

MYR Group, Inc. Three Continental Towers 1701 West Golf Road, Suite 1012 Rolling Meadows, Illinois 60008-4007

Phone: 847-290-1891 ext. 200

Fax: 847-290-1892

Email: gwolf@myrgroup.com Gregory T. Wolf, CPA, MST

Vice President

Finance and Accounting

November 1, 2010

Technical Director
File Reference No. 1860-100
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

## director@fasb.org

Re: Comments on the FASB Exposure Draft on Compensation – Retirement Benefits – Multiemployer Plans (Sub-Topic 715-80)

## Dear Technical Director:

MYR Group Inc. is a publicly traded holding company of specialty electrical construction service providers and is currently one of the largest contractors serving the transmission and distribution sector of the U.S. Our clients include more than 125 electric utilities, cooperatives and municipalities nationwide. MYR Group also provides commercial and industrial electrical contracting services to facility owners and general contractors. These services include complete engineering, procurement and construction (EPC), upgrades, maintenance and repair services. MYR Group is currently comprised of six subsidiaries located throughout the U.S, providing support to these subsidiaries in the areas of safety, fleet management, procurement, management development, skills training, marketing, finance and administration.

MYR Group appreciates the opportunity to submit our comments and concerns regarding the Exposure Draft on Compensation – Retirement Benefits – Multiemployer Plans (Sub-Topic 715-80). We support the FASB's efforts for transparency and increased disclosures to provide the financial statement users with additional information in their decision making process. However, we strongly disagree with the proposed disclosure changes relating to retirement benefits and multiemployer plans based on several reasons.

November 1, 2010 Page 2

The proposed update would require that every employer who contributes to a multiemployer pension fund disclose the details relating to withdrawal liability in the notes of their financial statements, even if there is a remote possibility of withdrawal. We believe, consequently, that this could result in financial statements that are misleading.

It would be appropriate for a contractor to disclose this potential liability if it became reasonably possible that withdrawal from a multiemployer plan could occur in the near future. If it is remote or not reasonably possible that a company would withdraw from the plan, disclosure of this liability would potentially lead to misinterpretation of the company's results and could cause the users of the financial statements confusion as to the real liabilities that exist. Withdrawal liability only occurs when an employer makes a business decision to cease contributing into an under-funded multiemployer defined benefit plan and the employer continues to perform work in the jurisdiction where contributions were previously required. This scenario exists when a union contracting company becomes a non-union contracting company. This scenario is controlled by the employer and as many respondents have expressed, and we agree, this is a rare occurrence. Furthermore, a lack of work or a slow down of work in a jurisdiction does not trigger a withdrawal liability for an employer.

MYR Group employs union workers participating in over 35 multiemployer defined benefit plans and the task of calculating withdrawal liabilities on an ongoing basis, when not even probable, would be a very tedious task and impose a substantial and costly burden on accounting personnel, auditors, legal, human resources, fund managers, etc. To attempt to calculate the effect of this unlikely event would be an exercise in futility while at the same time, significantly driving up both fund and employer administration costs to accomplish this task.

We are concerned that the Exposure Draft is not specifically addressing the construction industry as a whole, which has different rules given the nature of the business and the withdrawal liability structure of the multiemployer plans. In addition, pension plans are required to conduct an annual valuation of their assets and liabilities. Due to the complexity of these calculations, and the time it takes to compile the necessary data, these results are usually not available until nine months after the measurement date. However, we are required to report our financial statements within 75 days following the end of our fiscal year. This would force us to use information that is not current, and given the nature of potential large financial market swings, the information would be irrelevant. Furthermore, withdrawal liability assessments can be misleading because they represent a snapshot of a single moment in time and fail to reflect the long-term nature of multiemployer defined benefit plans.

Our final concern is that financial institutions, investors, insurance and surety companies rely on our financial statements to conduct business with companies like ours. Reporting liabilities that are both remote and potentially inaccurate or unreliable could adversely affect our ability to secure new investment, lending, bonding, etc. We believe in full disclosure of current information, so our stakeholders may assess both the financial and

November 1, 2010 Page 3

business risks associated with our company. As currently proposed, the disclosure requirements will not offer additional meaningful or current information to the users of the financial statements and may in fact create a misunderstanding of the risks.

We thank the FASB for the opportunity to share our comments and concerns and entrust that the board will consider the issues put forth by our company and others in the construction industry.

Sincerely,

Dragony T. Wolf Gregory T. Wolf, CPA, MST

Vice President of Finance and Accounting

MYR Group Inc.