Missouri and GASB Statement No. 77

Who in state government is most likely to influence GASB 77 disclosure?

State Auditor Nicole Galloway (D – Elected 2015)

The State Auditor audits Missouri’s CAFR and also serves as the auditor for counties within the state that do not have public auditors. Auditor Galloway was nominated for the 2017 Gabrielle Giffords Rising Star award, given annually to a female elected official who possesses the values and leadership demonstrated by former the former Congresswoman the award is named for. Galloway’s nomination noted her particularly leadership in improving Missouri’s online transparency of state financial records.

Kansas City Public Library Director Crosby Kemper III

The Director of the Kansas City Public Library is an outspoken opponent of corporate subsidies for development. The Library reported $2.7 million in library revenue foregone (out of an $18 million budget) because of tax abatements granted by local governments. Its October, 2016 CAFR report released the data a year before required to.

Kemper has rallied librarians from Columbia and Springfield to express their concern about tax increment financing’s (TIF) impact on their libraries’ finances. Kemper also chairs the board of the libertarian Show-Me Institute, which has actively spread the word on GASB 77 as a tool for exposing and curtailing ineffective incentives like TIF.

Who commented on the exposure Draft from Missouri?

Three organizations and one elected official in Missouri submitted GASB 77 comments:
• The Missouri Department of Transportation expressed support for disclosure of public subsidies but expressed some concern whether governments experiencing passive losses would be able to collect data required from abating jurisdictions.

• Professor Todd Swanstrom, UM-SL (co-signed a letter with 47 other academics in support of the GASB 77) and Professor Kenneth Thomas (co-signed the same letter and another in his own name).

How many counties, municipalities and school districts in the state are required to conform with GAAP and therefore GASB Statements?

According to a GASB’s State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting (published March 2008) none of Missouri’s 114 counties, 1,258 cities or 536 independent school districts is required by state law to use GAAP accounting. Ninety-five percent of Missouri school districts use OCBOA (Other Comprehensive Basis of Accounting) rules, which use cash accounting (instead of accrual accounting used under GAAP) and are less rigorous than GAAP. An unknown share of Missouri localities adhere to GAAP: the same 2008 GASB study indicates that many jurisdictions that are not legally required to follow GAAP do so anyway, presumably to satisfy credit ratings agencies and obtain the lowest possible interest rates on bond borrowings.

Which state office collects CAFRS from counties/cities/school districts?

The State Auditor’s office collects CAFRs audit reports from local governments and school districts and posts them online in a searchable database. The State Auditor also collects and posts annual reports of all TIF districts in the state (few states do this).

Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRs?

We could find no evidence of technical assistance programs for local government financial managers provided by the State Auditor, or other state offices or universities.

Does state government monitor fiscal stress within county/municipality/school district?
Missouri does not have a system of monitoring fiscal stress among local governments.

**Which state office is responsible for completing state’s CAFR?**

The State’s Office of Administration completes the state’s CAFR.

**When was most recent CAFR filed?**

Missouri’s fiscal year ends on June 30th. Its most recent CAFR was published on December 30, 2016.

**Based on what we know about past filing behavior, when will GASB 77 start appearing in Missouri?**

- **State government**: Late-December 2017
- **Largest cities**:
  - Kansas City: late October 2017
  - St. Louis: late October 2017
  - Springfield: mid-December 2017
- **Largest counties**:
  - St. Louis County: Issued June 21, 2017
  - Jackson County: [Issued](#) June 23, 2017
  - St. Charles County: [Issued](#) June 9, 2017
- **Largest School Districts**
  - St. Louis: mid-December 2017
  - Springfield: mid-October 2017
- **Largest Public Library District**
  - Kansas City Public Library: [Issued](#) October 7, 2016

For more information on GASB 77, visit: [http://www.goodjobsfirst.org/gasb](http://www.goodjobsfirst.org/gasb)