



## National Association of State Auditors, Comptrollers and Treasurers

February 28, 2007

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Mr. David Bean  
Director of Research  
Project No. 31  
Governmental Accounting Standards Board  
401 Merritt 7  
P. O. Box 5116  
Norwalk, CT 06856-5116

Dear Mr. Bean:

On behalf of the National Association of State Auditors, Comptrollers and Treasurers, I am pleased to provide these comments regarding the GASB's exposure draft (ED), *Pension Disclosures*.

We understand that the purpose of the provisions in the ED is to more closely align the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) under Statements 43 and 45. We generally agree with the provisions in the ED and believe that consistency between these standards will reduce confusion among users and preparers. In addition, the proposed disclosures will improve the transparency and usefulness of financial reporting by pension plans.

Although we agree with the provisions in the ED, we have a couple of items that we believe should be addressed by the board.

1. Illustration 6 appears to be intended to demonstrate disclosures required of a city participating in an agent multiple employer pension plan. As such, we would expect the paragraph titled *Funded Status and Funding Progress* to present the aggregate funded status information related to the Municipal Employee Pension Plan (MEPP). However, it presents the funded status information for the State Employees Pension Plan (SEPP), a single employer pension plan. While the Kremer Retirement System administers both the MEPP and the SEPP, it is only the MEPP aggregate funded status information that is relevant to the City of Dill financial statement user. We believe the presentation of the SEPP funded status information in Illustration 6 to be incorrect, and would expect it to be changed to the MEPP aggregate funded status information in the final standard.
2. The title to paragraphs 19-25 appears to be incorrect. We believe the correct title should be "Disclosure of the Funded Status of a Defined Benefit Pension Plan" rather than "...Defined Benefit OPEB Plan."

We appreciate the efforts of the Board and the opportunity to provide our comments. Should you have any questions or need additional information regarding our response, please contact Sherri Rowland or Pat O'Connor of NASACT at (859) 276-1147 or me at (615) 741-2382.

Sincerely,

Jan I. Sylvis  
NASACT President