October 4, 2017

Mr. David R. Bean  
Director of Research and Technical Activities  
Governmental Accounting Standards Board  
401 Merritt 7  
Norwalk, CT 06856-5116

Dear Mr. Bean:

On behalf of the Association of Government Accountants (AGA), the Financial Management Standards Board (FMSB) appreciates the opportunity to provide comments to the Government Accounting Standards Board (GASB) on its June 28, 2017 exposure draft entitled Implementation Guide No. 201X-Z, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting). The FMSB is comprised of 23 members (list attached) with accounting and auditing backgrounds in federal, state and local government, as well as academia and public accounting. The FMSB reviews and responds to proposed standards and regulations of interest to AGA members. Local AGA chapters and individual members are also encouraged to comment separately.

The FMSB appreciates the Board’s efforts in providing additional information regarding complex accounting issues pertaining to OPEB. While the proposed implementation guide had over 500 questions and answers, the FMSB focused on the new questions and answers that were not addressed in previous implantation guides. While we applaud the Board’s efforts in providing a one-stop-shopping concept we found it difficult to read and research. We recommend for future implementation guides the question is presented once with the answers for each situation. We believe a table format would make this presentation of different situations easier to read and to compare the different situations.

Regarding specific questions we have the following comments.

Q. 4.14 – We recommend the answer to include additional information clarifying that if the answer to the question is “yes,” then refer to Paragraph 8 of GASB Statement No. 75, reminding practitioners that OPEB does include death benefits, life insurance, disability and long-term care when provided separately from a pension plan.

Q. 4.71 – This question addresses the use of the same assumptions for agent OPEB plans. While the answer addresses that the assumptions would not expect to be the same, we believe the Board should include an example of when all the assumptions are the same among all plans for better clarity.

Q. 4.86 – We noted the first sentence of the answer included “amounts that are directly related to the payment of medical claims should be classified as benefit payments.” In our research of GASB Statement No. 75, we were unable to find this wording in the standard. We recommend the Board reference this statement to the applicable section in the standard.
We appreciate the opportunity to comment on this document and will be pleased to discuss this letter with you at your convenience. If there are any questions regarding the comments in this letter, please contact me at (208)383-4756 or Lmiller@eidebailly.com.

Sincerely,

Lealan Miller, CGFM, CPA
Chair- AGA Financial Management Standards Board

cc: James “Jim” R. Arnette, Jr. CGFM, CISA, AGA National President
Association of Government Accountants

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