

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

CONTACT PERSON: _____ TELEPHONE: _____ EMAIL ADDRESS: _____ ON BEHALF OF: _____ NAME: <u>Dale Bruggeman</u> TITLE: <u>Chair SAPWG</u> AFFILIATION: <u>Ohio Department of Insurance</u> ADDRESS: <u>50W. Town St., 3rd Fl., Ste. 300</u> <u>Columbus, OH 43215</u>	DATE: <u>11/14/2016</u>	FOR NAIC USE ONLY
	Agenda Item # <u>2016-34BWG</u> Year <u>2017</u> Changes to Existing Reporting [X] New Reporting Requirement []	REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT
	No Impact [X] Modifies Required Disclosure []	DISPOSITION
	[] Rejected For Public Comment [] Referred To Another NAIC Group [X] Received For Public Comment [] Adopted Date <u>04/08/2017</u> [] Rejected Date _____ [] Deferred Date _____ [] Other (Specify) _____	

BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> ANNUAL STATEMENT | <input type="checkbox"/> QUARTERLY STATEMENT | |
| <input checked="" type="checkbox"/> INSTRUCTIONS | <input type="checkbox"/> CROSSCHECKS | <input checked="" type="checkbox"/> BLANK |
| <input checked="" type="checkbox"/> Life and Accident & Health | <input checked="" type="checkbox"/> Property/Casualty | <input checked="" type="checkbox"/> Health |
| <input type="checkbox"/> Separate Accounts | <input checked="" type="checkbox"/> Fraternal | <input checked="" type="checkbox"/> Title |
| <input type="checkbox"/> Other Specify | | |

Anticipated Effective Date: Annual 2017

IDENTIFICATION OF ITEM(S) TO CHANGE

Modify the illustration for Note 12A(3) - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Defined Benefit Plan).

REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE**

This item proposes illustration revisions, clarifying the reporting of Pension and OPEB financial statement components. With the prior format, it appeared that companies would only have situations in which the plan was overfunded with a prepaid benefit cost, or a situation in which a plan would be underfunded with an accrued benefit cost. As there can be situations in which plans are overfunded with an accrued benefit cost or underfunded with a prepaid benefit cost, revisions have been proposed to simply identify the different components, with separate recognition of the actual assets (nonadmitted) and liabilities recognized in the financial statements and any remaining unrecognized liability from the transition guidance. The revisions to the illustration do not require any SSAP or note instruction revisions.

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: No concerns with the Dec. 31, 2017 effective date.

Other Comments:

**** This section must be completed on all forms.**

Revised 6/13/2009

NOTES TO FINANCIAL STATEMENTS



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12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The disclosures required for this Note shall be aggregated for all of a reporting entity’s defined benefit pension plans and for all of a reporting entity’s other defined benefit postretirement plans unless disaggregating in groups is considered to provide useful information or is otherwise required by *SSAP No. 92—Postretirement Benefits Other Than Pensions* or *SSAP No. 102—Pensions*. Disclosures shall be as of the date of each statement of financial position presented. Disclosures about pension plans with assets in excess of the accumulated benefit obligation generally may be aggregated with disclosures about pension plans with accumulated benefit obligations in excess of assets. The same aggregation is permitted for other postretirement benefit plans. If aggregate disclosures are presented, a reporting entity shall disclose:

- The aggregate benefit obligation and aggregate fair value of plan assets for plans with benefit obligations in excess of plan assets as of the measurement date of each statement of financial position presented.
- The aggregate pension accumulated benefit obligation and aggregate fair value of plan assets for pension plans with accumulated benefit obligations in excess of plan assets.

Refer to *SSAP No. 11—Postemployment Benefits and Compensated Absences*, *SSAP No. 92—Postretirement Benefits Other Than Pensions* and *SSAP No. 102—Pensions* for additional guidance.

Instruction:

A. Defined Benefit Plan



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- (3) The funded status of the plans, the amounts recognized in the statement of financial position, showing separately the assets (nonadmitted) and liabilities recognized.



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Illustration:

A. Defined Benefit Plan



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THIS EXACT FORMAT MUST BE USED IN THE PREPARATION OF THIS NOTE FOR THE TABLE BELOW. REPORTING ENTITIES ARE NOT PRECLUDED FROM PROVIDING CLARIFYING DISCLOSURE BEFORE OR AFTER THIS ILLUSTRATION.

(3) Funded status

	Pension Benefits		Postretirement Benefits	
	20__	20__	20__	20__
Overfunded:				
a. <u>Components: Assets (nonadmitted)</u>				
1. Prepaid benefit costs	\$ _____	\$ _____	\$ _____	\$ _____
2. Overfunded plan assets	\$ _____	\$ _____	\$ _____	\$ _____
3. Accrued benefit costs	\$ _____	\$ _____	\$ _____	\$ _____
4. Liability for pension benefits	\$ _____	\$ _____	\$ _____	\$ _____
3. Total assets (nonadmitted)	\$ _____	\$ _____	\$ _____	\$ _____
Underfunded:				
b. <u>Assets and Liabilities recognized:</u>				
1. Accrued benefit costs	\$ _____	\$ _____	\$ _____	\$ _____
2. Liability for pension benefits	\$ _____	\$ _____	\$ _____	\$ _____
1. Assets (nonadmitted)	\$ _____	\$ _____	\$ _____	\$ _____
3. Total Liabilities recognized	\$ _____	\$ _____	\$ _____	\$ _____
c. Unrecognized liabilities	\$ _____	\$ _____	\$ _____	\$ _____



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