Director of Research and Technical Activities  
Project No. 34-P  
Governmental Accounting Standards Board  
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We appreciate the opportunity to read and respond to the draft “Proposed Statement of the Governmental Accounting Standards Board, Financial Reporting for Pension Plans.” Members of our staff have read the proposed standard and offer the following comments.

1. The proposed standard met the objectives of the proposed statement to some degree.

2. The proposed statement clarifies the requirements as they apply to the type of pension plan, such as a single-employer plan versus a cost-sharing plan, as demonstrated in paragraphs 8 – 10.

3. The proposed statement improves recognition criteria for receivables in paragraph 16.

4. As it pertains to paragraphs 72-75, we agree with the Board’s decision to require pension plans to recognize only benefits due and payable as of the date of the statement of net position.

5. Montana’s constitution requires public retirement systems to be funded on an actuarially sound basis. Currently, GASB 25 establishes an acceptable amortization period for the unfunded actuarial accrued liability. We recommend this be included in the proposed statement to provide a consistent maximum amortization period for pension plans.

If you have any questions or need additional information concerning our response, please contact me at bkedish@mt.gov.

Sincerely,

/s/ Brenda Kedish

Brenda Kedish

By e-mail