LETTER OF COMMENT NO. 85

June 15, 2007

Technical Director—File Reference Number 1530-100
FINANCIAL ACCOUNTING STANDARDS BOARD
401 Merritt 7 P.O. Box 5116
Norwalk, CT 06856-5116

Dear Director,

As Bishop of the Church I don't usually have occasion to write this type of letter.

However, I have been an advocate for transparency and open accounting in government and business for many years. I have especially watched local government as that is the level that affects our Parishioners most directly.

Municipal finance requires the greatest confidence on the part of the citizenry, those who ultimately pay the bills. Confidence is built by transparency, consistency and uniformity in financial reporting.

Accordingly, I write now to encourage you to enact the proposed new standards for the Financial Guarantee industry.

As you know, the financial guarantee industry insures bonds for municipalities totaling billions of dollars. It is vital that these local governments have a clear and unambiguous picture of the financial health of those insurers. The proposed standards go far to more accurately reflect revenue and loss—important steps in allowing a clearer understanding of the relative health of the various firms.

I urge you to enact the proposed changes as expeditiously as possible

Very truly yours,

The Rt. Rev. Council Nedd II, DD
Bishop of the Chesapeake, EMC

HOLYROOD HOUSE, 1007 N. SEVENTEENTH STREET, HARRISBURG, PA 17103