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Date: September 13, 2006
Reference No.:

Circular Letter No.: 200-066-06
Distribution:

Special: **PEMHCA Employers**

Circular Letter

TO: PEMHCA EMPLOYERS

SUBJECT: PARTICIPANT DATA EXTRACT TO SATISFY GASB NO. 45
REQUIREMENTS

The purpose of this Circular Letter is to inform you about the participant data extract that CalPERS can provide you in preparation of the accounting information, footnote disclosure, and supplementary information which may be required under Governmental Accounting Standards Board Statement Number 45 (GASB 45) applicable to post-employment benefits other than pensions.

The GASB is a non-profit organization that formulates accounting standards for state and local government. GASB issued new accounting standards in 2004 which included GASB 45 entitled "Reporting by **Employers** for Other Post Employment Benefits (OPEB)".

Under GASB 45, all government employers must report expenses and unfunded liabilities (if any) related to OPEB. The commencement date for required disclosures under GASB 45 depends on the size of the employer. The larger employers must start recognizing their liability for financial reporting periods beginning after December 15, 2006 (i.e., for fiscal year July 1, 2007 through June 30, 2008) while smaller employers can wait for financial reporting periods beginning after December 15, 2008 (i.e., until fiscal year July 1, 2009 through June 30, 2010).

Since GASB 45 is an accounting requirement and will affect your financial statements, **we urge you to contact your auditor** regarding any questions you might have about GASB 45.

In an effort to assist you in obtaining an actuarial valuation of OPEB to satisfy GASB 45 requirements, CalPERS will provide, upon request, an extract of the participant information maintained by CalPERS for employers participating in PEMHCA.

Enclosed is the GASB 45 Data Extract Request Form that you can use if you want to request a data extract. We anticipate that the turn around time for a data extract request will be within 30 days from the time the request is received by CalPERS.

Before sending a request to CalPERS for a data extract, **we urge you to contact your auditor** to discuss if you might need such extract and if so, by when. As mentioned above, the implementation schedule will vary based on the size of each employer.

CalPERS will be providing participant data extracts upon request. GASB 45 requires that an actuarial valuation be performed at least once every two years. However, if requested, CalPERS will be providing one data extract per fiscal year to employers wanting to perform actuarial valuations on an annual basis.

Also enclosed is a list of frequently asked questions to provide you with more information about GASB 45.

Should you have any questions, please contact the CalPERS' Employer Contact Center at **888 CalPERS** (or **888-225-7377**).

Kenneth W. Marzion
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Enclosures:

1. GASB 45 Data Extract Request Form
2. GASB 45 Frequently Asked Questions