasons, the timing of external financial reporting is less important than it is for the for-profit sector. Rather, in our opinion, governmental reporting is more appropriately focused on accuracy.

4. There is already a mechanism in place for accelerated (immediate) reporting of material adverse events required by governments that have debt outstanding.
5. Finally, despite the theoretical assertion that there is a demand for quicker governmental audit completion in the marketplace, our experience leads us to believe that is not the case in practice. We receive very few requests for audited financial statements except from parties who have an ongoing legal or monitoring interest. In addition to the annual financial statements, the City does post monthly financial statements on our web site. This information – though not audited – is both timely and relatively reliable.

The City appreciates the opportunity to comment on this proposed rule and would be happy to answer any questions that you might have. Please feel free to address questions to myself at (803)329-5557.

David B. Vebaun  
Assistant City Manager  
City of Rock Hill, South Carolina

A handwritten signature in black ink, appearing to read 'D. Vebaun', is positioned to the right of the typed name and title.