

Public Pension Financial Focus

Reflecting on the past year and the changes that are likely in 2011 reminds me of Charles Dickens's often-repeated line: "It was the best of times; it was the worst of times." On the positive side, the 2009-2010 market returns have benefited all of us, and have helped square up some of the losses from 2008. Most plans have quietly increased their funding level in the past year due to market performances, while others have opted for increased employee contributions, reduced COLAs, or reduced benefits prospectively, usually for new hires. The GAO has found that our plans are stable.

GASB is continuing to push towards placing the actuarial accrued liability on the balance sheet. P2F2 spoke against this and the proposed changes for cost sharing plans this past fall. We did encourage GASB to strengthen the non-funding aspect for those plans that have not been making their required contributions over the past years.

In December, Federal legislation was initiated for regulation of state and local pension systems, based on the small number of systems that have not funded their actuarial accrued liability, or have not had fiscal fences up to prevent investment malfeasance.

In closing, I wish to thank all the Board members for the time and energy they have put into this organization. Special thanks to Karl Greve for all his work on GASB, Dave DeJonge and Karen Carraher for organizing and facilitating the conference, Michele Nix for the conference sponsors, and all the people who make this organization run. Our 2011 conference will be in Portland, Oregon from October 2nd through October 5th. We look forward to seeing you there, and please forward to us any ideas on sessions that you would like to see presented.

Luke Huelskamp, President



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Excellence, Education, & Interaction

GASB Postemployment Benefit Accounting and Financial Reporting – Preliminary Views



The GASB has been very busy over in Norwalk, Connecticut lately, and their favorite subject is pensions. For those who were able to attend the conference in Minnesota, you heard about the major changes that the GASB Board is considering for employer reporting, which the Board discussed in their Preliminary Views Document. Since the conference, GASB has held their public hearings in Dallas, San Francisco and New York and has received over 190 comment letters on their Preliminary Views. For more information on the Preliminary Views, use the links shown below:

Preliminary Views of the GASB Board: Pension Accounting and Financial Reporting by Employers:

http://gasb.org/cs/ContentServer?c=Document_C&pagename=GASB%2FDocument_C%2FGASBDocumentPage&cid=1176156938122

Comment letters on Preliminary Views Document:

<http://www.gasb.org/cs/ContentServer?site=GASB&c=Page&pagename=GASB%2FPage%2FGASBSectionPage&cid=1176157376653>

Since the publication of the Preliminary Views Document, the GASB Board has made many additional tentative decisions related to not only employer reporting, but also plan reporting. You can follow the latest tentative decisions on the GASB website shown below.

Major Tentative Decisions by GASB Board:

http://www.gasb.org/cs/ContentServer?c=GASBContent_C&pagename=GASB%2FGASBContent_C%2FProjectPage&cid=1176156645919#decisions

Top 5 excuses for sleeping at your desk

1. “They told me at the blood bank this might happen.”
2. “I wasn’t sleeping; I was trying to pick up a contact lens without my hands.”
3. “I wasn’t sleeping! I was meditating on the mission statement and envisioning a new paradigm!”
4. “Amen.”
5. “This is just a 15 minute power-nap like they raved about in the last time management course you sent me to.”

<http://www.theworkzine.com/>

P2F2 Comments to GASB Board

A committee of members was gathered by the P2F2 Board to prepare a comment letter related to the GASB Preliminary Views document on pension accounting and reporting by employers, and it was completed in time to make the GASB deadline. A copy of P2F2's comment letter can be found at http://www.gasb.org/cs/ContentServer?site=GASB&c=Document_C&pagename=GASB%2FDocument_C%2FGASBDocumentPage&cid=1176157452838.

Using the comment letter as a guide, three members of the P2F2 Board made a presentation to the GASB Board on October 13, 2010 in Dallas, Texas. Luke Huelskamp (President), Karen Carraher (Treasurer) and Karl Greve represented the organization by giving a 10 minute summary of the written comments followed by 20 minutes of questions by the GASB Board and staff on our comments and a variety of other issues pertaining to pension accounting, reporting and the administration of our plans.

The GASB will be issuing exposure drafts in 2011. Please participate in P2F2's committee or contact a Board member to help develop responses to the exposure drafts.

Health & OPEB Funding Strategies – 2010 National Survey of Local Governments

Cobalt Community Research has prepared a survey report that provides insight into how local governments have implemented or plan to implement strategies to address health care costs. Analysis provided in the report is by Paul Zorn of Gabriel Roeder Smith & Company. For a copy of the report go to the following website:

http://www.cobaltcommunityresearch.org/images/stories/2010_OPEB/2010010%20final%20report%20-%20web%20version.pdf



2010 St Paul, Minnesota Conference Presentations

The 2010 presentations can be found online at <http://p2f2.org>

P2F2 Board Minutes

Minutes for all of the Board meetings of P2F2 can be found at <http://p2f2.org>.

Excel Tips

For excel tips go to: <http://excel.tips.net/> or <http://www.exceltip.com/>

David Letterman Quote

There's no business like show business, but there are several businesses like accounting.

Public Pension Financial Forum Benefits for You

Excellence, Education & Interaction

Delivered to you through the

Annual conference,
Member forum,
Contacts you develop,
Newsletter,
Website, and the
Board responding to GASB & GFOA

Suggestion Box

Please email your suggestions to
kgreve@copera.org



Major Revision to Website Coming Soon!

The P2F2 Board set as an initiative for the upcoming year a major revision of the current website. A subcommittee of the Board, led by Michele Nix, met on website features and searched for a designer to fulfill our requirements. The Board has contracted with Casey Fick to completely redesign the look and feel and improve the usability of the website. We are very excited about where it is headed and hope to have it rolled out soon. Watch for an upcoming e-mail announcing the rollout of our new website.

2011 Conference – Portland Oregon

Make your plans for the 2011 Public Pension Financial Forum at the Benson Hotel in downtown Portland! The conference is planned for October 2 –5, 2011. As always, we would love to have you volunteer; if you are interested please contact kgreve@copera.org.

<http://www.travelportland.com/>

<http://www.traveloregon.com/>

