

in estimates resulting from the use of such evidence.” Therefore, if a notice of award is received prior to issuance of the financial statements, a receivable for grant revenues may be reasonably estimated, and therefore accrued as of the entity’s reporting period, based on the reporting entity’s specific circumstances.

Further, not recording these revenues for expenditures that have been incurred and are eligible for reimbursement could result in misleading financial statements, likely not achieving inter-period equity by showing significant losses in one year and significant gains the following year.

- *Statement No. 48*

We recommend adding to the Board’s answer in Paragraph 4.10 of the Exposure Draft, the reference to Paragraph 68 of Statement No. 72, *Fair Value Measurement and Application*, as is done in the Paragraph 4.11, explaining that the initial classification of an asset should be retained for financial reporting purposes, even if the government’s usage of the asset changes over time.

- *Statement No. 75*

We welcome the clarification in Paragraphs 4.4, 4.5, 4.6 and 4.7 regarding inclusion of the amount of the implicit payments made subsequent to the measurement date in the deferred outflow of resources related to OPEB reported for amounts paid by the employer for OPEB as the benefits come due during that period. We would recommend adding to the Board’s answer comments addressing reliance on estimates based on projected benefit payments when direct calculation of the implicit rate subsidy is not practical.

We thank the GASB for its efforts in preparing the exposure draft and for the opportunity to respond. Please feel free to contact me at (850) 891-8082 or kent.olson@talgov.com regarding the comments above.

Sincerely,



Kent Olson, CGFO
President