



Georgia and GASB Statement No. 77

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Who in state government is most likely to influence GASB 77 disclosure? State Auditor Greg Griffin. The Georgia State Auditor reviews [local government audits](#) and is also the primary auditor for state colleges and universities. The [Educational Division](#) of the Auditor's office audits public schools in the state. Prior to entering public service, Auditor Griffin had a [private sector accounting](#) career with AT&T, Bell South and Cingular Wireless. Georgia State Treasurer Steve McCoy is one of the State Treasurer representatives on the [Executive Committee](#) of The National Association of State Auditors, Comptrollers and Treasurers (NASACT).

Who commented on the Exposure Draft from Georgia?

- The Georgia Budget and Policy Institute submitted a [comment](#) calling for the including of personal income tax and sales tax divisions in abatement disclosures.
- Stacey Abrams, Minority Leader of the Georgia House, submitted a [comment](#) calling for inclusion of income and sales tax diversions in disclosure requirements.
- The Georgia Economic Developers Association submitted a [comment](#) expressing concern about possible confusion if the exposure draft was implemented. Their comment focused on technical elements including whether a public authority was really a government and whether abatement costs would be overstated if they were not offset by benefits like sales taxes.
- The Development Authority of Fulton County submitted a [comment](#) centering on technical objections surrounding the definition of abatement, and ambiguity when the state is the title-holder of a property where leasehold improvements are made that benefits a private interest.
- The Georgia Government Financial Officers Association filed a [comment](#) that roughly follows the objections made by national GFOA as well as affiliates in several other states. Georgia GFOA contends that state and local governments in Georgia are banned from providing abatements, that this right is reserved for development authorities which are *per se* not governments. Like other GFOA entities, it also argued the draft standard was misleading because it does not require disclosure of benefits as well as costs.

- The Henry County Development Authority (acting through their legal firm, Meadows and Macie), filed a [comment](#) identical to Georgia GFOA above.
- Prof. Dan Immergluck of Georgia Institute of Technology joined 47 other academics to co-sign a [comment](#) broadly supportive of GASB 77.

Does the state’s most recent CAFR include GASB 77 disclosure? Yes, but the amount of taxes abated was not disclosed for confidentiality.

How many counties, municipalities and school districts in the state are required to conform with GAAP and therefore GASB Statements? According to GASB’s [research brief](#) titled “State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting” (2008), all of Georgia’s 156 counties and 180 school districts are required by [state law](#) to use GAAP accounting. Three hundred and seventy-nine of Georgia’s 531 municipalities are also required by state statute to use GAAP, with the remainder exempted because they have less than \$300,000 in annual expenditures.

How many counties, municipalities and school districts reported on GASB 77 disclosures in 2018? 47 of 89 sampled counties/municipalities and 46 of 93 sampled school districts.

Is there a state office that collects CAFRS from counties/cities/school districts? Local governments are required by [law](#) to send copies of annual audits to the State Auditor’s [Local Government Audit Division](#) for review. Municipal audits and the underlying annual financial reports are posted [online](#). Local school audits are posted [online](#). Local governments that fail to supply annual audit statements are recorded as [non-compliant](#) and are subject to the loss of state aid.

Does the state government or do academic/NGO institutions provide technical assistance on GAAP, GASB or completing CAFRs? In lieu of any guidance from the state auditor, the Carl Vinson Institute at the University of Georgia has published a helpful [bulletin on GASB 77](#). The Carl Vinson Institute is actively involved in training local government officials on a host of topics, including [financial reporting](#). Lumpkin County, GA reports on participating on several statewide GASB 77 trainings and is [responding pro-actively](#) to disclosure.

Does state government monitor fiscal stress within county/municipality/school district? No.

Which state office is responsible for completing the state’s CAFR? Georgia State Accounting Office.

What early compliance news do we have from Georgia? (as of June 20, 2017) Fulton County was the first governmental body in Georgia to report GASB 77 data in its [2016 CAFR](#), released

June 9th. The county reported revenue losses associated with tax abatements of \$5.7 million from activities of the county's Development Authority; \$562,000 from its Enterprise Zone program, and \$137,000 from historic preservation property tax abatements. In addition, the county reported \$477,000 in passive losses resulting from abatements granted by the cities of Atlanta and Alpharta.

For more information on GASB 77, visit: <http://www.goodjobsfirst.org/gasb>

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