



Keyes Union School District
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Letter of Comment No. 91
File Reference No. 34-E
Date Received: 10/5/11

Jeff Reed, Board President
Jimmy Emmons, Sr., Board Vice-President
Bob Edwards, Board Clerk

Tony Aguilar., Board Member
Sandra Marchant, Board Member
Karen Poppen, Superintendent

September 29, 2011

Director of Research and Technical Activities, Project No. 34-E
Governmental Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

To Whom It May Concern:

I am writing in response to GASB Exposure Draft Amendments to Statements No. 25 and 27. As a small school district of only 1,100 students, what you have proposed would have a huge negative effect on our small community and school district.

In addition, I want to express the following concerns:

- LEAs in California do not grant or negotiate pension benefits to employees the way local governments do.
- The State of California through legislation and actions taken by the governing bodies of CalPERS and CalSTRS set pension benefits. The liability to fund the systems for school employees rests totally on the State of California.
- Some cities and counties negotiate pension benefits and those entities are responsible for funding what they promise their employees, but schools are different.
- The limit of the liability to retirement systems in California public schools is the contribution rate which is a percentage of salary.
- Reporting public pension liabilities at the LEA level will cause some members of the public to think the pension funding issue is much smaller than it really is.
- Forcing LEAs to show such large liabilities will impact their ability to access short and long term borrowing and give the impression that the local school is in financial distress.

Please reconsider your amendments and remove this threat from school districts.

Respectfully,

Karen Poppen, District Superintendent
Keyes Union School District

Keyes to Student Success: Family, Responsibility, Pride

