



305 Wick Ave., Youngstown, OH 44503

Carlton A. Sears, Director

October 12, 2011

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

To the Director Research and Technical Activities:

I am writing in response to your invitation to provide comments on the Exposure Draft, Accounting and Financial Reporting for Pensions and amendment of GASB Statement No. 27. I wish to extend my appreciation of the opportunity to do so. This invitation is further proof of how deliberately and thoughtfully GASB has undertaken the important task of providing more transparency in financial reporting.

It seems that this GASB statement would apply and work well in situations/states where there are single employers and agent multi-employer plans. However, we are a public employer participating in the Ohio Public Employees Retirement System (OPERS) which is a cost sharing multi-employer plan. This retirement plan is one where employers fund retirement contributions which are governed by state statute. The liabilities and assets of this plan are reflected on the OPERS financial statements and the accounting to fund the plan already appear on our financial statements as expenses as they are funded. Reporting any additional liability on the part of the employer once funding payments have been made seems as to be assuming a liability that would no longer belong to the employer and would further cause an undue further burden to public employers in Ohio.

As a public employer we are required to participate in OPERS and we have no control over the contribution rates assessed or how the benefits offered are calculated. Any changes to either of these require legislative action. Ultimately if there were a plan termination, default or some other unlikely event, the state legislature would need to determine how and what the final dispensation of any unfunded liabilities would be.

Your time in reviewing my comments are appreciated as is your pursuit of the need for increased transparency and accountability of pension plans, employers and plan sponsors. I am hopeful that the final GASB statement will reconcile and reflect accounting requirements with the actual liability that employers have for funding pension plans as are mandated by state statute.

Sincerely yours,

A handwritten signature in black ink that reads "Susan Merriman". The signature is written in a cursive, flowing style.

Susan Merriman  
Fiscal Officer