

Director of Research and Technical Activities
Governmental Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Projects 3-20 and 3-25

February 1, 2021

Dear Sir or Madam:

As a licensed Certified Public Accountant and a concerned citizen, I cannot understand why any rulemaking body is considering keeping long term liabilities off the financial statements of governments' largest budgeted funds. These are actual liabilities, not some gauzy, nebulous future obligation. Yes, the precise amounts are not known at any instant. That's why we have accountants and actuaries, who are skilled at making such estimates, who can periodically adjust them as additional facts are known.

Let's get to the essence of what is really going on here. Politicians do not want to tell the truth to the taxpayer/citizens, at all levels of government. I believe their craven desire is to get re-elected, and the means to that end is hiding the truth and making their current 'promises' a matter to be dealt with by future politicians, not themselves.

I recall in 2011, Gina Raimondo, the then Treasurer of the State of Rhode Island, began a statewide program of explaining to the citizens that the underfunding of the state's retirement system was, at its core, just a math problem. This led to fundamental changes in that state's pension system.

Hiding the truth, with these obfuscating proposals, is merely kicking the can down the road and making the problem much worse, instead of forcing the political class to deal with the cost of the promises they make right now.

Shame on the governmental accounting rule-makers if you approve of this subterfuge.

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