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This publication is intended to help you understand how to take your PERA affiliated employer information from your Division Trust Fund's GASB 68 Schedule of Employer Allocation, Schedule of Collective Pension Amounts, and related notes and create journal entries to record the pension activity for your entity. The PERA Affiliated Employer shown in this example does not represent an actual employer, and it assumes that there is only one PERA Affiliated Employer Number for this financial reporting entity and that no further allocation is required. Furthermore, this publication doesn't include information pertaining to the journal entries to record employer-paid member contributions. If you have any questions, please contact the Colorado PERA GASB Work Team at GASBMail@copera.org.

For Educational Purposes Only

**PERA-Affiliated Employer and Local Government Division
Trust Fund Information
(Year 2)**

ITEM	Local Government Division Trust Fund
A Pension Plan	
B Financial Reporting Entity (PERA Affiliated Employer Number)	XXX
C Financial Reporting Entity (Financial Reporting Year-End) Pension Plan Measurement Date	6/30/2016 12/31/2015
D Collective Net Pension Liability as of 12/31/2015	\$1,101,581,000
E Collective Deferred Outflow of Resources Excluding Employer Specific Amounts as of 12/31/2015	\$220,327,000
F Collective Deferred Inflow of Resources Excluding Employer Specific Amounts as of 12/31/2015	\$20,215,000
G Collective Pension Expense 2015	\$124,002,000
H 2015 Employer Allocation Percentage	0.1383527974%
I Average Expected Remaining Service Life for the Pension Plan for 2015	2.24
J Employer Contributions for 2015 (Jan through June)	\$47,100
K Employer Contributions for 2015 (July through Dec)	\$52,532
L Employer Contributions subsequent to the Pension Plan's Measurement Date of 12/31/2015 (Jan through June 2016)	\$48,525
M Total Collective Actual Contributions recognized by the Pension Plan for 2015	\$70,415,000
N Total Collective Annualized Contributions used to determine Employer Proportionate Share for 2015	\$72,013,000

**PERA-Affiliated Employer and Local Government Division
Trust Fund Information
(Implementation Year)**

ITEM	Local Government Division Trust Fund
O Pension Plan	
P Financial Reporting Entity (PERA Affiliated Employer Number)	XXX
Q Financial Reporting Entity Year End Pension Plan Measurement Date	6/30/2015 12/31/2014
R Collective Net Pension Liability as of 12/31/2014	\$896,309,000
S Collective Deferred Outflow of Resources Excluding Employer Specific Amounts	\$48,607,000
T Collective Deferred Inflow of Resources Excluding Employer Specific Amounts	\$180,000 ¹
U Collective Pension Expense 2014	\$93,680,000
V 2014 Employer Allocation Percentage	0.1366560642%
W Average Expected Remaining Service Life for the Pension Plan	2.27
X Employer Contributions for 2014 (Jan thru June)	\$45,700
Y Employer Contributions for 2014 (July thru Dec)	\$49,250
Z Employer Contributions subsequent to PERA's Measurement Date of 12/31/2014 (Jan thru June 2015)	\$47,100
AA Total Collective Actual Contributions recognized by the Pension Plan for 2014	\$68,719,000
AB Total Collective Annualized Contributions used to determine Employer Proportionate Share	\$69,481,000
AC Collective Net Pension Liability as of 12/31/2013 adjusted for employer specific liability	\$822,921,000
AD 2013 Employer Allocation Percentage	0.1391234567%

¹ Amount has been restated as a positive number

Employer Level Deferral Amortization Schedules

For the Year Ended (Local Government Division Trust Fund)	Change in the employer's allocation percentage	Deferred Outflow	Deferred Inflow	Amortization Period
12/31/2014	-0.0024673925%	—	\$20,305 ¹	2.27
12/31/2015	0.0016967332%	14,386 ²	—	2.24
For the Year Ended (Financial Reporting Entity)	Amortization of the 2015 Deferral ³	Amortization of the 2016 Deferral ³	Total Amortization ³	
6/30/2015	(\$8,945)	—	(\$8,945)	
6/30/2016	(8,945)	6,422	(2,523)	
6/30/2017	(2,415)	6,422	4,007	
6/30/2018	—	1,542	1,542	
Total	(\$20,305)	\$14,386	(\$5,919)	

¹ Calculation: $(V - AD) \times AC$

² Calculation: $(H - V) \times (R - S + T)$

³ Positive amounts increase pension expense and negative amounts decrease pension expense.

For the Year Ended (Local Government Division Trust Fund)	Difference between actual contributions and proportionate share of total contributions	Deferred Outflow	Deferred Inflow	Amortization Period
12/31/2014	\$1,041	\$1,041 ¹	—	2.27
12/31/2015	2,211	2,211 ²	—	2.24
For the Year Ended (Financial Reporting Entity)	Amortization of the 2015 Deferral ³	Amortization of the 2016 Deferral ³	Total Amortization ³	
6/30/2015	\$459	—	\$459	
6/30/2016	459	987	1,446	
6/30/2017	123	987	1,110	
6/30/2018	—	237	237	
Total	\$1,041	\$2,211	\$3,252	

¹ Calculation: $(X + Y) - (V \times AA)$

² Calculation: $(J + K) - (H \times M)$

³ Positive amounts increase pension expense.

Second Year Sample Journal Entries for GASB Statement No. 68

J/E #	Description and Calculation	DR	CR
(1)	Deferred outflows of resources (dr. balance increases asset side of balance sheet) Net Pension Liability <i>To record Financial Reporting Entity's proportionate share of the change in Collective Deferred Outflows of Resources</i> <i>Calculation: (E x H) - (S x V) (plus 1.00 for rounding)</i>	238,405	238,405
(2)	Net Pension Liability Deferred inflows of resources (cr. balance increases liability side of the balance sheet) <i>To record Financial Reporting Entity's proportionate share of the change in Collective Deferred Inflows of Resources</i> <i>Calculation: (F x H) - (T x V)</i>	27,722	27,722
(3)	Pension Expense Net Pension Liability <i>To record Financial Reporting Entity's proportionate share of Collective Pension Expense</i> <i>Calculation: G x H (minus 1.00 for rounding)</i>	171,559	171,559
(4)	Deferred outflows of resources (dr. balance increases asset side of the balance sheet) Net Pension Liability <i>To record Financial Reporting Entity's employer-level deferral for changes in the employer allocation percentage from 2014 through 2015</i> <i>Calculation: See Employer Level Amortization Schedule</i>	14,386	14,386
(5)	Deferred inflows of resources (dr. balance decreases liability side of the balance sheet) Deferred outflows of resources (cr. balance decreases asset side of the balance sheet) Pension Expense <i>To record Financial Reporting Entity's amortization of employer-level deferrals for changes in employer allocation percentage</i> <i>Calculation: See Employer Level Amortization Schedule</i>	8,945	6,422 2,523

Note: Calculations reference the items shown on pages 2 - 4

Second Year Sample Journal Entries for GASB Statement No. 68

J/E #	Description and Calculation	DR	CR
(6)	Deferred outflows of resources (dr. balance increases asset side of balance sheet) Net Pension Liability <i>To record Financial Reporting Entity's employer-level deferral for the difference between actual contributions and a proportionate share of total contributions for the pension plan measurement date = 12/31/2015</i> <i>Calculation: See Employer Level Amortization Schedule</i>	2,211	2,211
(7)	Pension Expense Deferred outflows of resources (dr. balance increases asset side of balance sheet) <i>To record Financial Reporting Entity's amortization of employer-level deferrals for the difference between actual contributions and a proportionate share of total contributions</i> <i>Calculation: See Employer Level Amortization Schedule</i>	1,446	1,446
(8)	Net Pension Liability Deferred outflows of resources (dr. balance increases asset side of balance sheet) <i>To record the Financial Reporting Entity's employer contributions for the period of January 2015 through June 2015 as a reduction in the financial reporting entity's proportionate share of the collective net pension liability</i> <i>Calculation: See Item "J" - Information is sourced directly from the employer's payroll submissions for the period of January 2015 through June 2015</i>	47,100	47,100
(9)	Net Pension Liability Cash <i>To record the Financial Reporting Entity's employer contributions for the period of July 2015 through December 2015 as a reduction in the Financial Reporting Entity's proportionate share of the collective net pension liability</i> <i>Calculation: See Item "K" - Information is sourced directly from the employer's payroll submissions for the period of July 2015 through December 2015</i>	52,532	52,532
(10)	Deferred outflows of resources (dr. balance increases asset side of balance sheet) Cash <i>To record Financial Reporting Entity's employer contributions subsequent to the pension plan's Measurement Date of 12/31/2015</i> <i>Calculation: See Item "L" - Information is sourced directly from the employer's payroll submissions for the period of January 2016 through June 2016</i>	48,525	48,525

Note: Calculations reference the items shown on pages 2 - 4

T-Account Illustration

	Proportionate share of collective deferred outflows of resources related to pensions	Proportionate share of collective deferred inflows of resources related to pensions	Proportionate share of collective pension expense																																																												
Net Pension Liability <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">1,224,861</td> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Beginning Balance</td> </tr> <tr> <td>(2) 27,722</td> <td style="text-align: right;">238,405</td> <td>(1) 238,405</td> <td></td> </tr> <tr> <td>(8) 47,100</td> <td style="text-align: right;">171,559</td> <td></td> <td></td> </tr> <tr> <td>(9) 52,532</td> <td style="text-align: right;">14,386</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">2,211</td> <td></td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">1,524,068</td> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">Ending Balance</td> </tr> </table>		1,224,861		Beginning Balance	(2) 27,722	238,405	(1) 238,405		(8) 47,100	171,559			(9) 52,532	14,386				2,211				1,524,068		Ending Balance	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">66,424</td> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Beginning Balance</td> </tr> <tr> <td>(1) 238,405</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">304,829</td> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">Ending Balance</td> </tr> </table>		66,424		Beginning Balance	(1) 238,405					304,829		Ending Balance	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">246</td> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Beginning Balance</td> </tr> <tr> <td>(2) 27,722</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">27,968</td> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">Ending Balance</td> </tr> </table>		246		Beginning Balance	(2) 27,722					27,968		Ending Balance	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">0</td> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Beginning Balance</td> </tr> <tr> <td>(3) 171,559</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">171,559</td> <td style="border-top: 1px solid black;"></td> <td style="text-align: right; border-top: 1px solid black;">Ending Balance</td> </tr> </table>		0		Beginning Balance	(3) 171,559					171,559		Ending Balance
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