

Director of Research
director@gasb.org

RE: Project No. 3-16

Dear Director of Research:

The Technical Accounting Review Committee (TARC) of the Illinois Government Finance Officers Association (IGFOA) has reviewed the aforementioned exposure draft and has the following comments that it wishes GASB to take under consideration:

The IGFOA respectfully feels that this exposure draft does not further the clarification and understanding of external legally enforceable restrictions. The issues brought forth are more suitable for a Q & A rather than a GASB statement. Furthermore, the definition of enabling legislation is lacking and further clarification needs to be made. For instance, does enabling legislation mean something that is enacted by an external group such as what a state legislature would pass that affects a municipal government, or does the definition also include ordinances enacted by the government itself should external groups (such as citizens) be able to use the enabling legislation to bring suit against the government? One potential example of this could be the levying of a new or increased tax and incorporating language into the ordinance that specifies what these dollars are to be used for. Would this constitute enabling legislation as it would seem to be something that is legally enforceable but it is not enacted by a third party.

Thank you for your time in review of TARC's comments. Should you need further clarification please feel free to contact me at jegeberg@desplaines.org or 847-391-5328.

Yours truly,

Jim Egeberg
Chair Technical Accounting Review Committee
Illinois Government Finance Officers Association