

MINUTES



To: Board Members
From: Monsen x353
Subject: Minutes of May 31, 2011 Board Meeting on Multiemployer Plans
Date: June 6, 2011
cc: Sutay

The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update or a Statement of Financial Accounting Concepts.

Topic: Quantitative Disclosures about an Employer's Participation in a Multiemployer Plan

Basis for Discussion: FASB Memo No. 9

Length of Discussion: 11:10 a.m. to 12:20 p.m. EDT

Attendance:

Board members present: Seidman, Buck, Linsmeier, Golden, Siegel, Smith, Schroeder

Board members absent: None

Staff in charge of topic: Hildebrand

Other staff at Board table: Cospers, Proestakes, Glotzer, Monsen

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the development of a final Accounting Standards Update. The Board's technical plan calls for that document to be issued in the second half of 2011.

Summary of Decisions Reached:

The Board continued its redeliberations of its September 2010 Exposure Draft of proposed Accounting Standards Update, *Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80): Disclosure about an Employer's Participation in a Multiemployer Plan*, making the following tentative decisions that apply only to multiemployer pension plans:

1. An employer would not be required to disclose the estimated withdrawal liability as proposed. Instead, an employer would disclose the following for each multiemployer plan for which contributions are individually material in relation to the employer's participation in such plans:
 - a. Legal name of the plan
 - b. Employer Identification Number of the plan
 - c. As of the date of each annual balance sheet presented, the most recent certified zone status, as required by the Pension Protection Act of 2006, if available. If zone status is not available, an employer should disclose whether the plan was:
 - i. Less than 65 percent funded
 - ii. Between 65 percent and 80 percent funded, or
 - iii. Greater than 80 percent funded.
 - d. Whether a funding improvement plan or rehabilitation plan had been implemented or was pending
 - e. For each annual period that an income statement is presented, contributions made to the plan
 - f. Whether the entity paid a surcharge to the plan
 - g. The expiration date of the plan's associated collective-bargaining arrangement, if any
 - h. Whether the employer's contributions represent more than 5 percent of total contributions to the plan.
2. For each annual period for which an income statement is presented, an employer would disclose the total contributions made to all multiemployer plans and:
 - a. The contributions made to each individually material plan (see item 1 above)

- b. The total contributions made to all other plans in the aggregate.
- 3. An entity would not be required to provide following disclosures proposed in the Exposure Draft:
 - a. The number of multiemployer plans in which the employer participates
 - b. The total assets and the accumulated benefit obligation of multiemployer plans
 - c. The contributions to a plan as a percentage of total contributions
 - d. The percentage of employer's employees that are covered by multiemployer plans
 - e. Supplemental information about the plans in which the information about the withdrawal liability is not available.

General Announcements: The Board directed the staff to conduct outreach with users about these tentative decisions. The results of that outreach will be discussed at a future meeting.