1860-100 Comment Letter No. 208

1840-100

Comment Letter No. 362

 From:
 Gene Gini

 To:
 Director - FASB

Subject: Comment on FASB Proposal, Topic 715-80

Date: Monday, November 01, 2010 1:16:33 PM

Dear Director,

I am the owner of an electrical subcontracting firm located in the Central Valley of California. I am writing to you today concerning your organization's proposed changes to the reporting requirements on <u>Compensation-Retirement Benefits-Multiemployer Plans</u>, Topic 715-80, and <u>Disclosure of Certain Loss Contingencies</u>, Topic 450.

We are a union shop and as such signatory to the IBEW collective bargaining agreement; and, therefore a contributor to their multiemployer pension plans. I know that the National Electrical Contractors Association (NECA) is responding to several proposals from the FASB on the behalf of companies such as mine, but I felt it necessary that you also hear from an actual business owner.

As I mentioned above, we are in the construction business in California so I don't think I need to explain how the current economy has affected our business. Our company was formed in 1929 and has weathered many storms, but the last couple of years have been unlike no others that I have seen in the 50 years I have been employed by Collins Electrical Company, Inc. Our Company is financially strong and we have positioned ourselves well to survive this downturn, and the possibility of incurring a withdrawal liability is extremely remote. However, that said, if the draft proposals mentioned above take affect, they could have a serious detrimental affect on our company as noted below:

- 1. The addition of a significant liability on our financial statements will increase the pricing and limit the capacity for our bonding needs with our surety.
- 2. The addition of a significant liability on our financial statements will increase the cost of our line of credit with our bank.
- The additional reporting requirements will add an administrative burden to our reduced staff
- 4. The determination of the liability amount will require the services of a specialty vendor which will be expensive and could be difficult to obtain given the volume of work that will be involved.

I am asking that you closely review the ramifications of this "one size fits all" proposal and reconsider its application to all companies.

Sincerely yours,

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Eugene C. Gini

President/CEO

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