



NUTS AND BOLTS APPROACH TO GASB 68

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Learning objectives

- Understand the impact of GASBS 68
- Information you will need to gather to record the journal entry
- Recording the impact to your financial statements
- Implementation decisions and tracking of pension related activity going forward
- Required Supplementary Information
- Best practices
- GASB 27 for Comparative Statements



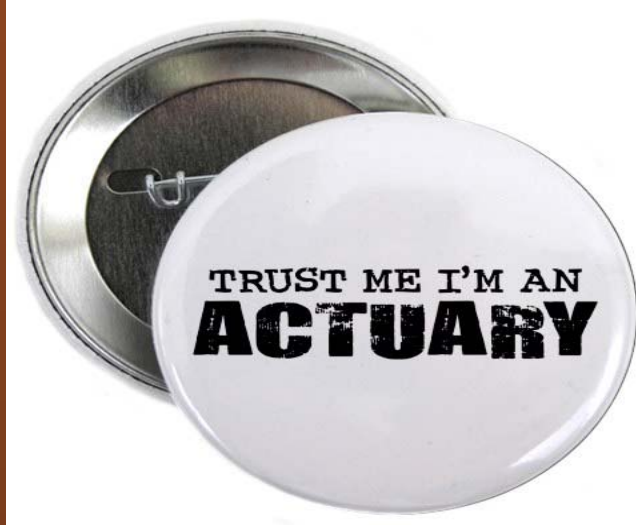
Impact of GASBS 68

- Significant changes to financial statements and footnotes.
- Complexities and understanding the recording of the pension liabilities.
- Communicating to Governance and the Public





Statement No. 68



Information you will need

- Prior year measurement data (COPERA this would be 12.31.2013 report)
- Current year measurement data (12.31.2014)
- Payroll reconciliation employer for period ended 12.31.2013
- Payroll reconciliation employer for period ended 12.31.2014



Recognition of Changes in NPL

Change in the NPL	Expense	Deferred Outflow or Inflow of Resources
Service cost	X	
Interest on TPL	X	
Plan Changes	X	
TPL-related differences between expected and actual experience	Single-Period Piece	X
TPL-related changes in assumptions	Single-Period Piece	X
Contributions subsequent to the measurement date		X
Change in proportionate share	Single-Period Piece	X



Recognition of Changes in NPL (cont)

Change in the NPL	Expense	Deferred Outflow or Inflow of Resources
Projected earnings on investments	X (reduction)	
Difference between projected and actual investment earnings	Single-period piece	X (with piece expensed)
Other sources	X	



Exercise

Excel schedule and inputs



Decisions.....and then Year 2

- Allocating to other opinion units
- Allocating change in proportionate share to other units
- Tracking of amortization related to deferred inflows/outflows
- Allocation to functions, as pension expense DNE contributions
- Budget issues for enterprise funds that budget on GAAP
- Calculating the employer specific information for footnotes



Is that it.....? Nope, there is more

- Footnote Disclosure
- RSI Schedules
 - Schedules of the Entity's Proportionate Share of the Net Pension Liability
 - Schedule of Contributions and Related Ratios
- GASB 27 disclosure
 - Does your entity present comparative statements?



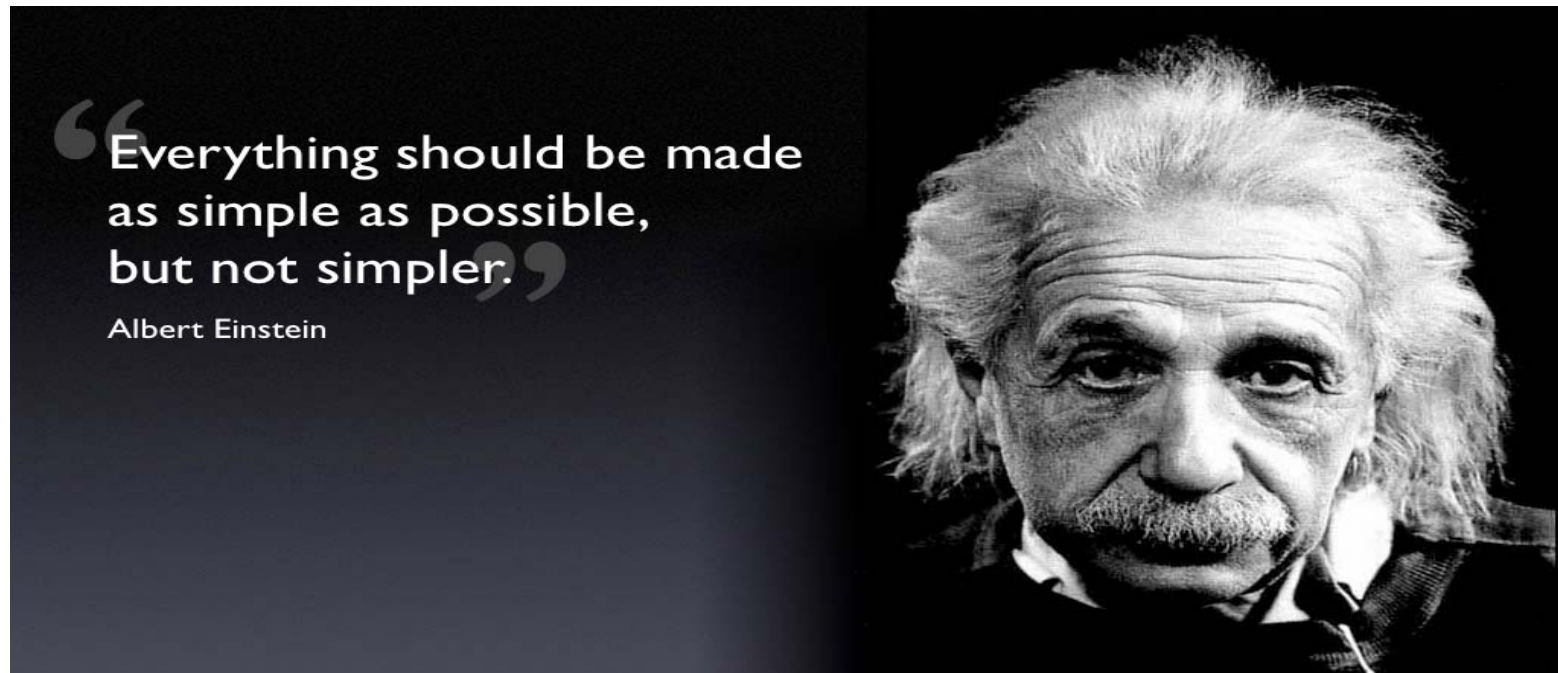
Exercise

Sample RSI schedules and Footnotes



Best Practices

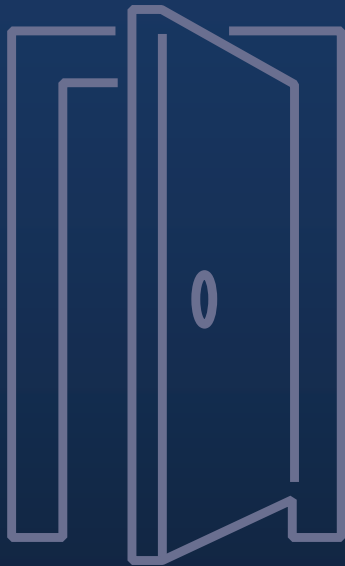
- Keep it simple
- Reconcile statements **BEFORE** adding GASB 68 information.
- Understand the impact and be able to explain to your Board



Resources

- PERA
 - <https://www.copera.org/employers/gasb-reporting-standards>
- GASB
 - <http://www.gfoa.org/>





Thank you!

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