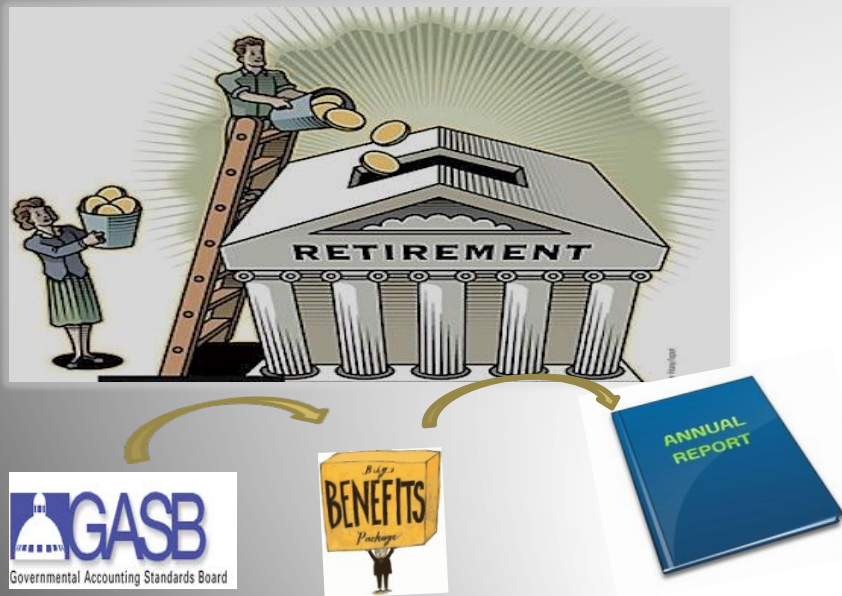


# GASB 68 & 71

## Accounting & Financial Reporting for Pension Liabilities and Completing the GASB 68 Worksheet



Presented: November 2015

Local Government Services Bureau  
State Financial Services Division  
MT Department of Administration

**Who:** GASB – Governmental Accounting Standards

**Board** – Recognized as an official source of generally accepted accounting principles (2-7-504 MCA – Accounting methods)

**Why:** Change how Government's calculate & report the costs and obligations associated with pensions.

Improve and increase transparency, consistency & comparability

**What:** Employer Financial Statements will report their proportionate share of the Net Pension Liability.

A change from showing only contributions and no liability to a new potentially large liability



# **How: Pension Plans will provide Local Governments with their proportionate share of the each Plan's Net Pension Liability**

LG's can complete the GASB 68 Worksheet

Financial Statements include a new non-current liability: Net pension liability (NPL), deferred inflows and outflows of resources, pension expense.

The Notes & Required Supplementary Information are expanded to clarify the Net Pension Liability to avoid confusion to the readers of the Financial Statements

# **When: GASB 68 reporting for Local Governments – periods ending **June 30, 2015****



# Accounting vs Funding Approach

- New **GASB 68 Statements** relate only to accounting and financial reporting
  - Changes how pension costs and obligations are measured and reported in financial reports
  - Shift financial statement reporting from a funding approach to an accounting approach
- GASB Statements **do not address** or **change** how local governments will **fund** the public pension systems
  - *In Montana – Statute (the Legislature) sets funding percentages*

# **GASB 71** - An Amendment to GASB 68

**GASB 71** – Pension Transition for Contributions made Subsequent to the Measurement Date - An amendment to GASB 68

- GASB 71 will be applied at the same time as GASB 68
- Eliminates potential understatement of restated beginning Net Position and Expense in the first year of implementation
- To correct the potential understatement:
  - Contributions to the Pension Plan made by the Local Government after the Pension Plan's Measurement Date will be reported as a deferred outflow of resources.

# Critical Dates

- During the first year of implementation of GASB 68 there are 3 significant dates:
  - Valuation Date
  - Measurement Date for Pension Plans – June 30, 2014
  - Reporting Date for Local Governments - June 30, 2015 based on June 30, 2014 Measurement Date

July 1, 2013      June 30, 2014      June 30, 2015  
Valuation & Measurement Date      Reporting Date

**Measurement Period**

Pension Contributions made between the Measurement Date & Reporting Date will be reclassified as a Deferred Outflow of Resources

# Reporting Information

- Employers will use the information provided by MPERA and/or TRS to complete their FY2015 Financial Statements
  - This information includes:
    - Each Employer's allocated share of the **Net Pension Liability (NPL)** as of the **Measurement Date** (June 30, 2014) for the Pension Plans
    - Information for Financial Statement Note Disclosures and RSI
  - Going Forward – MPERA/TRS will provide Employers with **annual schedules**

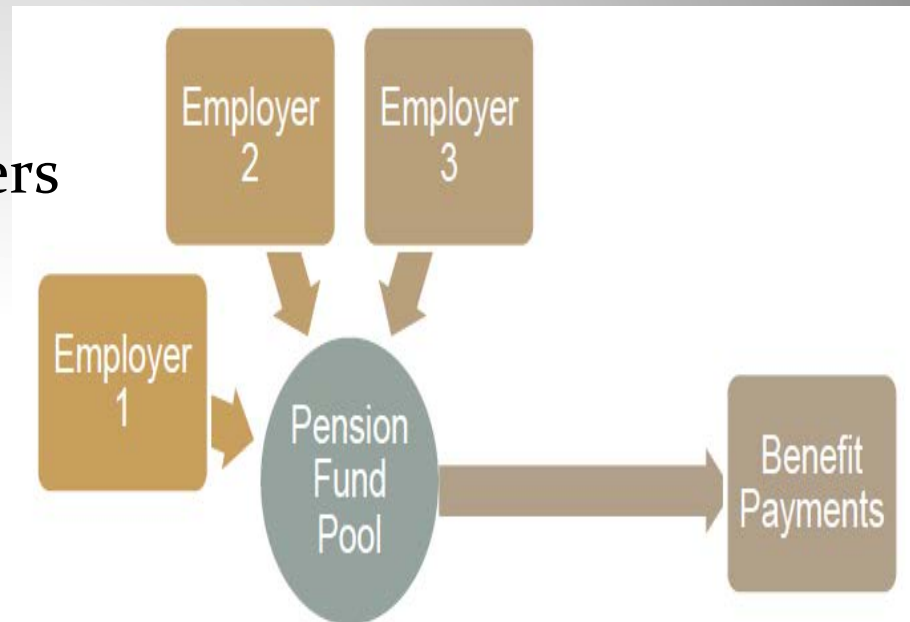
## **Note for Special Districts not using a June 30<sup>th</sup> FYE Date:**

They must continue to use the same measurement date used in their first GASB 68 financial report

# Types of Retirement Plans:

- **Cost-Sharing Multiple Employer Plan** – Participating employers pool their assets and their obligations to provide pensions ~ plans include:

- PERS
- Sheriff's
- Game Wardens & Peace Officers
- Municipal Police Officers
- Firefighters Unified
- Teacher's Retirement Systems





# Types of Retirement Plans cont.:

- **Single-Employer Pension Plan** – Provide pension benefits to the employees of one single employer
  - Judge's
  - Highway Patrol Officers
    - **State of Montana is the only employer**
- **Agent Multiple-Employer Plan** – Participating employers pool their assets for investment purposes but separate accounts are maintained for each individual employer (**not applicable in MT**)



# Retirement Plan Options:

- **Defined Benefit Plan (DB)** – Specifies benefits to be provided to the employees at the end of their employment.
  - Employer commits to providing benefits at a predetermined level during retirement based on a variety of factors including earnings & length of employment
  - Plan bears the risk
  
- **Defined Contribution Plan (DC)** – Stipulates only the contribution to an active employee's account each year.
  - Employer commits to making agreed-upon payments to the employee's retirement account while the employee is in active service. Benefits are based on the value of that account at retirement
  - Employee bears the risk
  - **PERS is the only MT Plan that allows an option for defined contribution**

# New Terminology

- **Total Pension Liability (TPL)** – TPL is the actuarial determined present obligation of pension systems to pay projected benefit payments such as pensions
- **Net Plan Position or Plan's Fiduciary Net Position (NPP or FNP)** – NPP is the assets currently available to pay pension benefits.  
*(MPERA refers to NPP – GASB Statements refer to FNP)*

# New Terminology

- **Net Pension Liability (NPL)** – NPL is Total Pension Liability less Net Plan Position
- **Net Pension Asset (NPA)** – NPA is the Total Pension Liability less the Net Plan Position
  - *If Net Plan Position (Fiduciary Net Position) exceeds TPL*
  - *According to the MPERA – only the Judges Retirement System has a NPA*

$$\begin{array}{ccc} \text{Total Pension Liability (TPL)} & - & \text{Net Plan Position (NPP)} \\ & = & \\ \text{NPL} & \sim \text{ or } \sim & \text{NPA} \end{array}$$

# Reporting Issue: Net Pension Liability

- Employers will be required to report their proportionate share of the Net Pension Liability on their financial statements
- **NPL is a reporting issue – Shouldn't be funded**
- **Net Pension Liability is not immediately due and cannot be paid off** under an accelerated schedule
- **Contributions are set in statute**
  - Montana Employers are only responsible for payment of their statutorily required pension contributions

# Net Pension Liability

- The **NPL will vary** from year to year due to:
  - Actual earnings on pension system investments (using market value rates)
  - Interest on Outstanding Pension Liability
  - Employee compensation changes
  - Contributions from Employers & Members
  - Significant Economic & Demographic Changes

# Allocation of Net Pension Liability

- **Proportionate Share** – A measure of the share of each financial element a single employer or non-employer contributing entity must report on its financial records
  - The MPERA Actuary will determine each Entity's portion based on their share of all contributions made to the pension plan

## Pension Expense:

- **Pension Expense** for a cost-sharing employer is its proportionate share of the plan's collective pension expense or change in the Net Pension Liability
  - It is not the Employer's annual contributions made to the plan
- Includes **current & deferred** recognition of pension expense
  - Over the average expected remaining service life of the employer's current members (active, inactive and retired)
  - Or over a 5-year period
    - For changes in assumptions used to determine NPL
    - Other demographic & economic factors
  - Reported as a Deferred Outflow and/or Inflow of Resources



# Recognizing Pension Expense

- Events that may cause the **Pension Expense** to Change from year to year include:
  - Benefits earned each year
  - Interest on the TPL
  - Changes in benefit terms
  - Actual earnings vs. projected earnings on the Pension System's Investments
  - Change in the Pension System's Net Position from other than Actuarial Experience

# Deferred Inflows/Outflows

- **Deferred Inflows/Outflows of Resources** – Portion of changes in Net Pension Liability that is not immediately recognized in Pension Expense.

These changes include:

- Differences between expected and actual experience
- Changes in assumptions
- Differences between expected and actual earnings on plan investments

# Deferred Outflows and Inflows

Example below shows the information provided by MPERA on the Employer Specific Data Report & the Pensionable Payroll Report used to determine the Deferred Outflows and Deferred Inflows:

<u>Employer's Deferred Outflows and Deferred Inflows at June 30, 2014</u>					Deferred Outflows	Deferred Inflows
19	Differences between actual and expected experience				\$ -	\$ -
20	Changes of assumptions					\$ -
21	Net difference between projected and actual earnings on pension plan investments				\$ -	\$ 374,372.18
22	Changes in proportion and differences between employer contributions and proportionate share of contributions				\$ -	\$ 901.25
23	Employer contributions subsequent to the measurement date <i>(**insert total amount employer contributions made to the plan from 7/1/2014 to 6/30/2015 in 'Deferred Outflows of Resources column)</i>				\$ 17,023.74	
24	<b>Total</b>				\$ 17,023.74	\$ 375,273.43
	Employer's total of Employees' Covered Payroll for 7/1/2014 to 6/30/2015**				\$ 1,320,100.00	
	<i>**To be inserted by each employer from payroll software or payroll report on plan website</i>					
<u>Recognition of Deferred Outflows and Deferred Inflows</u>						
	Year ended:					
25	6/30/2015					\$ (93,893.47)
26	6/30/2016					\$ (93,893.47)
27	6/30/2017					\$ (93,893.47)
28	6/30/2018					\$ (93,593.05)
29	6/30/2019					\$ -
30	Thereafter					\$ -

Changes in the Plan investments & differences in contributions\*

Contributions after the measurement date

\*Example of deferred recognition

# New Terminology

- **Non-Employer Contributing Entity** - Entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities.
- Several of the Multi-Employer Pension Plans receive contributions from the State of Montana, as a non-employer contributing entity.
  - The contributions are:
    - Intended to assist in funding the Plan's Net Pension Liability
    - Classified as either – Special Funding Situations and Nonspecial Funding Situations

# Non-employer Entity Contributions

- Employers that participate in a plan that receives funding from a Non-employer Contributing Entity will report the amounts as:

BARS Chart of Accounts:

Other State Payments -

**Revenue Acct #336020 – On Behalf Payment**

This entry is done by some entities as part of their annual closing adjustments or by auditor.

Don't duplicate the adjustment if done as part of closing

# BARS Chart of Accounts for GASB 68

Non-current Portion of Long-Term Debt:

Liability Account #**237000** - Net Pension Liability

On-behalf Revenue by State to Pension Plans - #**336020**

Deferred Outflows of Resources - #**199xxx**

Deferred Inflows of Resources - #**22xxxx**

Pension Expense Non-Cash Items– Object codes #**195-199**

# Reporting Information provided by Pension Plans:

- Employers will use the information provided by MPERA and/or TRS to complete their FY15 Financial Statements
- Information supplied will include:
  - Each Employer's allocated share of the Net Pension Liability (NPL) as of the Measurement Date (6/30/14)
  - Items to assist with Financial Note Disclosures & RSI
- Annual Schedules will be provided

# Steps to complete the “G-68” Worksheet

- Step 1: Download necessary reports & worksheets
  - GASB 68 Worksheet from LGSB website
    - **Read the instructions**
  - Employer reports from MPERA and/or TRS
- Step 2: Complete the applicable Pension Plan Input pages of the GASB 68 Worksheet
- Step 3: Complete the Payroll Allocation Page
- Step 4: Governmental Fund Adjustments
- Step 5: Proprietary Fund Adjustments
- Step 6: Note Disclosures to the AFR
- Step 7: RSI of AFR



# GASB 68

## Worksheet ~

### Step 1:

- The worksheet is on the LGSB website:

<http://sfsd.mt.gov/LGSB>

- Under **Quick Links**

- Open the Excel Spreadsheet and save to your computer

Department of ADMINISTRATION MONTANA

Provide exceptional service in the areas of finance, compliance, and technology

## STATE FINANCIAL SERVICES DIVISION

HOME BUREAU WEBSITES WHAT WE DO CONTACT US RESOURCES

### WELCOME TO THE LOCAL GOVERNMENT SERVICES BUREAU

The Local Government Services Bureau works with local governments (counties, cities & towns, school districts and special districts) to ensure uniform financial accountability, and to assist the local governments in complying with their statutory financial and budgetary reporting requirements, including provisions of the Montana Single Audit Act.

The Bureau consists primarily of two sections:

- The *Local Government Accounting and Financial Reporting Section* provides technical assistance and training to local government accounting and financial personnel in the areas of local government finance, accounting, budgeting and financial reporting.
- The *Local Government Audit Review Section* works with local governments and independent CPA firms to ensure that financial and compliance audits meet statutory requirements and professional standards.

Kim Smith, (Acting) Bureau Chief

Our Organization:

- Accounting and Financial Reporting Section
- Audit Review Section

#### QUICK LINKS

- Transparency in Local Government
- GASB 68 - Pension Reporting Worksheet \*NEW 10/2015\*

#### FREQUENTLY ASKED QUESTIONS

- New GASB Pension Reporting Standards
- OPEB

#### DELINQUENT REPORTS

- Delinquent Annual Reports (Updated 8/18/2015)
- Delinquent Audit Reports (Updated 8/14/2015)

#### WEBINARS & PRESENTATIONS

- AFR Review Process
- Back to the Basics
- GASB 54 New Fund Balance Reporting
- Other Presentations

#### ACCOUNTING AND FINANCIAL REPORTING SECTION

- Database Ledger Load for Local Governments

G112

**NEW PENSION PLAN REPORTING  
GASB 68 WORKSHEET INSTRUCTIONS**

The reports necessary to complete the pension plan input pages can be found on the MPERA & TRS websites:

[GASB Information - Montana Public Employee Retirement Administration](#)

[Home - Montana TRS](#)

**Instructions to complete the Pension Statement Input Worksheets - Yellow Tabs:**

Use the plan reports to complete the pension input pages of the plans your local government participates in. (Note: You may not participate in all the plans. **Do not delete** the worksheet page of the plans not applicable.

You can hide the worksheet pages your local government doesn't participate in.)

The MPERA plans are located in the link Under GASB 68 Employer Data: Employer Specific Data

Enter information in yellow-colored cells

Do not enter info in salmon-colored cells

**For MPERA Plans: PERS, FURS, MPOR and SRS:**

The MPERA plans are located in the link Under GASB 68 Employer Data: Employer Specific Data -See Illustration #1.

Enter the information as provided on the Employer Specific Data Report for each pension plan that is applicable. The information is provided by plan type.

When inputting percentages you will need to input the number as a percentage - example: .035% would be entered as .00035.

In the bright yellow cell under Deferred Outflows you will enter the employer contributions subsequent to the measurement date. This information is reported as "Employer Pensionable Payroll" (See page 2 of the report.)

For the PERS Plan Type - enter the total defined contribution in the bright yellow box. This number may be different from the contributions you reported in your payroll software. Contributions in your payroll software may include contributions to both defined benefit and defined contribution accounts within PERS.

**For Teachers Retirement System:**

Enter the information as provided on the TRS Website - Click on "The 2015 GASB 68 reports". Locate your report by

Employer Name, then scroll down the TRS report until you locate the "Sample Journal Entries" page to find the information to input on the TRS Statement - Input worksheet.

**Instructions to Complete the Payroll Allocation (by fund type and major function) - Yellow Tab:**

To determine the correct allocation by fund and major function run a gross payroll report for only employees participating in the PERS plan. (Do not include MPORS, FURS, SRS. The employer contributions are typically made only from

governmental funds - If your allocation is different for these plan types change the allocation for Other Pension Plan Types - This information is available at the bottom of the worksheet)

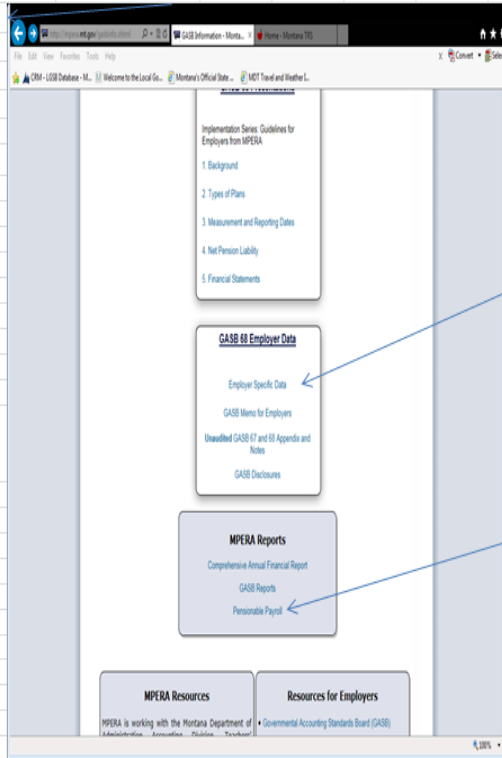
**For the PERS Paid from Governmental Funds:**

On the Payroll Allocation Input Worksheet enter the payroll amount paid from all governmental funds as a total in Column C - Row 10. (Total for: General, Special Revenue, Debt Service, Capital Project & Permanent Funds)

Enter the amount paid from the governmental funds by major purpose in Columns E through M Row 24 for PERS.

(Major purpose: general gov, public safety, public works, public health, culture & recreation, housing & dev, etc.)

Illustration #1:



# GASB 68 Worksheet

Read the instructions on the first tab of the GASB 68 Worksheet

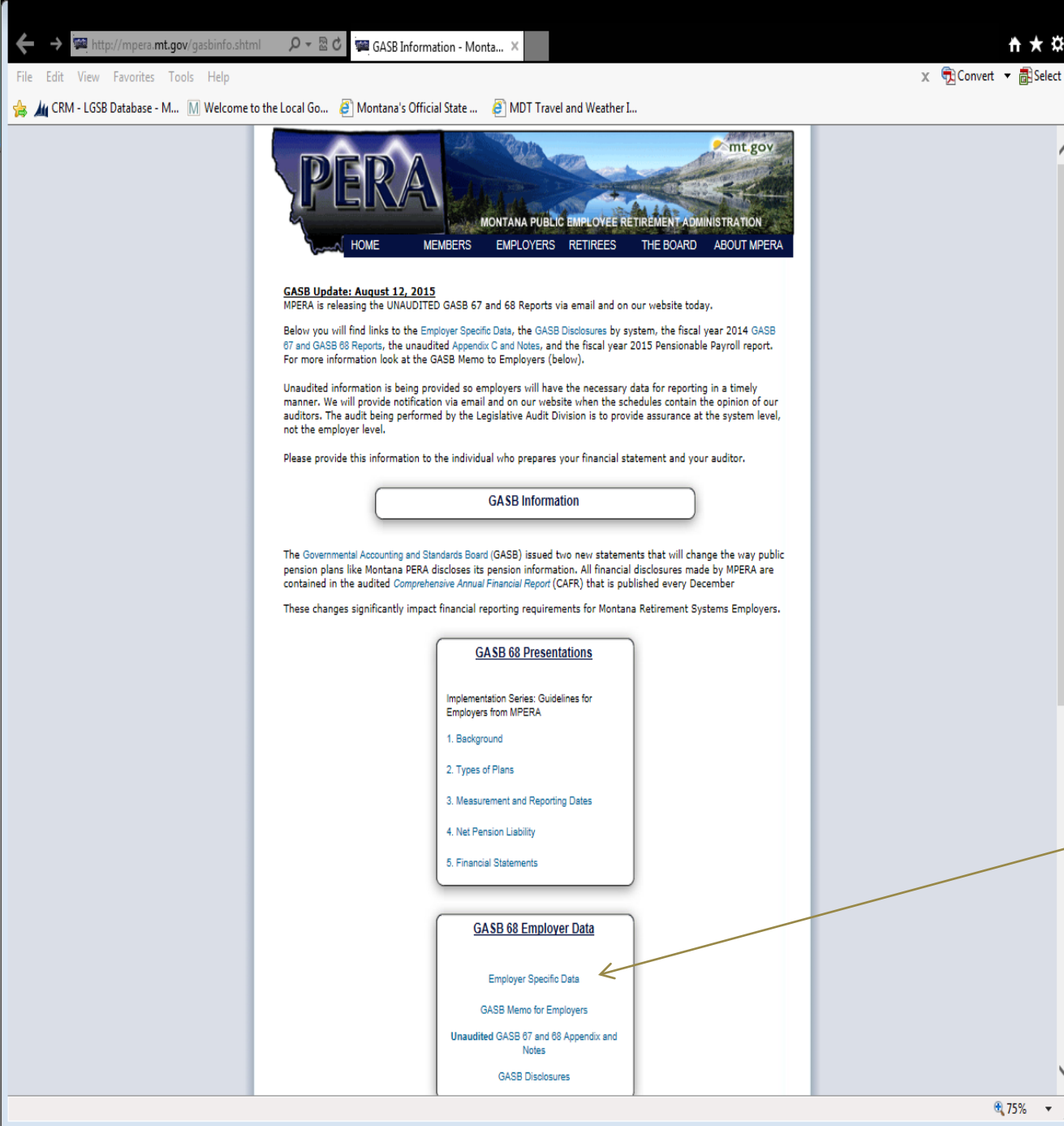
# GASB 68

## Worksheet

MPERA reports necessary to complete the form can be found on their website:

<http://mpera.mt.gov/gasbinfo.shtml>

Download the “Employer Specific Data” Report for each applicable plan type



The screenshot shows a web browser window with the URL <http://mpera.mt.gov/gasbinfo.shtml>. The page header includes the MPERA logo and navigation links: HOME, MEMBERS, EMPLOYERS, RETIREES, THE BOARD, and ABOUT MPERA. The main content area features a "GASB Update: August 12, 2015" section, followed by a "GASB Information" button. Below this, there is a section titled "GASB 68 Presentations" with a list of implementation series topics. At the bottom, a "GASB 68 Employer Data" section contains a list of reports, with "Employer Specific Data" highlighted by a yellow arrow.

**GASB Update: August 12, 2015**  
MPERA is releasing the UNAUDITED GASB 67 and 68 Reports via email and on our website today.

Below you will find links to the [Employer Specific Data](#), the [GASB Disclosures](#) by system, the fiscal year 2014 GASB 67 and GASB 68 Reports, the unaudited [Appendix C and Notes](#), and the fiscal year 2015 Pensionable Payroll report. For more information look at the [GASB Memo to Employers](#) (below).

Unaudited information is being provided so employers will have the necessary data for reporting in a timely manner. We will provide notification via email and on our website when the schedules contain the opinion of our auditors. The audit being performed by the Legislative Audit Division is to provide assurance at the system level, not the employer level.

Please provide this information to the individual who prepares your financial statement and your auditor.

**GASB Information**

The [Governmental Accounting and Standards Board \(GASB\)](#) issued two new statements that will change the way public pension plans like Montana PERA discloses its pension information. All financial disclosures made by MPERA are contained in the audited [Comprehensive Annual Financial Report \(CAFR\)](#) that is published every December.

These changes significantly impact financial reporting requirements for Montana Retirement Systems Employers.

**GASB 68 Presentations**

- Implementation Series: Guidelines for Employers from MPERA
- 1. Background
- 2. Types of Plans
- 3. Measurement and Reporting Dates
- 4. Net Pension Liability
- 5. Financial Statements

**GASB 68 Employer Data**

- [Employer Specific Data](#)
- [GASB Memo for Employers](#)
- [Unaudited GASB 67 and 68 Appendix and Notes](#)
- [GASB Disclosures](#)

# GASB 68 Worksheet

The screenshot shows a web browser window with the URL <http://mpera.mt.gov/docs/gasb/Employe>. The page header includes the MPERA logo and navigation links: HOME, MEMBERS, EMPLOYERS, RETIREES, THE BOARD, and ABOUT MPERA. Below the header is a section titled "GASB Reports" with a sub-section "Select your organization below". This section contains two dropdown menus: "School District" (set to "-- Select School Dist. --") and "Other Employers" (set to "CI0338-CITY OF HARDIN"). Each dropdown menu has a "Select" button next to it. A yellow arrow points from the text on the right to the "Select" button for "Other Employers". At the bottom of the page, there is a dark blue footer with links for "PRIVACY & SECURITY", "ACCESSIBILITY", "CONTACT US", and "SEARCH". The browser's status bar at the bottom right shows a zoom level of 75%.

- Scroll until you find your local government

# GASB 68 Worksheet



## GASB Reports

City of Somewhere	
PERS-00349	PERS Employer Report (PDF)
FURS-00349	FURS Employer Report (PDF)
MPORS-00349	MPORS Employer Report (PDF)

[Return to Select Organization Page](#)

Download the pension plan reports necessary to complete the form

**MPERA**  
reports:  
PERS  
FURS  
MPORS  
SRS

# GASB 68 Worksheet

## Step 2:

Use MPERA's  
PERS Report  
to input  
information  
in the  
GASB 68  
Worksheet  
for PERS

Input in yellow  
cells

Salmon cells are  
formulas

### Cost Sharing Employer with Special Funding Situation (No other Non-employer contributing entities)

**System:** PERS  
**Employer:** CITY OF SOMEWHERE  
**Payroll Code:**

#### Contributions

Member contribution rate	7.9%
Employer contribution rate	8.07%
State contribution rate	0.1%

Employer contributions for year ended June 30, 2014 \$ 107,225.29

#### *Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources*

Employer proportion at June 30, 2013	\$ 1,864,512.98
Employer Proportionate Share of Net Pension Liability at June 30, 2013	0.116283%
State Net Pension Liability	22,768.47
State's Proportionate Share of Net Pension Liability associated with the employer at June 30, 2013	\$ 0.147718%
<b>Total</b>	<b>\$ 1,887,281.45</b>

Employer proportion at June 30, 2014	\$ 1,448,901.00
Employer Proportionate Share of Net Pension Liability at June 30, 2014	0.116283%
State Net Pension Liability	17,693.23
State's Proportionate Share of Net Pension Liability associated with the employer at June 30, 2014	\$ 0.147718%
<b>Total</b>	<b>\$ 1,466,594.23</b>

Employer's Pension Expense for year ended June 30, 2014 (includes Support c

# GASB 68 Worksheet ~ Transfer information:

## From the MPERA report to the GASB 68 Worksheet:

Cost Sharing Employer with Special Funding Situation  
(No other Non-employer contributing entities)

**System:** PERS  
**Employer:** CITY OF SOMEWHERE  
**Payroll Code:**

**Contributions**

Member contribution rate	7.9%
Employer contribution rate	8.07%
State contribution rate	0.1%

Employer contributions for year ended June 30, 2014 \$ 107,225.29

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

Employer proportion at June 30, 2013	\$ 1,864,512.98
Employer Proportionate Share of Net Pension Liability at June 30, 2013	0.116283%
State Net Pension Liability	22,768.47
State's Proportionate Share of Net Pension Liability associated with the employer at June 30, 2013 (as a percentage)	0.147718%
<b>Total</b>	<b>\$ 1,887,281.45</b>

Employer proportion at June 30, 2014	\$ 1,448,901.00
Employer Proportionate Share of Net Pension Liability at June 30, 2014	0.116283%
State Net Pension Liability	17,693.23
State's Proportionate Share of Net Pension Liability associated with the employer at June 30, 2014	0.147718%
<b>Total</b>	<b>\$ 1,466,594.23</b>

Employer's Pension Expense for year ended June 30, 2014 (includes Support Revenue) \$

Cost Sharing Employer with Special Funding Situation  
(No other Non-employer contributing entities)

**Enter Employer, Payroll Code, Fiscal Year:**

1 System:	PERS	(Public Employees' Retirement System)
1 Employer:	City of Somewhere	
1 Payroll Code:		
Current Fiscal Year:	FY2015	

**Input Amounts or Percentages as Indicated on your Employer Specific Data Report from MPERA in yellow cells**  
[MPERA Press Releases - Montana Public Employee Retirement Administration](#)

**Contributions**

2 Member contribution rate	7.90%
3 Employer contribution rate	8.07%
4 State contribution rate	0.10%
5 Employer contributions for year ended June 30, 2014	\$ 107,225.29

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

6 Employer proportion at June 30, 2013 (Proportionate Share of Net Pension Liability)	\$ 1,864,512.98
7 Employer proportionate share of net pension liability at June 30, 2013 (as a percentage)	0.116283%
8 State net pension liability	\$ 22,768.47
9 State's Proportionate Share of Net Pension Liability associated with the employer at June 30, 2013 (as a percentage)	0.147718%
10 <b>Total</b>	<b>\$ 1,887,281.45</b>

11 Employer proportion at June 30, 2014 (Proportionate Share of Net Pension Liability)	\$ 1,448,901.00
12 Employer proportionate share of net pension liability at June 30, 2014 (as a percentage)	0.116283%
13 State net pension liability	\$ 17,693.23
14 State's Proportionate Share of Net Pension Liability associated with the employer at June 30, 2013 (as a percentage)	0.147718%
15 <b>Total</b>	<b>\$ 1,466,594.23</b>

16 Employer's Pension Expense for year ended June 30, 2014 (includes Support Revenue)	\$ 111,420.06
17 Support Revenue provided by the State (special funding)	\$ 1,331.85
18 Support Revenue provided by Coal Tax Fund (non-special funding)	\$ 39,636.91

# Employer contributions subsequent to the measurement date & covered payroll:

Employer's Deferred Outflows and Deferred Inflows at June 30, 2014

		Deferred Outflows	Deferred Inflows
19	Differences between actual and expected experience	\$ -	\$ -
20	Changes of assumptions	\$ -	\$ -
21	Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 53,690.43
22	Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ -	
23	Employer contributions subsequent to the measurement date (**insert total amount employer contributions made to the plan from 7/1/2014 to 6/30/2015 in 'Deferred Outflows of Resources' column)	\$ 59,512.76	
24	<b>Total</b>	\$ 59,512.76	\$ 53,690.43
	Employer's total of Employees' Covered Payroll for 7/1/2014 to 6/30/2015**	\$ 412,995.85	

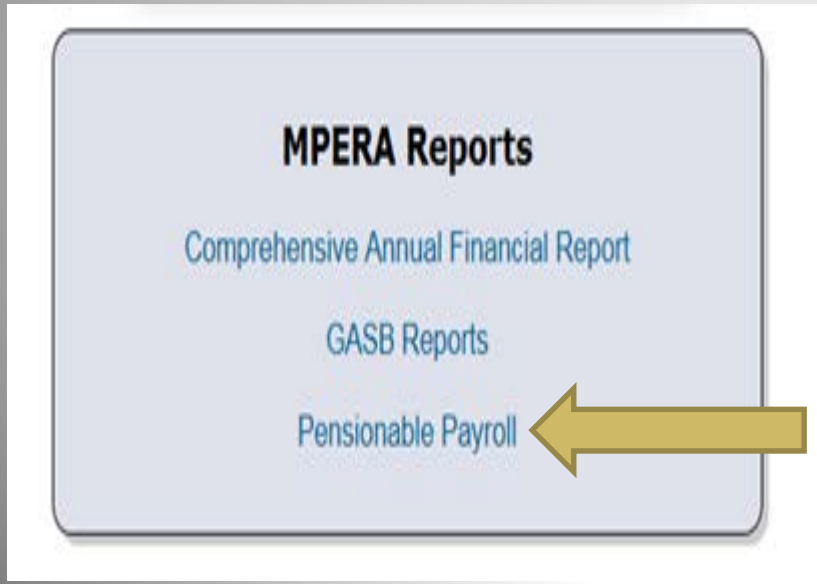
\*\*To be inserted by each employer from payroll software or payroll report on plan website

The Employer "Contributions subsequent to the measurement date" and "Covered payroll" are on the MPERA Pensionable Payroll report



Review the report for applicable plans

- Retirement Systems
- PERS
  - JRS
  - HPORS
  - SRS
  - GWPORS
  - MPORS
  - FURS





# GASB 68 Worksheet:

<u>Employer's Deferred Outflows and Deferred Inflows at June 30, 2014</u>				Deferred Outflows	Deferred Inflows
19	Differences between actual and expected experience			\$ -	\$ -
20	Changes of assumptions			\$ -	\$ -
21	Net difference between projected and actual earnings on pension plan investments			\$ -	\$ 53,690.43
22	Changes in proportion and differences between employer contributions and proportionate share of contributions			\$ -	
23	Employer contributions subsequent to the measurement date (**insert total amount employer contributions made to the plan from 7/1/2014 to 6/30/2015 in 'Deferred Outflows of Resources column')			\$ 59,512.76	
24	<b>Total</b>			\$ 59,512.76	\$ 53,690.43
	Employer's total of Employees' Covered Payroll for 7/1/2014 to 6/30/2015**			\$ 412,995.85	

**\*\*To be inserted by each employer from payroll software or payroll report on plan website**

The PERS Plan is the only plan that will have defined benefit and defined contribution payments.

Use the defined benefit contributions on the MPERA Pensionable Payroll report to complete the GASB 68 Worksheet

## Pensionable Payroll Report:

-----EMPLOYER REPORT-----  
LEGACY

MEMB EARN LEGACY	MEMBR CNTRB LEGACY	TOTAL EMPLR CNTRB LEGACY
892,109.87	80,290.04	128,552.96
9,582,375.83	862,416.10	1,380,820.22
4,116,929.71	370,524.21	593,249.58
2,750,866.86	247,577.80	396,399.64
409,291.57	36,836.13	58,979.07
291,856.05	26,267.05	42,056.68
332,092.39	29,888.30	47,854.43
258,039.51	23,223.57	37,183.55
712,354.09	64,111.94	102,650.17
215,526.83	19,397.59	31,057.60
491,990.51	44,279.14	70,895.88
<b>412,995.85</b>	<b>37,169.61</b>	<b>59,512.76</b>

GASB68-Worksheet-Version15.1-Test-file - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View Add-Ins Acrobat

Clipboard Font Alignment Number Cells Editing

L10

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
3														
4														
5	1													
6	1													
7	1													
8														
9														
10														
11														
12	2													
13	3													
14														
15														
16	5													
17														
18														
19	6													
20	7													
21														
22														
23	10													
24														
25	11													

Instructions Tab PERS Stmt-Input Tab FURS Stmt-Input Tab MPORS Stmt-Input Tab SRS Stmt-Input Tab TRS Stmt-Input Tab

Input the information for the other applicable pension plans from the MPERA report to the GASB 68 Worksheet



GASB Reports

City of Somewhere

PERS-00349	PERS Employer Report (PDF)
FURS-F00349	FURS Employer Report (PDF)
MPORS-P00349	MPORS Employer Report (PDF)

[Return to Select Organization Page](#)

PRIVACY & SECURITY

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MPERA reports:

PERS

FURS

MPORS

SRS

The TRS report is separate from MPERA

# Teachers Retirement System

https://trs.mt.gov

Home - Montana TRS

File Edit View Favorites Tools Help

Convert Select

CRM - LGSB Database - M... Welcome to the Local Go... Montana's Official State ... MDT Travel and Weather I...

MONTANA.GOV  
OFFICIAL STATE WEBSITE

TRS SEARCH

## Montana Teachers' Retirement System

ACTIVE MEMBERS  
Benefit information and account access

BENEFIT RECIPIENTS  
Handbook, forms and account access

EMPLOYERS  
Account access for insurance, wages and contributions

Home

Active Members

Benefit Recipients

Employers

Resources

About TRS

TRS Board

Contact TRS

Staff and Technical

**Bulletin: Important information regarding beneficiary designation**  
**Bulletin: Treatment of same-sex spouses**  
**Notice: Request for public information - retirees' monthly benefit amounts**  
**Update: Guaranteed Annual Benefit Adjustment (GABA) Lawsuit**  
**Released: The 2015 GASB 68 Reports**

### Welcome to the TRS Website

The TRS mission is to promote long-term financial security for our members while maintaining the stability of the fund. The most common sources of income for retirees in the U.S. are Social Security and personal savings (including investments). TRS members have the additional security of a defined benefit pension plan in which benefits are paid based on their years of service and their final average compensation. Defined benefits are guaranteed during the lifetime of the member.

Public pensions benefit, not only Montana's retired public employees, they also have a direct economic benefit to local communities. More than \$251 million are paid to 11,379 retired members in 56 counties around the state of Montana. These dollars flow back into local and state communities.

All TRS members contribute a percentage of their earned income as a share of the funding for their retirement, disability, and death benefits. In addition, a statewide pool of TRS employers

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### Popular Links

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Handbook Active Members  
Handbook Benefit Recipient  
TRS Annual Reports  
TRS Newsletter

Preparing for Retirement  
150-day Break in Service  
Termination of Employment  
Post-retirement  
Employment

Rates & Median Salary  
Charts

TRS Forms

Workshops  
Tutorials

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75%

Teachers Retirement System information is located:

<https://trs.mt.gov/>

GASB 68 Reports

# TRS Information for GASB 68 Worksheet

- Teachers Retirement System's Employer Reports are in Note Disclosure format.
- Input the information from the Sample Journal Entries page of the report provided by TRS.

**CASCADE COUNTY**  
**Sample Journal Entries**

**For Employer's Fiscal Year Ended June 30, 2015 (June 30, 2014 Measurement Date)**

	<u>DR</u>	<u>CR</u>
Deferred outflows of resources – Employer contributions 7/1/2013 – 6/30/2014	2,978	
Net position – prior period adjustment		2,978
<b>To record beginning deferred outflow of resources for FY14 contributions based on GASB 71</b>		
Net position – prior period adjustment	49,591	
Proportionate share of beginning collective net pension liability		49,591
<b>To record beginning proportionate share of net pension liability</b>		
Deferred outflows of resources – Difference b/w Expected and Actual Experience	424	
Deferred outflows of resources – Change of Assumptions	972	
Deferred outflows/inflows of resources – Difference b/w Actual and Expected Contributions	0	\$863
Pension expense – Employer	2,403	
Deferred inflows of resources – Difference b/w Projected and Actual Investment Earnings		6,645
Proportionate share of beginning collective net pension liability	49,591	
Proportionate share of ending collective net pension liability		42,903
Deferred outflows of resources – Employer contributions 7/1/2013 – 6/30/2014		2,978
<b>To record current year activity</b>		
	53,390	53,390
Pension expense – Non-Employer Contributing Entity	1,794	
Revenue – State aid		1,794

# TRS Input

**GASB 68  
Worksheet  
entry page  
for TRS is  
different  
than the  
MPERA  
pension  
plans**

**Reason:  
Format of the  
information  
provided by  
TRS differs  
from MPERA**

	A	B	C	D	E	F	G	H	I	J		
1			Cost Sharing Employer with Special Funding Situation									
2			(No other Non-employer contributing entities)									
3												
4					Enter Payroll Code:							
5				System:	TRS	(Teachers Retirement System)						
6				Employer:	City of Somewhere							
7				Payroll Code:								
8				Current Fiscal Year:	FY2015							
9				input the information as provided on the "Sample Journal Entries" page provided by the Teachers Retirement System.								
10				<a href="#">Montana TRS</a>								
11	#1	To record beginning deferred outflow of resources for FY14 contributions -										
12		Deferred Outflow of Resources - Employer contributions to Pension from 7/1/13 to 6/30/14				\$	2,978.00					
13		Prior Period Adjustment - Restatement						\$	2,978.00			
14												
15	#2	To record employer's beginning proportionate share of net pension liability										
16		Prior Period Adjustment				\$	49,591.00					
17		Proportionate share of beginning collective Net Pension Liability as of 6/30/13						\$	49,591.00			
18												
19	#3	To record activity adjusting net pension liability										
20		Deferred outflows of resources - Differences between actual and expected experience				\$	424.00					
21		Deferred inflows of resources - Differences between actual and expected experience										
22												
23		Deferred outflows of resources - Changes in assumptions				\$	972.00					
24		Deferred inflows of resources - Changes in assumptions										
25												

Ready | PERS Stmt-Input Tab | FURS Stmt-Input Tab | MPORS Stmt-Input Tab | SRS Stmt-Input Tab | TRS Stmt-Input Tab | 100%



# Payroll Allocation for PERS & Other Pension Plans cont.

Entity:	City of Somewhere		
Current Fiscal Year:	FY2015		
<b>Instructions:</b> Input gross payroll totals for all employees participating in the PERS Plan by the total amount paid from all governmental funds and separately by Proprietary Fund to determine the allocation by Fund Type.			
<b>Payroll Allocation by Total Payroll for PERS-Covered Employees:</b>			
Fund type:	Payroll of Employees Participating in PERS Pension by fund type:		Percentage of "PERS payroll"
Total of Governmental Funds:	75,000		48.39%
<b>Individual Proprietary Funds:</b>			
5210 Water	40,000		25.81%
5310 Sewer	20,000		12.90%
5410 Solid Waste	15,000		9.68%
5510 Ambulance	3,000		1.94%
5610 Airport	2,000		1.29%
<b>Total:</b>	<b>155,000</b>		<b>100.00%</b>

## Payroll Allocation for PERS Pension Plan:

a) Run a gross payroll report by fund type for **only** the employees participating in PERS

b) Input the amount of the payroll for governmental funds as one total and the amount for each proprietary fund individually in the yellow cells

# Payroll Allocation for PERS & Other Pension Plans cont.

Entity:	City of Somewhere
Current Fiscal Year:	FY2015
<b>Instructions:</b> Input gross payroll totals for all employees participating in the PERS Plan by the total amount paid from all governmental funds and separately by Proprietary Fund to determine the allocation by Fund Type.	
<b>Payroll Allocation by Total Payroll for PERS-Covered Employees:</b>	
Fund type:	Payroll of Employees Participating in PERS Pension by Percentage of "PERS payroll"
Total of Governmental Funds:	<b>75,000</b> 48.39%
<b>Individual Proprietary Funds:</b>	
5210 Water	40,000 25.81%
5310 Sewer	20,000 12.90%
5410 Solid Waste	15,000 9.68%
5510 Ambulance	3,000 1.94%
5610 Airport	2,000 1.29%
<b>Total:</b>	<b>155,000 100.00%</b>

## Payroll Allocation for Governmental Funds:

c) Further allocate the payroll of Governmental Funds by Major Purpose (account type)



Breakdown of Governmental Payroll By Major Purpose or Major Function (to assist with AFR OP Conversion):											
		General Government	Public Safety	Public Works	Public Health	Social & Economic	Culture & Recreation	Housing & Com Dev	Cons of Natural Resources	Misc - Unallocated	Total:
		41	42	43	44	45	46	47	48	51	
PERS ONLY	Input the amount paid in all governmental funds for PERS by major purpose in yellow cells:										<b>75000</b>
	<b>Total:</b>	<b>75,000</b>	33.33%	20.00%	13.33%	0.00%	0.00%	26.67%	0.00%	0.00%	6.67%



# Payroll Allocation for Pension Plans other than PERS

## Payroll Allocation of Pension Plans other than PERS for Governmental Funds :

- d) Enter the percentages for pension plans other than PERS
  - \* For FURS, MPORS & SRS - The default will be 100% to Public Safety;
  - \* TRS default is 100% General Government

Example below shows SRS manually changed to reflect 90% Public Safety & 10% General Government

Other Pension Plan Types	Update the percentage of payroll allocated by Major Purpose for the Plan Types reported if different	Plan Types:	41	42	43	44	45	46	47	48	51	Total:
		FURS		100%								1
		MPORS		100%								1
		SRS	10%	90%								1
		TRS	100%									1



## GASB 68 Worksheet Input ~ **Step 4:**

The information from the Payroll Allocation will be used to calculate the adjustments by fund type and plan type.

Calculations are done on hidden worksheet pages at the end of the workbook and information is transferred to Governmental Fund Adjustments & Proprietary Fund Journal Adjustment tabs

Pages are hidden ~ **No Input is necessary!**

# GASB 68 Worksheet Input ~ Step 4

## Governmental Funds Adjustments #1 - #3:

Governmental Funds - GASB 34 Adjustments for Government-Wide Statements					
Annual Financial Report Adjustments for Conversion Pages					
and Adjustments to General Long-Term Debt Account Group					
Adjustments:					
<b>Annual Financial Report Form - Governmental Long-Term Debt Account Group (Fund 9500)</b>					
			Debit:	Credit:	
#1	174300	Amount to be provided - other	\$ 2,746,295.54		} <b>Input Entries #1 on GLTDAG of AFR</b> for Governmental Funds and input as a JV in your Software if updating Fund 9500 - Long-Term Debt Acct.
	237000	Net Pension Liability		\$ 2,746,295.54	
<b>Annual Financial Report Form - BS Conversion:</b>					
#2	1999XX	Deferred Outflow of Resources	\$ 64,069.51		} <b>Input Entries #2 on BS Conversion of AFR:</b> Deferred Inflows & Outflows Adjustment on BS Conversion Page of AFR.
	2238XX	Deferred Inflows of Resources		\$ 2,263,163.92	
<b>Annual Financial Report Form - OP Conversion</b>					
#3	271500	Prior Period Adjustment	\$ 4,825,467.86		} <b>Input Entries #3 on OP Conversion of AFR:</b> Input Prior Period Adjustment in Column F Row 55 Input On-behalf payment Column F Row13 Intergov. Revenue Input Pension Exp by Function as listed below in Column F Rows 23-37
	336020	Revenue - On-behalf payment		\$ 169,457.40 ***	
	4XXXXX	Pension Expense	\$ 289,379.49		
		<b>Total:</b>	<b>\$ 5,178,916.86</b>	<b>\$ 5,178,916.86</b>	
		<b>Difference:</b>		<b>\$ -</b>	
If rounding adjustment is necessary, adjust to prior period adjustment account.					
Account	Description	Debit	Credit	Net Change:	
1999XX	Deferred Outflow of Resources	\$ 433,415.29	\$ 369,345.77	\$ 64,069.51	Debit
2238XX	Deferred Inflows of Resources		\$ 2,263,163.92	\$ 2,263,163.92	Credit
237000	Net Pension Liability	\$ 5,194,559.08	\$ 7,940,854.62	\$ 2,746,295.54	Credit
4XXXXX	Pension Expense	\$ 352,053.00	\$ 62,673.51	\$ 289,379.49	Debit
336020	Revenue - On-behalf payment		\$ 169,457.40	\$ 169,457.40	Credit
271500	Prior Period Adjustment	\$ 5,194,813.63	\$ 369,345.77	\$ 4,825,467.86	Debit
		<b>\$ 11,174,841.00</b>	<b>\$ 11,174,841.00</b>		
				\$ -	Diff

# Governmental Funds Adjustments –

## Most frequently asked question:

Do I make the adjustments in my accounting software?

### Governmental Funds - GASB 34 Adjustments for Government-Wide Statements

#### Annual Financial Report Adjustments for Conversion Pages

and Adjustments to General Long-Term Debt Account Group

#### Adjustments:

#### Annual Financial Report Form - Governmental Long-Term Debt Account Group (Fund 9500)

		Debit:	Credit:	
#1	174300 Amount to be provided - other	\$ 2,746,295.54		← #1 - Fund 9500 & GLTDAG
	237000 Net Pension Liability		\$ 2,746,295.54	

#### Annual Financial Report Form - BS Conversion:

#2	1999XX Deferred Outflow of Resources	\$ 64,069.51		← #2 - BS Conversion
	2238XX Deferred Inflows of Resources		\$ 2,263,163.92	

#### Annual Financial Report Form - OP Conversion

#3	271500 Prior Period Adjustment	\$ 4,825,467.86		← #3 - OP Conversion & Revenue Analysis
	336020 Revenue - On-behalf payment		\$ 169,457.40 ***	
	4XXXXX Pension Expense	\$ 289,379.49		
	<b>Total:</b>	<b>\$ 5,178,916.86</b>	<b>\$ 5,178,916.86</b>	
	<b>Difference:</b>	<b>\$</b>	<b>-</b>	

## Answer:

Do you keep Fund 9500 Up-to-date in your Accounting Software?

If so, Enter Adjustment #1

If not, you will only adjust on your AFR

# Net Pension Liability on the GLTDAG of AFR:

## Governmental Funds - GASB 34 Adjustments for Government-Wide Statements

### Annual Financial Report Adjustments for Conversion Pages

and Adjustments to General Long-Term Debt Account Group

#### Adjustments:

Annual Financial Report Form - Governmental Long-Term Debt Account Group (Fund 9500)

		Debit:	Credit:
#1	174300 Amount to be provided - other	\$ 2,746,295.54	
	237000 Net Pension Liability		\$ 2,746,295.54

#1 – Use to complete the GLTDAG of AFR

### LONG-TERM DEBT (9500) STATEMENT OF CHANGES IN GOVERNMENTAL FUNDS LONG-TERM DEBT FISCAL YEAR ENDING JUNE 30, 2015

Account number	Description	Balance July 1, 2014	Debits	Credits	Balance June 30, 2015
<b>ASSETS</b>					
174300	Amount to be provided - other	500.00	2,746,295.54		2,746,795.54
					0.00
	<b>*TOTAL ASSETS</b>	500.00	2,746,295.54	0.00	2,746,795.54
<b>DEBT PAYABLE</b>					
237000	Net Pension Liability			2,746,295.54	2,746,295.54
238000	OPEB Liability				0.00
239000	Compensated absences payable	500.00			500.00
					0.00
	<b>TOTAL DEBT PAYABLE</b>	500.00	0.00	2,746,295.54	2,746,795.54

Input the Net Pension Liability and offset to Amount to be provided - other

# Deferred Outflow & Inflow Adjustments #2 on AFR:

## Annual Financial Report Form - BS Conversion:

	1999XX	Deferred Outflow of Resources	\$	64,069.51
#2	2238XX	Deferred Inflows of Resources	\$	2,263,163.92

#2 Input on the BS Conversion Sheet of the AFR

## BS Conversion Page of AFR:

Remove Current Year Deferred Inflows of Tax Revenue & other Deferred Inflows;  
**NEW: Add**  
Deferred Inflows & Outflows related to GASB68

FROM  
 GOVERNMENTAL  
 FUND B/S

### ASSETS

#### Total Assets

190000	Deferred Outflows of Resources including GASB 68	0.00	64,069.51
190xxx	Deferred Outflows of Resources	0.00	
	<b>Total Deferred Outflows of Resources</b>	<b>0.00</b>	<b>64,069.51</b>

### LIABILITIES AND FUND BALANCES

#### Liabilities:

237000	Net Pension Liability		
	<b>Total Liabilities</b>	<b>0.00</b>	<b>0.00</b>
220000	Deferred Inflows of Resources including GASB 68	0.00	2,263,163.92
223000	Deferred Inflows of Tax Revenues	0.00	
		<b>0.00</b>	<b>2,263,163.92</b>

Input the Deferred Outflow of Resources & Deferred Inflow of Resources in the AFR BS Conversion Page

# Prior Period Adjustments #3 A on AFR:

Annual Financial Report Form - OP Conversion					
#3	A	271500	Prior Period Adjustment	\$	4,825,467.86
	B	336020	Revenue - On-behalf payment	\$	169,457.40
	C	4XXXXX	Pension Expense	\$	289,379.49
Total:				\$	5,178,916.86
				\$	5,178,916.86

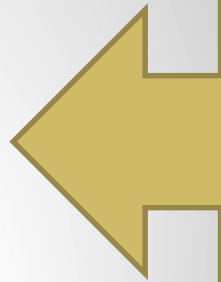
Insert #3 A - on the OP Conversion Page of AFR – Column F Prior Period Adjust Row

## OP Conversion of AFR:

Account Number	Description	FROM GOVERNMENTAL FUNDS	Current Year Deferred Inflow of Tax Revenue (Enter as postive on line 11 and/or 17)	Prior Year Deferred Inflow of Tax Revenue (Enter as negative on line 11 and/or 17)	Add Beginning Long-term Debt (to fund balance); <b>NEW:</b> Add prior period adj. for Net Pension Liability & on-behalf payment as intergovernmental revenue and pension expense by major purpose
<b>REVENUES</b>					
	Total other financing sources (uses)	0.00	0.00	0.00	0.00
	Net change in fund balances	0.00	0.00	0.00	(119,922.09)
	Fund balances - July 1, 2014 as previously reported	0.00		0.00	(500.00)
→	Prior period adjustments	0.00			(4,825,467.86)
	Fund balances - July 1, 2014 as restated	0.00	0.00	0.00	(4,825,967.86)
	Fund balances - June 30, 2015	0.00	0.00	0.00	(4,945,889.95)



Start by inputting #3 A - the **Prior Period Adjustment** on the OP Conversion



If the Prior Period Adjustment is a debit it will be entered as a negative number

# Governmental Funds Adjustments #3 B and C

## Detail information for Pension Expense & On-Behalf Payment:

#3 Expense by Major Function	Pension Expense by Function for OP Conversion Worksheet:		
	General Government #41	\$ 21,919.20	<b>Entries #3 - Pension Expense breakdown:</b> This information will be used to input the Pension Expense by Major Purpose on the OP (Operating) Conversion Page of the Annual Financial Report as detailed in Entries #3.
	Public Safety #42	\$ 246,144.99	
	Public Works #43	\$ 6,090.09	
	Public Health #44	\$ -	
	Social & Economic Services #45	\$ -	
	Culture & Recreation #46	\$ 12,180.17	
	Housing & Community Development #47	\$ -	
	Conservation of Natural Resources #48	\$ -	
	Misc - Unallocated #51	\$ 3,045.04	
		<b>\$ 289,379.49</b>	
#3 - Intergov Rev by Maj. Source	Intergovernmental Revenue by Function for Revenue Analysis Worksheet:		
	General Government #41	\$ 8,401.86	<b>Entries #3 - On-behalf Revenue</b> This information will be used to input the On-Behalf Payment (Intergovernmental Revenue) on the OP Conversion & Revenue Analysis Pages of the AFR <b>NOTE:</b> Some local governments may already make this entry as part of their closing adjustments within the funds - DO Not duplicate this entry if you made as part of your closing adjustments.
	Public Safety #42	\$ 151,804.53	
	Public Works #43	\$ 2,643.15	
	Public Health #44	\$ -	
	Social & Economic Services #45	\$ -	
	Culture & Recreation #46	\$ 5,286.29	
	Housing & Community Development #47	\$ -	
	Conservation of Natural Resources #48	\$ -	
	Misc - Unallocated #51	\$ 1,321.57	
		<b>\$ 169,457.40</b>	

#3 C - OP Conversion - Pension Expense Breakdown

#3 B - Op Conversion (total) and Revenue Analysis (detail)



# On-Behalf Revenue Adjustments #3 B on AFR:

Annual Financial Report Form - <u>OP Conversion</u>					
#3	A	271500	Prior Period Adjustment	\$	4,825,467.86
	B	336020	Revenue - On-behalf payment	\$	169,457.40
	C	4XXXXX	Pension Expense	\$	289,379.49
<b>Total:</b>				\$	5,178,916.86
				\$	5,178,916.86

#3 B Transfer to OP Conversion

OP Conversion of AFR:					
Account Number	Description	FROM GOVERNMENTAL FUNDS	Current Year Deferred Inflow of Tax Revenue (Enter as positive on line 11 and/or 17)	Prior Year Deferred Inflow of Tax Revenue (Enter as negative on line 11 and/or 17)	Add Beginning Long-term Debt (to fund balance); <b>NEW:</b> Add prior period adj. for Net Pension Liability & on-behalf payment as intergovernmental revenue and pension expense by major purpose
<b>REVENUES</b>					
310000/363000	Taxes/assessments	0.00	0.00		
320000	Licenses and permits	0.00			
→ 330000	Intergovernmental revenues	0.00			169,457.40
340000	Charges for services	0.00			

Insert #3 B in Column F under Intergovernmental Revenues of the OP Conversion

# Breakdown of Intergovernmental Revenue by Function:

#3 - Intergov Rev by Maj. Source

## Intergovernmental Revenue by Function for Revenue Analysis Worksheet:

General Government #41	\$	8,401.86
Public Safety #42	\$	151,804.53
Public Works #43	\$	2,643.15
Public Health #44	\$	-
Social & Economic Services #45	\$	-
Culture & Recreation #46	\$	5,286.29
Housing & Community Development #47	\$	-
Conservation of Natural Resources #48	\$	-
Misc - Unallocated #51	\$	1,321.57
	\$	<b>169,457.40</b>

### Entries #3 - On-behalf Revenue

This information will be used to input the On-Behalf Payment (Intergovernmental Revenue) on the OP Conversion & Revenue Analysis Pages of the AFR

**NOTE:** Some local governments may already make this entry as part of their closing adjustments within the funds - DO Not duplicate this entry if you made as part of your closing adjustments.

Input the breakdown of On-behalf Rev. on the Revenue Analysis Page of AFR

## Revenue Analysis of AFR:

Functional Activity	Intergovernmental				
	Taxes and Assessments	Licenses/ Permits	Operating Grants and Contributions	Capital Grants and Contributions	State and Federal Shared Revenues
From OP Conversion Spreadsheet	0.00	0.00		169,457.40	
<b>PROGRAM REVENUES</b>					
General Government					8,401.86
Public Safety					151,804.53
Public Works					2,643.15
Public Health					
Social/Economic Services					
Culture/Recreation					5,286.29
Housing/Community Development					
Conservation of Natural Resources					
Interest on long-term debt					
Miscellaneous					1,321.57
<b>TOTAL PROGRAM REVENUES</b>	0.00	0.00	0.00	0.00	169,457.40

Input the revenue by function on the Revenue Analysis Page - under Program Revenues - State & Federal Shared Revenues Column

# Governmental Funds Pension Expense:

Pension Expense by Function for OP Conversion Worksheet:	
General Government #41	\$ 21,919.20
Public Safety #42	\$ 246,144.99
Public Works #43	\$ 6,090.09
Public Health #44	\$ -
Social & Economic Services #45	\$ -
Culture & Recreation #46	\$ 12,180.17
Housing & Community Development #47	\$ -
Conservation of Natural Resources #48	\$ -
Misc - Unallocated #51	\$ 3,045.04
	<b>\$ 289,379.49</b>

**Entries #3 - Pension Expense breakdown:**  
 This information will be used to input the Pension Expense by Major Purpose on the OP (Operating) Conversion Page of the Annual Financial Report as detailed in Entries #3.

Transfer Pension Expense to OP Conversion

OP Conversion of AFR:		FROM GOVERNMENTAL FUNDS	Current Year Deferred Inflow of Tax Revenue (Enter as positive on line 11 and/or 17)	Prior Year Deferred Inflow of Tax Revenue (Enter as negative on line 11 and/or 17)	Add Beginning Long-term Debt (to fund balance); NEW: Add prior period adj. for Net Pension Liability & on-behalf payment as intergovernmental revenue and pension expense by major purpose
Account Number	Description				
<b>EXPENDITURES</b>					
Current:					
410000	General government	0.00			21,919.20
420000	Public safety	0.00			246,144.99
430000	Public works	0.00			6,090.09
440000	Public health	0.00			
450000	Social and economic services	0.00			
460000	Culture and recreation	0.00			12,180.17
470000	Housing and community development	0.00			
480000	Conservation of natural resources	0.00			
490000	Debt Service:				
	Principal	0.00			
	Interest	0.00			
	Unallocated costs				
	Capital outlay	0.00			
500000	Internal Services	0.00			
510000	Miscellaneous	0.00			3,045.04
	<b>Total Expenditures</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>289,379.49</b>

Insert the Pension Expense by Function in Column F under Expenditures on the OP Conversion

# Proprietary Fund Adjustments – Step 5

Proprietary Fund adjustments are calculated on the payroll allocation

The Proprietary Fund Adjustments will self-calculate. They are located on the Proprietary Fund Journal Adjust. Tab (Lavender tab)

Payroll Allocation by Total Payroll for PERS-Covered Employees			
Fund type:	Payroll of Employees Participating in PERS Pension by fund type:		Percentage of "PERS payroll"
<b>Total of Governmental Funds:</b>	<b>75,000</b>		<b>48.39%</b>
<b>Individual Proprietary Funds:</b>			
5210 Water	40,000		25.81%
5310 Sewer	20,000		12.90%
5410 Solid Waste	15,000		9.68%
5510 Ambulance	3,000		1.94%
5610 Airport	2,000		1.29%
<b>Total:</b>	<b>155,000</b>		<b>100.00%</b>

GASB68-Worksheet-Version15.1-Test-file - Microsoft Excel

Journal Voucher Adjustments by Proprietary Fund Type:

City of Somewhere

Account numbers to be determined by the Local Government:  
 1999xx - Deferred Outflow of Resources  
 2238xx - Deferred Inflow of Resources  
 4xxxx - Payroll Expense (may differ by fund - as used for payroll)  
 190-195 Pension Expense Object Code (not Pension contributions)

Account	Description	Debit	Credit
1999XX	Deferred Outflow of Resources	\$ 28,726.69	
272500	Prior Period Adjustment		\$ 28,726.69
#1. To record beginning deferred outflow of resources for FY14 contributions - GASB 71 Adjustment			
272500	Prior Period Adjustment	\$ 481,300.40	
237000	Net Pension Liability		\$ 481,164.64
#2. To record employer's beginning proportionate share of net pension liability			
1999XX	Deferred Outflows of Resources	\$ -	\$ 28,726.69
2238XX	Deferred Inflows of Resources	\$ 0	\$ 96,844.76
4XXXXX	Pension Expense	\$ 18,180.98	\$ 0
237000	Net Pension Liability - beginning	\$ 481,164.64	
237000	Net Pension Liability - ending		\$ 373,909.94
#3. To record activity adjusting net pension			
4XXXXX	Pension Expense	\$ 10,572.58	
336020	Revenue - On-behalf payment		\$ 10,572.58
#4. To record State (non-employer contributing entity) contributions			
1999XX	Deferred Outflow of Resources	\$ 4,393.22	
4XXXXX	Pension Payroll Expense		\$ 4,393.22
#5. To record employer contributions made in current fiscal year			
		\$ 1,024,338.52	\$ 1,024,338.52
		\$ -	
Account	Description	Debit	Credit
1999XX	Deferred Outflow of Resources	\$ 14,363.34	
272500	Prior Period Adjustment		\$ 14,363.34
#1			

# Proprietary Fund Adjustments – Step 5

City of Somewhere				
Fund	Account	Description	Debit	Credit
5210	1999XX	Deferred Outflow of Resources	\$ 28,726.69	
5210	272500	Prior Period Adjustment		\$ 28,726.69
<b>#1. To record beginning deferred outflow of resources for FY14 contributions - GASB 71 Adjustment</b>				
5210	272500	Prior Period Adjustment	\$ 481,300.40	
5210	237000	Net Pension Liability		\$ 481,164.64
<b># 2. To record employer's beginning proportionate share of net pension liability</b>				
5210	1999XX	Deferred Outflows of Resources	\$ -	\$ 28,726.69
5210	2238XX	Deferred Inflows of Resources	0	\$ 96,844.76
5210	4XXXXX	Pension Expense	\$ 18,180.98	0
5210	237000	Net Pension Liability - beginning	\$ 481,164.64	
5210	237000	Net Pension Liability - ending		\$ 373,909.94
<b>#3. To record activity adjusting net pension liability</b>				
5210	4XXXXX	Pension Expense	\$ 10,572.58	
5210	336020	Revenue - On-behalf payment		\$ 10,572.58
<b>#4. To record State (non-employer contributing entity) contributions</b>				
5210	1999XX	Deferred Outflow of Resources	\$ 4,393.22	
5210	4XXXXX	Pension Payroll Expense		\$ 4,393.22
<b>#5. To record employer contributions made in current fiscal year</b>				
			<b>\$ 1,024,338.52</b>	<b>\$ 1,024,338.52</b>

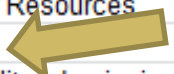
The necessary journal voucher adjustments for each Proprietary Fund will populate.

The journal adjustments will be made in your accounting software

# Proprietary Fund Adjustments – Step 5

City of Somewhere

Fund	Account	Description	Debit	Credit
5210	1999XX	Deferred Outflow of Resources	\$ 28,726.69	
5210	272500	Prior Period Adjustment		\$ 28,726.69
		<b>#1. To record beginning deferred outflow of resources for FY14 contributions - GASB 71 Adjustment</b>		
5210	272500	Prior Period Adjustment	\$ 481,300.40	
5210	237000	Net Pension Liability		\$ 481,164.64
		<b># 2. To record employer's beginning proportionate share of net pension liability</b>		
5210	1999XX	Deferred Outflows of Resources	\$ -	\$ 28,726.69
5210	2238XX	Deferred Inflows of Resources	0	\$ 96,844.76
5210	4XXXXX	Pension Expense	\$ 18,180.98	0
5210	237000	Net Pension Liability - beginning	\$ 481,164.64	
5210	237000	Net Pension Liability - ending		\$ 373,909.94
		<b>#3. To record activity adjusting net pension liability</b>		
5210	4XXXXX	Pension Expense	\$ 10,572.58	
5210	336020	Revenue - On-behalf payment		\$ 10,572.58
		<b>#4. To record State (non-employer contributing entity) contributions</b>		
5210	1999XX	Deferred Outflow of Resources	\$ 4,393.22	
5210	4XXXXX	Pension Payroll Expense		\$ 4,393.22
		<b>#5. To record employer contributions made in current fiscal year</b>		
			<b>\$ 1,024,338.52</b>	<b>\$ 1,024,338.52</b>



The Pension Expense Account Number should be the same as used for your payroll in the fund.

Example #1:  
Water payroll:  
5210-430500  
Pension expense will be 430500  
Object Code will be 190 - 195

# Proprietary Fund Adjustments – Step 5

Account Number	Description	Fund #5210 Water	Fund #5310 Sewer
	<b>ASSETS</b>		
	<b>Current Assets</b>		
	<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
199000	Deferred Outflows of Resources	4,393.22	2,196.61
199xxx	Deferred Outflow of Resources		
	<b>Total Deferred Outflows of Resources</b>	<b>4,393.22</b>	<b>2,196.61</b>
	<b>LIABILITIES</b>		
	<b>Current Liabilities</b>		
202100	Accounts payable		
214000	Deposits payable		
216000	Revenues collected in advance		
	<b>Total Current Liabilities</b>	<b>0.00</b>	
	<b>Noncurrent Liabilities</b>		
231000	Bonds payable		
237000	Net Pension Liability	373,909.94	186,954.97
238000	OPEB Liability		
239000	Compensated absences		
	<b>Total Noncurrent Liabilities</b>	<b>373,909.94</b>	<b>186,954.97</b>
	<b>Total Liabilities</b>	<b>373,909.94</b>	<b>186,954.97</b>
	<b>DEFERRED INFLOWS OF RESOURCES</b>		
220000	Deferred Inflows of Resources	96,844.76	48,422.38
22xxxx	Deferred Inflows of Resources		
	<b>Total Deferred Inflows of Resources</b>	<b>96,844.76</b>	<b>48,422.38</b>

Proprietary Fund Adjustments will be entered in the Accounting Software

The entries will be made on the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position.

# Proprietary Fund Cash Flow Statements:

Description	Fund #5210	Fund #5310
	Water	Sewer
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	400,000.00	200,000.00
Cash paid to suppliers	0.00	0.00
Cash paid to employees	(24,360.34)	(12,180.17)
Cash received from interfund services provided		
Cash paid for interfund services used		
Net cash provided (used) by operating activities	375,639.66	187,819.83
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers from (to) other funds	0.00	0.00
Advances from (to) other funds		
Subsidies from taxes and other governments	10,572.58	5,286.29
Net cash provided (used) by capital and related financing activities	10,572.58	5,286.29

Description	Fund #5210	Fund #5310
	Water	Sewer
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>		
Increase (decrease) in customer deposits		
Increase (decrease) in accounts payable		
Increase (decrease) in compensated absences pay.		
Increase (decrease) in intergovernmental revenues	(10,572.58)	(5,286.29)
Increase (decrease) in pension expense	24,360.34	12,180.17
Total adjustments	13,787.76	6,893.88
Net cash provided (used) by operating activities	389,427.42	194,713.71

Adjustments will be necessary on the Cash Flow Statements

The pension expense adjustments are non-cash items – Adjust the Cash paid to employees

The On-Behalf Payment is also a non-cash item – decrease the Subsidies from taxes & governments by the On-behalf payment

Adjust using a line on the Reconciliation of operating income to net cash provided that you aren't using



## **GASB 68 AFR Notes ~ Step 6**

**Additional Note Disclosures are required for GASB 68**

- A blank format was provided by MPERA

**TRS provided the completed note disclosure & RSI**

- **GASB 68 Worksheet will auto-complete the notes for each MPERA Pension Plan**
  - **Blue tabs of the GASB 68 Worksheet**
- **Follow the instructions to Copy & Move the applicable MPERA note disclosures from the GASB 68 Worksheet to your AFR**

# Instructions to Copy & Move the Note Disclosures:

## Instructions to move the Note Disclosures to your Annual Financial Report - Blue Tabs:

Have both the annual financial report and the GASB 68 Worksheet files open on your computer.

In the GASB 68 Worksheet go to the Note Disclosure tab you would like to copy and move.

Step 1: Right click on the tab at the bottom of the workbook page of the Note Disclosure tab

Step 2: A pop-up menu will appear – Click on Move or Copy

Step 3: A Move or Copy Menu will appear

Step 4: Check the "Create a copy box"

Step 5: Under "To book" scroll down to find your AFR file

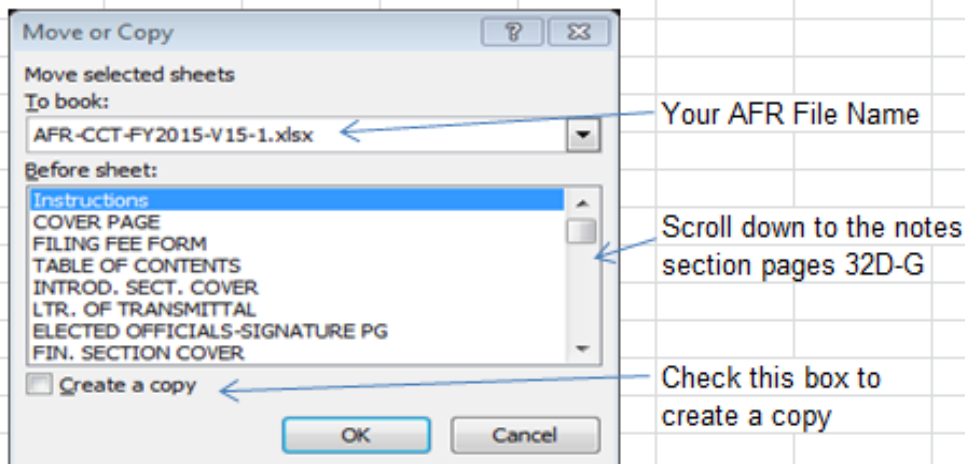
Step 6: Under "Before Sheet" scroll down to the Note Disclosure Page – Notes to the Fin Statement 32D-32G

Step 7: Click the "OK" box

Step 8: The PERS Note Disclosure will be added to your AFR file – the AFR file will be viewed on your cpu desktop.

Note: A separate note was not added for Teachers Retirement System. TRS provided a complete note disclosure copy and paste the TRS Note in the Annual Financial Report

Illustration #3:



# Moving the Note Disclosures:

**Step 1**

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM –  
DEFINED BENEFIT PENSION PLAN DISCLOSURES PER GASB 68  
FOR FISCAL YEAR ENDED JUNE 30, 2015**  
City of Somewhere

**Plan Description – 76a**

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan covers the State, local governments, certain employees of the Montana University System, and school districts.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be members of both the defined contribution and defined benefit retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP). For members that choose to join the PERS-DCRP or the MUS-RP, a percentage of the employer contributions will be used to pay down the liability of the PERS-DBRP.

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature. Benefits are based on eligibility, years of service, and highest average compensation. Member rights are vested after five years of service.

**Summary of Benefits – 76b**

Member's highest average compensation (HAC)		
Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;		
Hired on or after July 1, 2011:		
Hired on or after July 1, 2011:		
Early retirement benefits reduced:		
Hired prior to July 1, 2011:		
Hired on or after July 1, 2011:		

Excel tabs: PERS Note Disclosure, FURS Note Disclosure, MPORS Note Disclosure, SRS Note Disclosure

**Step 1:** Right click with your mouse on the tab at the bottom of the worksheet of the pension plan you want to copy and move to the AFR

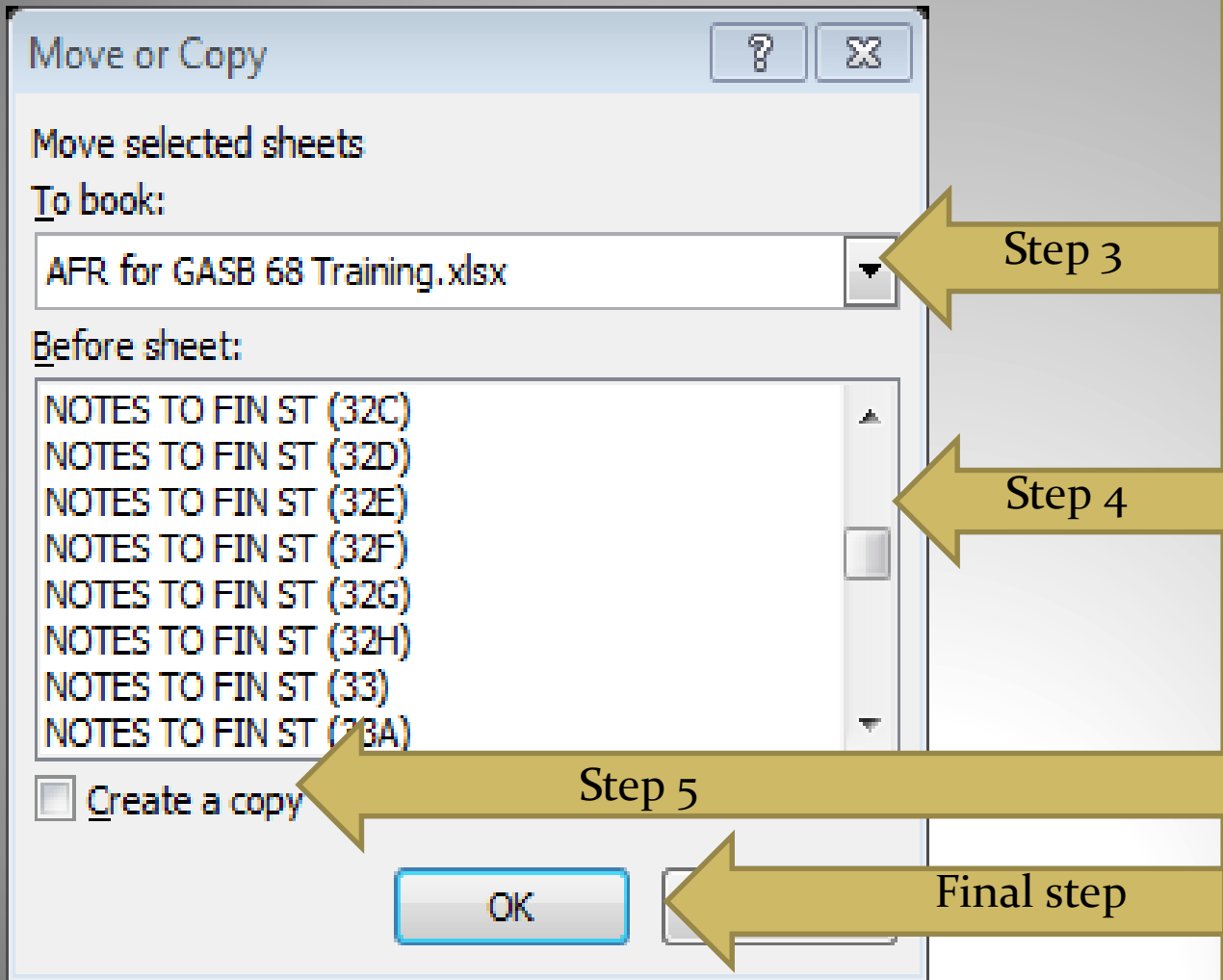
**Step 2:** Select the Move or Copy Sheet

**Step 2**

- Row Height...
- AutoFit Row Height
- Column Width...
- AutoFit Column Width
- Default Width...
- Visibility
  - Hide & Unhide
- Organize Sheets
  - Rename Sheet
  - Move or Copy Sheet...**
  - Tab Color
- Protection
  - Protect Sheet...
  - Lock Cell
  - Format Cells...

# Moving the Note Disclosures to your AFR:

## Pop-up Menu to Move and Copy:



A Move or Copy Pop-up Menu will appear:

**Step 3:**  
Find your AFR name in the To book: menu

**Step 4:**  
Find the location in the AFR you want to place the pages  
(Note section 32D-32G)

**Step 5:**  
✓ **Check** the Create a Copy box

Click on the OK Box and the worksheet will be copied to your AFR

# Required Supplementary Information – Step 7

- **The GASB 68 Worksheet includes the RSI Schedules.**
  - **Transfer the information by Pension Plan Type to the RSI Schedules of the Annual Financial Report.**
- **10-Year Schedules:**
  - Employer's Proportionate Share of the Collective Net Pension Liability, Covered Employee Payroll, Net Pension Liability as % of Employee Covered Payroll, Pension Plans Net Position as % of Total Pension Liability
  - Statutory/Contractual Contributions to Actual Contributions and Payroll (if necessary)

*10-year Schedules are not required in the first years of implementation until a full 10-year trend is compiled. Governments should present information for years which information is available*

# RSI from GASB 68 Worksheet:

<b>Schedule of Proportionate Share of the Net Pension Liability:</b>					
	PERS	FURS	MPORS	SRS	TRS
Employer's proportion of the net pension liability	\$ 1,448,901.00	\$ 210,889.13	\$ 437,312.76	\$ 1,354,109.52	Information was provided by TRS in this format
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	0.11628%	0.21604%	0.27830%	3.25374%	
State of MT proportionate share of the net pension liability associated with the Employer	\$ 17,693.23	\$ 475,755.49	\$ 883,424.08	0	
<b>Total</b>	<b>\$ 1,466,594.23</b>	<b>\$ 686,644.62</b>	<b>\$ 1,320,736.84</b>	<b>\$ 1,354,109.52</b>	
Employer's covered-employee payroll	\$ 1,316,323.55	\$ 280,627.04	\$ 373,408.41	\$ 2,104,279.22	
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	110.0720%	75.1490%	117.1140%	87.2000%	
Plan fiduciary net position the total pension liability (as a percentage)	79.9000%	76.7000%	67.0000%	76.7000%	
<b>Schedule of Contributions:</b>					
	PERS	FURS	MPORS	SRS	TRS
Contractually required contributions	\$ 113,295.01	\$ 40,560.07	\$ 54,292.39	\$ 217,652.77	Information was provided by TRS in this format
Contributions in relation to the contractually required contributions	\$ 113,295.01	\$ 40,560.07	\$ 54,292.39	\$ 217,652.77	
Contribution deficiency (excess)	0	0	0	0	
Employer's covered-employee payroll	\$ 1,320,100.00	\$ 280,627.04	\$ 412,995.85	\$ 2,104,279.22	
Contributions of covered-employee payroll (as a percentage)	8.5823%	14.4534%	13.1460%	10.3433%	

# RSI on the Annual Financial Report:

From the GASB 68 Worksheet

~ ~ ~

To the Annual Financial Report:

	PERS
Employer's proportion of the net pension liability	\$ 1,448,901.00
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	0.11628%
State of MT proportionate share of the net pension liability associated with the Employer	\$ 17,693.23
<b>Total</b>	<b>\$ 1,466,594.23</b>
Employer's covered-employee payroll	\$ 1,316,323.55
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	110.0720%
Plan fiduciary net position the total pension liability (as a percentage)	79.9000%
<b>Schedule of Contributions:</b>	
	PERS
Contractually required contributions	\$ 113,295.01
Contributions in relation to the contractually required contributions	\$ 113,295.01
Contribution deficiency (excess)	0
Employer's covered-employee payroll	\$ 1,320,100.00
Contributions of covered-employee payroll (as a percentage)	8.5823%



	Plan:	PERS
<b>Schedule of Proportionate Share of the Net Pension Liability:</b>		
	2015	2016
Employer's proportion of the net pension liability	\$ 1,448,901.00	
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	0.11628%	
State of MT proportionate share of the net pension liability associated with the Employer	\$ 17,693.23	
<b>Total</b>	<b>1466594.23</b>	<b>0</b>
Employer's covered-employee payroll	\$ 1,316,323.55	
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	110.0720%	
Plan fiduciary net position the total pension liability (as a percentage)	79.9000%	
<i>*Schedule is intended to show information for 10 years. Additional years will be di</i>		
<b>Schedule of Contributions:</b>		
	2015	
Contractually required contributions	113295.01	
Contributions in relation to the contractually required contributions	113295.01	
Contribution deficiency (excess)	0	0
Employer's covered-employee payroll	1320100	
Contributions of covered-employee payroll (as a percentage)	8.5823%	

# RSI for each Pension Plan will be reported separately on the AFR:

Plan:	PERS	
<b>Schedule of Proportionate Share of the Net Pension Liability:</b>		
	2015	2016
Employer's proportion of the net pension liability	\$ 1,448,901.00	
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	0.11628%	
State of MT proportionate share of the net pension liability associated with the Employer	\$ 17,693.23	
<b>Total</b>	<b>1466594.23</b>	<b>0</b>
Employer's covered-employee payroll	\$ 1,316,323.55	
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	110.0720%	
Plan fiduciary net position the total pension liability (as a percentage)	79.9000%	
<i>*Schedule is intended to show information for 10 years. Additional years will be di</i>		
<b>Schedule of Contributions:</b>		
	2015	
Contractually required contributions	113295.01	
Contributions in relation to the contractually required contributions	113295.01	
Contribution deficiency (excess)	0	0
Employer's covered-employee payroll	1320100	
Contributions of covered-employee payroll (as a percentage)	8.5823%	

Plan:	FURS	
<b>Schedule of Proportionate Share of the Net Pension Liability:</b>		
	2015	
Employer's proportion of the net pension liability	\$ 210,889.13	
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	0.21604%	
State of MT proportionate share of the net pension liability associated with the Employer	475755.49	
<b>Total</b>	<b>686644.62</b>	<b>0</b>
Employer's covered-employee payroll	\$ 280,627.04	
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	75.1490%	
Plan fiduciary net position the total pension liability (as a percentage)	76.7000%	
<i>*Schedule is intended to show information for 10 years. Additional years will be di</i>		
<b>Schedule of Contributions:</b>		
	2015	
Contractually required contributions	40560.07	
Contributions in relation to the contractually required contributions	40560.07	
Contribution deficiency (excess)	0	0
Employer's covered-employee payroll	280627.04	
Contributions of covered-employee payroll (as a percentage)	14.4534%	



# TRS Report contains RSI:

Input the Employer's covered-employee payroll and figure the Contributions as a percentage of covered-employee payroll by dividing the contribution by the payroll.

**Required Supplementary Information**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**Teachers Retirement System of Montana**  
**For the Year Ended June 30**

	<u>2015</u>
Employer's proportion of the net pension liability	0.0028%
Employer's proportionate share of the net pension liability associated with the Employer	\$42,903
State of Montana's proportionate share of the net pension liability associated with the Employer	\$32,041
Total	\$74,944
Employer's covered-employee payroll	\$*
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	%*
Plan fiduciary net position as a percentage of the total pension liability	70.36%

**Required Supplementary Information**  
**Schedule of Contributions**  
**Teachers' Retirement System of Montana**  
**For the Year Ended June 30**

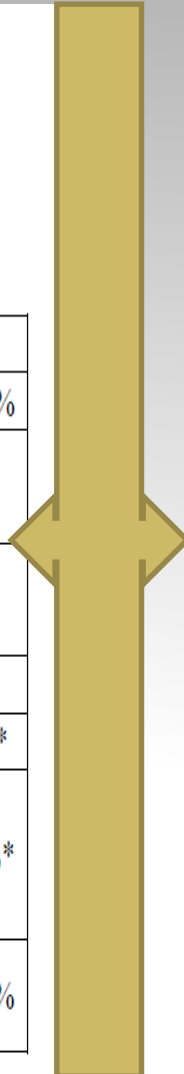
	<u>2015</u>
Contractually required contributions	\$3,365
Contributions in relation to the contractually required contributions	\$3,365
Contribution deficiency (excess)	
District's covered-employee payroll	\$ *
Contributions as a percentage of covered-employee payroll	%*

# TRS Report contains RSI:

Use the TRS report to complete the RSI on AFR:

Required Supplementary Information  
 Schedule of Proportionate Share of the Net Pension Liability  
 Teachers Retirement System of Montana  
 For the Year Ended June 30

	<u>2015</u>
Employer's proportion of the net pension liability	0.0028%
Employer's proportionate share of the net pension liability associated with the Employer	\$42,903
State of Montana's proportionate share of the net pension liability associated with the Employer	\$32,041
<b>Total</b>	<b>\$74,944</b>
Employer's covered-employee payroll	\$*
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	%*
Plan fiduciary net position as a percentage of the total pension liability	70.36%



**Schedule of Proportionate Share of the Net Pension Liability**

	2015	
Employer's proportion of the net pension liability	\$42,903.00	
Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)	0.00280%	
State of MT proportionate share of the net pension liability associated with the Employer	32041	
<b>Total</b>	<b>74944</b>	<b>0</b>
Employer's covered-employee payroll	\$62,150.00	
Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)	69.03%	
Plan fiduciary net position the total pension liability (as a percentage)	70.36%	

\*Schedule is intended to show information for 10 years. Additional years will be

**Schedule of Contributions:**

	2015	
Contractually required contributions	3365	
Contributions in relation to the contractually required contributions	3365	
Contribution deficiency (excess)	0	0
Employer's covered-employee payroll	62050	
Contributions of covered-employee payroll (as a percentage)	5.4230%	

# Recap:

- Local Governments will use the reports supplied by MPERA and TRS
  - GASB 68 Worksheet will assist with adjustments and reporting requirements
- Employer's Statements of Net Position will now include:
  - Net Pension Liability added for Pension Plans
  - Pension Expense
  - Deferred Inflows &/or Outflows for changes in NPL and contributions subsequent to the Plan's Measurement Date
  - Restatement for FY15 - the Implementation Year
- Additional Requirements:
  - Financial Statement Notes
  - Required Supplementary Information

# Resources:

- **LGSB Website:** <http://sfsd.mt.gov/LGSB>
  - GASB 68 Worksheet
- **GASB Website:** [www.gasb.org](http://www.gasb.org)
  - GASB 68 & 71 Statements
  - GASB 68 & 71 Implementation Guides
  - GASB Q&A's
  - GASB Toolkit
- **MPERA Website:** [www.mpera.mt.gov](http://www.mpera.mt.gov)
  - Employer Specific Data & Pensionable Payroll Reports
  - MPERA & TRS Implementation Q&A's
  - MPERA & TRS Implementation Timeline & Memo
  - Training – GASB 68 Presentations ~ Guidelines for Employers
  - MPERA CAFR
- **TRS Website:** [www.trs.mt.gov](http://www.trs.mt.gov)
  - GASB 68 Reports: 2015



# Local Government Services Bureau

## Contact Information has Changed:

**Address:** 125 N Roberts St, Room 270 ~ Mitchell Building  
PO Box 200547, Helena, MT 59620



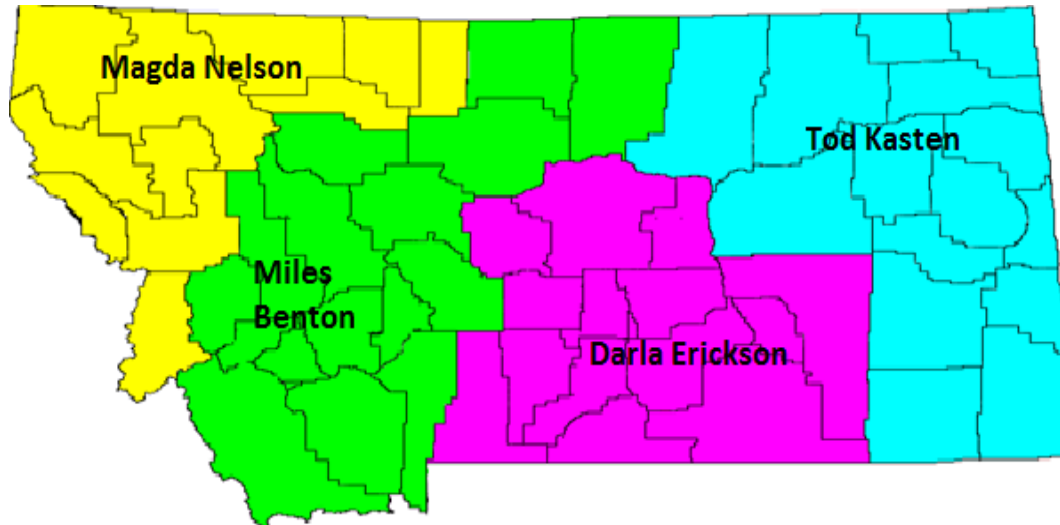
**Website:** <http://sfsd.mt.gov/LGSB>

**Phone numbers:**

**Office Front Desk:** Jeannie Ryan - 444-9101  
Diana Emmons - 444-9102

Kim Smith, Acting Bureau Chief - 444-9158

**Audit Review:** Kim Smith - 444-9158  
Charles Idehen - 444-9105



**Eastern Area:**

Darla Erickson - 371-5627  
Tod Kasten - 974-3377

**Western Area:**

Magda Nelson - 257-5245  
Miles Benton - 444-9140