



SB 60 FINANCIAL REPORTING ON THE UFIR

The Situation:

Kentucky cities are required by law to annually complete a Uniform Financial Information Report (UFIR), which is intended to encompass tax and fee rates, revenues, expenditures and debt levels of each local government. The Task Force on Local Taxation recommended creating a more credible database to provide additional information about local government finances to decision makers.

Our Position:

The General Assembly must pass SB 60 to provide for a more credible and efficient local government financial database in order to receive more relevant information about local taxes, revenues and expenditures. The data collection form (UFIR) needs to be altered so it offers a better picture of city finances.

Here is why:

- Kentucky cities yearly spend large amounts of time and money to complete the UFIR, often paying auditors to complete the report. A simpler form will enable more cities to complete the UFIR in-house and will increase compliance.
- The current UFIR does not adequately conform to generally accepted accounting principles that cities must use, nor does it adequately fit merged, consolidated or unified local governments.
- A new UFIR form will allow cities to identify more specific expenditures — including pension and health insurance costs for their employees — and more accurately reflect general tax rates.

www.klc.org