

I have just reviewed the proposed rule changes for submission of documents to EMMA in satisfaction of municipal disclosure requirements. I support the proposed changes with the exception of the “voluntary” standard of 120 day submission of annual financial information. This places a heavy burden on the vast majority of municipalities and may in fact be unachievable for a great number of them. The GFOA standard of 180 days is far more practicable and consistent with municipal practices. The complexity of fund based financial reporting applicable to most municipalities and the stringent standards necessary to meet CAFR guidelines, Single Audit provisions, and to meet any additional local, state, and federal guidelines including standards established in the Governmental Auditing Standards (“Yellow Book”), require a level of audit preparation that I believe is unmatched in the private sector. Additionally, many municipalities operate with very small or less than optimum staffing levels placing further time pressures on them to even meet the more typical deadline of 180 days. Finally, the current economic situation has only exacerbated that for many, if not most, issuers. I strongly urge that your timing standard for submission of annual financial information be set at 180 days consistent with GFOA standards and generally other legal documents such as bond indentures and local ordinances/bylaws.

I understand that the standard is voluntary, but there is little doubt that it will then become the expectation, and the many jurisdictions that will fail to meet this standard will carry a figurative “black eye” in the mind of investors. I also fear that politicians, for purely political reasons, would hold their local finance staff accountable to such a standard. This could prove counterproductive to the intent of the site, which is to encourage and promote timely *and* accurate reporting. Pressure to meet 120 day standard might well result in less accurate reporting as the staff and auditors push to meet an unrealistic deadline.

Thank you for the opportunity to submit a comment and your willingness to consider it as you finalize the standards for what I believe will prove to be an invaluable tool for municipalities, investors, and the public.

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