

## Notes to the Financial Statements Template

**Instructions** – The Notes to the Financial Statements template below includes sample language and schedules to be used as a guide by LASERS employers in the development of their GASB 68 note disclosures. Please be aware of the highlighted and bracketed areas (refer to legend below) of the template where the notes require employer input and/or input from the GASB 68 exhibits on the website.

LASERS has provided this template as a courtesy to its employers, but each employer is responsible for its own Notes to the Financial Statements. Employers should review the language and other information contained in the template with their auditors.

**Note:** The GASB 68 employer template example for cost-sharing employers may be found in the [GASB 68 Implementation Guide](#), pages 155-161, Illustration 3a-Note Disclosures and Required Supplementary Information for a Cost-Sharing Employer (No Nonemployer Contributing Entities)

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Denotes Employer Input
Denotes Input from GASB 68 Exhibits

**Teachers Retirement System of Louisiana**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2015**

**Summary of Significant Accounting Policies**

*Pensions*

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and additions to/deductions from LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

*Plan Description*

Certain employees of Teachers Retirement System of Louisiana (TRSL) are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

*Benefits Provided*

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

## **1. Retirement**

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated

contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

## **2. Deferred Retirement Benefits**

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

## **3. Disability Benefits**

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

## **4. Survivor's Benefits**

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of

service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

## 5. Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

### *Contributions*

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2015 for the various plans follow:

<b>Plan</b>	<b>Plan Status</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>
Regular Employees and Appellate Law Clerks			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	37%
Post Act 75 (hired after 6/30/2006)	Open	8.0%	37%
Optional Retirement Plan (ORP)			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	37%
Post Act 75 (hired after 6/30/2006)	Closed	8.0%	37%
Legislators	Closed	11.5%	41.2%
Special Legislative Employees	Closed	9.5%	41.2%
Judges hired before 1/1/2011	Closed	11.5%	41.5%
Judges hired after 12/31/2010	Open	13.0%	36.2%
Corrections Primary	Closed	9.0%	39.9%
Corrections Secondary	Closed	9.0%	40.8%
Wildlife Agents	Closed	9.5%	46.9%
Peace Officers	Closed	9.0%	41.5%
Alcohol Tobacco Control	Closed	9.0%	44.8%
Bridge Police	Closed	8.5%	35.3%
Hazardous Duty	Open	9.5%	35.6%

The agency's contractually required composite contribution rate for the year ended June 30, 2015 was [insert rate]% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$[insert amount] for the year ended June 30, 2015.

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

At June 30, 2015, the Employer reported a liability of \$14,951,289 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the Agency's proportion was 0.23911%, which was an increase of 0.03953% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the Agency recognized pension expense of \$1,161,836 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$[insert amount from Exhibit 4a, Total (4+5), 2015].

At June 30, 2015, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (266,414)
Changes of assumptions	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (1,891,481)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	Debit from [Exhibit 4a T]	Credit from [Exhibit 4a T]
Employer contributions subsequent to the measurement date	[insert amount]	-
Total	\$ -	\$ (2,157,895)

\$[insert amount] reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2016	\$ (606,077) plus Debit (Credit) from [Exhibit 4a Total 4 + 5]
2017	\$ (606,077) plus Debit (Credit) from [Exhibit 4a Total 4 + 5]
2018	\$ (472,870) plus Debit (Credit) from [Exhibit 4a Total 4 + 5]
2019	\$ (472,870) plus Debit (Credit) from [Exhibit 4a Total 4 + 5]

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2014, and 2013 are as follows:

<b>Valuation Date</b>	June 30, 2014 and 2013
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	3 years.
<b>Investment Rate of Return</b>	7.75% per annum.
<b>Inflation Rate</b>	3.0% per annum.

**Mortality**

**Non-disabled members** - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.

**Disabled members** – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

**Termination, Disability, and Retirement**

Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.

**Salary Increases**

Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	4.0%	13.0%
Judges	3.0%	5.5%
Corrections	3.6%	14.5%
Hazardous Duty	3.6%	14.5%
Wildlife	3.6%	14.5%

**Cost of Living Adjustments**

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are summarized in the following table:



Asset Class	Target Allocation <sup>1</sup>	Long-Term
		Expected Real Rate of Return <sup>1</sup>
Cash	0%	0.50%
Domestic equity	27%	4.69%
International equity	30%	5.83%
Domestic Fixed Income	11%	2.34%
International Fixed Income	2%	4.00%
Alternative Investments	23%	8.09%
Global Asset Allocation	7%	3.42%
Total	100%	5.78%

<sup>1</sup>*For reference only:* Target Allocation presented in LASERS 2014 CAFR, page 46, and Long-Term Expected Real Rate of Return, page 28.

### **Discount Rate**

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### **Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.75%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	1.0% Decrease (6.75%)	Current Discount Rate (7.75%)	1.0% Increase (8.75%)
Employer's proportionate share of the net pension liability	\$ 19,176,240	\$ 14,951,289	\$ 11,370,041

### ***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2014 Comprehensive Annual Financial Report at [www.lasersonline.org](http://www.lasersonline.org).

### **Payables to the Pension Plan**

[If the Agency reported payables to LASERS, it should disclose information required by paragraph 122 of GASB 68 – Agency's responsibility to calculate and complete disclosure].

## Required Supplementary Information (RSI) Template

**Instructions** – This template includes two sample schedules and language for Notes to RSI to be used as a guide in the development of the RSI section of your financial statements:

- Schedule of Employer's Share of Net Pension Liability
- Schedules of Employer Contributions
- Notes to Required Supplementary Information

The schedules presented below will each eventually show a 10-year history of data related to GASB 68. You may create your own tables based on the examples LASERS has provided. Each year LASERS will update the data highlighted in accordance to the legend below. However, the employer is responsible for providing the remainder of the information and calculations as indicated.

Each employer is responsible for maintaining its own schedules, retaining prior year data, and updating the schedules each year based on new information.

**Note:** The definition of GASB 68 Covered Employee Payroll for Employers is different from GASB 67 Covered Employee Payroll for LASERS.

A. Employer's Covered Employee Payroll referenced in the GASB 68 schedules below represents the total fiscal year employer payroll as reported to LASERS for its employees covered by the LASERS plan, and further provides the total base compensation for the calculation of employee and employer contributions.

- Schedule of Employer's Share of Net Pension Liability - Covered Employee Payroll is for measurement period of July 2013-June 2014
- Schedule of Employer Contributions - Covered Employee Payroll is for the fiscal year ended June 30, 2015

B. GASB 67 Covered Employee Payroll for LASERS is the payroll of employees that are provided with pensions through the plan. LASERS payroll is defined as the base pay compensation earned by the member, exclusive of overtime and other supplemental pay.

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Denotes Employer Input
Denotes Input from GASB 68 Exhibits or directly from LASERS

**Schedule of Employer's Share of Net Pension Liability**  
**For the Year Ended June 30, 2015\***

	<u>2015</u>	
Employer's Proportion of the Net Pension Liability (Asset)	0.23911%	
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 14,951,289	1
Employer's Covered-Employee Payroll <sup>A</sup>	[\$insert amount]	2
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	[Calculation: 1 divided by 2]%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability <sup>B</sup>	65%	

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*



\*The amounts presented have a measurement date of the previous fiscal year end.

***For reference only:***

<sup>A</sup> Employer Covered-Employee Payroll as reported to LASERS during the measurement period of July 2013 through June 2014

<sup>B</sup> Presented in LASERS 2014 CAFR, page 27

**Schedule of Employer Contributions  
For the Year Ended June 30, 2015**

<b>Date</b>	<b>Contractually Required Contribution<sup>1</sup></b>	<b>Contributions in Relation to Contractually Required Contribution<sup>2</sup></b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Employee Payroll<sup>3</sup></b>	<b>Contributions as a % of Covered Employee Payroll</b>
2015	\$(insert amount)	\$(insert amount) 	#VALUE!	\$(insert amount) 	#VALUE!
<i>Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.</i>					

***For reference only:***

<sup>1</sup> Employer contribution rate multiplied by employer's covered employee payroll

<sup>2</sup> Actual employer contributions remitted to LASERS

<sup>3</sup> Employer's covered employee payroll amount for the fiscal year ended June 30, 2015

**Notes to Required Supplementary Information  
For the Year Ended June 30, 2015**

***Changes of Benefit Terms*** include:

- A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session, and,
- Improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

***Changes of Assumptions***

There were no changes of benefit assumptions for the year ended June 30, 2015.

**Louisiana State Employees' Retirement System**  
**Schedule of Collective Employer Pension Amounts<sup>1</sup>**  
**For the Year Ended June 30, 2014**

	Net Pension Liability <sup>2</sup>	Deferred Inflows	Deferred Outflows	Pension Expense
<b>Beginning Balance</b>	\$ (7,284,624,906)	\$ -	\$ -	\$ -
<b>Total Pension Liability Factors</b>				
Service Cost	(228,140,255)			228,140,255
Interest	(1,334,400,080)			1,334,400,080
Changes in Benefit Terms	(114,705,590)			114,705,590
Differences Between Expected and Actual Experience with Regard to Economic or Demographic Assumptions <sup>3</sup>	167,128,306	(167,128,306)	-	
Current Year Amortization		55,709,435	-	(55,709,435)
Amortization of Prior Years		-	-	-
Changes in Assumptions about Future Economic or Demographic Factors or Other Inputs <sup>3</sup>	-	-	-	
Current Year Amortization		-	-	-
Amortization of Prior Years		-	-	-
Benefit Payments	1,167,477,166			(1,167,477,166)
Refunds and Transfers of Member Contributions	77,118,765			77,118,765
Net Change	(265,521,688)	(111,418,871)	-	531,178,089
<b>Plan Fiduciary Net Position</b>				
Employer Contributions	615,164,022			
Employee Contributions	152,993,052			(152,993,052)
Expected Earnings on Investments	781,708,144			(781,708,144)
Difference Between Projected and Actual Earnings on Investments <sup>3</sup>	988,813,237	(988,813,237)	-	
Current Year Amortization		197,762,647	-	(197,762,647)
Amortization of Prior Years		-	-	-
Retirement Benefits	(1,167,477,166)			1,167,477,166
Administrative Expense	(14,810,539)			14,810,539
Refunds and Transfers of Member Contributions	(77,118,765)			(77,118,765)
Other	17,983,090			(17,983,090)
Net Change	1,297,255,075	(791,050,590)	-	(45,277,993)
<b>Ending Balance</b>	\$ (6,252,891,519)	\$ (902,469,460)	\$ -	\$ 485,900,095

<sup>1</sup>The *Schedule of Collective Employer Pension Amounts* presents the components of the total pension liability factors and plan fiduciary net position that impact changes in Net Pension Liability (NPL) during the fiscal year. The components of NPL are further classified into collective Deferred (Inflows)/Outflows and Pension Expense. The employer may multiply the amounts in all columns by their proportionate share of NPL to determine the amounts to be recognized in their financial statements and note disclosures. However, proportionate share information by employer is provided in Exhibits 2 and 3.

<sup>2</sup>The amounts disclosed under the collective "Net Pension Liability" column are presented on page 20 of LASERS Actuarial Valuation as of June 30, 2014, and used by LASERS in compiling the note disclosure and required supplementary information (RSI) for the implementation of GASB 67 in its 2014 Comprehensive Annual Financial Report, pages 27-29 and 58, respectively.

<sup>3</sup>Refer to Exhibit 1a.

**Louisiana State Employees' Retirement System**  
**Average Remaining Service Life Calculation**  
**For the Year Ended June 30, 2014**

The amortization periods of the fiscal year differences/changes listed below are equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active and inactive employees) determined as of the beginning of the measurement period.

- (1) Differences between expected and actual experience with regard to economic or demographic assumptions
- (2) Changes in assumptions about future economic or demographic factors or other inputs
- (3) Change in employer's proportion of beginning net pension liability<sup>1</sup>
- (4) Difference between employer contributions and proportionate share of employer contributions<sup>1</sup>

The amortization of the difference between projected and actual investment returns are to be amortized over a closed 5-year period, in accordance to LASERS asset valuation method.

The calculation of the average remaining service life (amortization period) for differences/changes (1) through (4) above is presented below:

	<b># Years</b>	<b>2013 Members</b>	<b>2014 Members</b>
Active	8.09	42,286	38,571
Active After DROP	3.08	1,825	1,750
Supplemental	4.06	241	237
DROP	0	2,092	1,838
Term Vested	0	4,162	4,558
Term Non-vested	0	52,385	52,042
Retired	0	45,184	46,703
		<hr/>	<hr/>
		148,175	145,699
Average		2.35	2.19
Round up		3.0	3.0

<sup>1</sup>Refer to GASB 68 Employer Calculation Worksheets

**Louisiana State Employees Retirement System**  
**Schedule of Employer Pension Amounts**  
**For the Plan Year ended June 30, 2014**

## Exhibit 2

|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

(Continued)



**Louisiana State Employees Retirement System**  
**Schedule of Employer Pension Amounts**  
**For the Plan Year ended June 30, 2013**

**Exhibit 3**

OSRAP Employer No.	Employer Name	(1) Annualized Payroll 6/30/2013	(2) Projected Required Employer Contributions	(2) / (1) Average FYE 2015 Rate	Net Pension Liability	Current Year Proportionate Share
LsrAgy00763	OPELOUSAS CITY COURT	\$ 47,832	\$ 19,850	41.50%	\$ 195,738	0.00269%
LsrAgy00004	ORLEANS PARISH SCHOOL BOARD	241,467	89,343	37.00%	881,075	0.01210%
LsrAgy00734	OUACHITA PARISH POLICE JURY	39,312	16,314	41.50%	160,917	0.00221%
LsrAgy00057	OUACHITA PARISH SCHOOL BOARD	222,448	82,306	37.00%	811,653	0.01114%
LsrAgy00727	PARISH OF ORLEANS JUDICIAL EXP JUDGES	376,411	146,236	38.85%	1,442,137	0.01980%
LsrAgy00726	PARISH OF TANGIPAHOA	14,100	5,852	41.50%	57,694	0.00079%
LsrAgy00751	PARISH OF TERREBONNE	36,301	15,065	41.50%	148,534	0.00204%
LsrAgy00757	PINEVILLE CITY COURT	88,516	36,734	41.50%	362,264	0.00497%
20-14-14	PONTCHARTRAIN LEVEE DISTRICT	1,512,061	557,386	36.86%	5,496,687	0.07546%
LsrAgy00517	PORT OF LAKE CHARLES	5,293,669	1,953,946	36.91%	19,268,926	0.26452%
04-158	PUBLIC SERVICE COMMISSION	4,088,359	1,512,693	37.00%	14,917,455	0.20478%
LsrAgy00312	RAPIDES PARISH HOUSING AUTHORITY	422,921	156,481	37.00%	1,543,175	0.02118%
LsrAgy00758	RAPIDES PARISH POLICE JURY	46,551	19,319	41.50%	190,493	0.00262%
LsrAgy00078	RAPIDES PARISH SCHOOL BOARD	263,183	97,378	37.00%	960,259	0.01318%
LsrAgy00709	RAYNE CITY COURT	12,000	4,980	41.50%	49,098	0.00067%
19-682	RECOVERY SCHOOL DISTRICT	6,873,809	2,543,309	37.00%	25,080,964	0.34430%
20-14-16	RED RIVER & BAYOU BOUEF LEVEE DISTRICT	825,875	305,574	37.00%	3,013,431	0.04137%
LsrAgy00193	REGIONAL PLANNING COMMISSION	1,214,549	449,383	37.00%	4,431,602	0.06084%
LsrAgy00333	REGIONAL TRANSIT AUTHORITY	105,119	38,894	37.00%	383,536	0.00527%
LsrAgy00923	RENEW CHARTER MGMT ORGANIZATION	70,000	25,900	37.00%	255,399	0.00351%
LsrAgy00259	RICHLAND PARISH SCHOOL BOARD	-	-	0.00%	-	0.00000%
LsrAgy00787	RUSTON CITY COURT	75,264	31,235	41.50%	307,994	0.00423%
20-31	SABINE RIVER AUTHORITY	1,820,976	673,761	37.00%	6,644,306	0.09121%
8-C-1	SCHOOL EMPLOYEES RETIREMENT SYSTEM	70,075	25,928	37.00%	255,690	0.00351%
04-139	SECRETARY OF STATE'S OFFICE	14,082,721	5,206,120	36.97%	51,340,361	0.70478%
20-309	SOUTH CENTRAL LOUISIANA HUMAN SERVICES AUTHORITY	7,998,146	2,959,314	37.00%	29,183,446	0.40062%
20-14-19	SOUTH LAFOURCHE LEVEE DISTRICT	727,892	269,320	37.00%	2,655,901	0.03646%
LsrAgy00376	SOUTH TANGIPAHOA PARISH PORT COMMISSION	118,539	43,859	37.00%	432,488	0.00594%
20-28-1	SOUTHEAST LA FLOOD PROTECTION AUTH. EAST	9,235,251	3,405,724	36.88%	33,585,690	0.46105%
20-C-3	SOUTHERN UNIVERSITY	18,887,584	6,979,696	36.95%	68,830,600	0.94488%
LsrAgy00778	SPRINGHILL CITY COURT	34,608	14,362	41.50%	141,613	0.00194%
LsrAgy00338	ST BERNARD PORT HARBOR & TERM DIST	882,483	326,519	37.00%	3,219,950	0.04420%
LsrAgy00182	ST CHARLES PARISH PUBLIC SCHOOLS	120,919	44,740	37.00%	441,230	0.00606%
LsrAgy00503	ST JAMES PARISH SCHOOL BOARD	-	-	0.00%	-	0.00000%
LsrAgy00764	ST LANDRY PARISH GOVERNMENT	23,254	9,650	41.50%	95,137	0.00131%
LsrAgy00207	ST LANDRY PARISH SCHOOL BOARD	237,001	87,690	37.00%	864,758	0.01187%
LsrAgy00723	ST MARTIN PARISH POLICE JURY	6,600	2,739	41.50%	27,026	0.00037%
LsrAgy00029	ST MARTIN PARISH SCHOOL BOARD	109,486	40,510	37.00%	399,489	0.00548%
LsrAgy00616	ST TAMMANY PARISH GOVERNMENT	3,600	1,494	41.50%	14,715	0.00020%
LsrAgy00020	ST TAMMANY PARISH SCHOOL BOARD	320,466	118,573	37.00%	1,169,328	0.01605%
LsrAgy00126	ST. MARY PARISH SCHOOL BOARD	169,359	62,663	37.00%	617,955	0.00848%
21-800	STATE EMPLOYEES GROUP BENEFIT	4,013,295	1,484,919	37.00%	14,643,626	0.20102%
20-11-4	STATE PLUMBING BOARD	185,702	68,710	37.00%	677,616	0.00930%
8-C-4	STATE POLICE RETIREMENT SYSTEM	235,908	87,286	37.00%	860,751	0.01182%
LsrAgy00019	TANGIPAHOA PARISH SCHOOL SYSTEM	415,102	153,588	37.00%	1,514,619	0.02079%
8-C-3	TEACHERS RETIREMENT SYSTEM OF LOUISIANA	3,984,468	1,474,253	37.00%	14,538,436	0.19958%
20-14-20	TENSAS BASIN LEVEE DISTRICT	1,349,737	498,090	36.90%	4,911,950	0.06743%
20-14-21	TERREBONNE LEVEE & CONSERVATION DISTRICT	769,704	284,790	37.00%	2,808,441	0.03855%
LsrAgy00104	TERREBONNE PARISH SCHOOL BOARD	108,505	40,147	37.00%	395,919	0.00544%
LsrAgy00799	THE CITY OF VILLE PLATTE	27,457	11,395	41.50%	112,402	0.00154%
LsrAgy00281	THE PORT OF SOUTH LOUISIANA	2,432,622	900,070	37.00%	8,876,097	0.12185%
LsrAgy00765	TOWN OF BUNKIE	11,385	4,725	41.50%	46,622	0.00064%
LsrAgy00720	TOWN OF SORRENTO	2,927	1,215	41.50%	11,947	0.00016%
LsrAgy00924	TOWN OF VIDALIA	34,944	12,440	35.60%	122,673	0.00168%
04-147	TREASURY DEPARTMENT	3,003,524	1,104,866	36.79%	10,895,686	0.14957%
20-C-2, 20-620	UNIVERSITY OF LOUISIANA	85,332,309	31,526,759	36.95%	310,902,619	4.26793%
LsrAgy00731	VERMILION PARISH POLICE JURY	14,911	6,188	41.50%	61,045	0.00084%
LsrAgy00128	VERMILION PARISH SCHOOL BOARD	42,876	15,864	37.00%	156,474	0.00215%
LsrAgy00379	WARE YOUTH CENTER	3,334,404	1,233,730	37.00%	12,166,489	0.16702%

(Continued)

### Employer Determined Amounts to be Recognized in Pension Expense and Deferred Inflows/Outflows

Denotes Employer Inputs

LASERS Collective Balances at June 30, 2014 and 2015

[\[Exhibit 1\]](#)

(Reference GASB 68 Implementation Guide, Illustration 3b, page 162)

	June 30, 2014	June 30, 2015
Collective Deferred Outflows of Resources	\$ -	\$ -
Collective Deferred Inflows of Resources	\$ -	\$ (902,469,460)
Collective Net Pension Liability	\$ (7,284,624,906)	\$ (6,252,891,519)
Collective Pension Expense		\$ 485,900,095

(1) Calculation of Proportionate Shares of Collective Balances

(Reference GASB 68, paragraphs 48 and 53)

	<a href="#">[Exhibit 2 Column C]</a>	<a href="#">[Exhibit 2 Column B]</a>	
Employer's Proportion	0.19958%	0.23911%	Change in Proportionate Share of
	Proportionate Share	Proportionate Share	Debit (Credit)
	June 30, 2014 (a)	June 30, 2015 (b)	Balance (b) - (a)
Deferred Outflows of Resources	\$ -	\$ -	\$ - *
Deferred Inflows of Resources	\$ -	\$ (2,157,895)	\$ (2,157,895) *
Net Pension Liability	\$ (14,538,654)	\$ (14,951,289)	\$ (412,635)
Proportionate Share of Collective Pension Expense		\$ 1,161,836	

\*Not applicable in first year

## Employer Determined Amounts to be Recognized in Pension Expense and Deferred Inflows/Outflows

Denotes Employer Inputs

## (2) Change in Employer's Proportion of Net Pension Liability

(Reference GASB 68, paragraph 54)

		0.19958%	0.23911%	Change in Proportionate Share of
	Collective Net Pension Liability June 30, 2014	Proportionate Share June 30, 2014 (a)	Proportionate Share June 30, 2015 (b)	Debit (Credit) Balance (b) - (a)
Deferred Outflows of Resources	\$ -	\$ -	\$ -	\$ -
Deferred Inflows of Resources	\$ -	\$ -	\$ -	\$ -
Net Pension Liability	\$ (7,284,624,906)	\$ (14,538,654)	\$ (17,418,267)	\$ (2,879,612)
Total Change in Employer's Beginning Reported Balance				\$ (2,879,612)

Amount to be recognized for the net effect of the change in employer's  
proportion of beginning net pension liability

\$ 2,879,612

## (3) Employer Contributions During the Measurement Period\*

(Reference GASB 68, paragraph 55)

		0.23911%		
	Collective Amount	Proportionate Share June 30, 2015 (a)	Actual Employer Contributions Paid During Measurement Period (b)	Debit (Credit) Balance (b) - (a)
Employer Contributions	\$ 615,164,022	\$ 1,470,919	Example Only \$ 1,329,887	\$ (141,032)
[Exhibit 2 Total Column S]				
Amount to be amortized for the difference between employer contributions and proportionate share of employer contributions				\$ (141,032)

\*The measurement period is fiscal year ended June 30, 2014

**Amortization of Employer Determined Amounts to add to Proportionate Share of  
Collective Pension Expense and Deferred Inflows/Outflows**

Denotes Employer Inputs

**(4) Amount to be recognized for the net effect of the change in employers' proportion of beginning net pension liability**

GASB 68 Reporting Year	Change in Proportionate Share	Recognition Period (Years)	2015	2016	2017	2018	2019
2015	\$ 2,879,612	3.0	\$ 959,871	\$ 959,871	\$ 959,871	\$ -	\$ -
2016		3.0	-	-	-	-	-
2017		3.0	-	-	-	-	-
2018		3.0	-	-	-	-	-
2019		3.0	-	-	-	-	-
Net Increase (Decrease) in Pension Expense			\$ 959,871	\$ 959,871	\$ 959,871	\$ -	\$ -

**(5) Amount to be amortized for the difference between employer contributions and proportionate share of employer contributions**

GASB 68 Reporting Year	Employer Contributions vs Proportionate Share of Employer Contributions	Recognition Period (Years)	2015	2016	2017	2018	2019
2015	\$ (141,032)	3.0	\$ (47,011)	\$ (47,011)	\$ (47,011)	\$ -	\$ -
2016		3.0	-	-	-	-	-
2017		3.0	-	-	-	-	-
2018		3.0	-	-	-	-	-
2019		3.0	-	-	-	-	-
Net Increase (Decrease) in Pension Expense			\$ (47,011)	\$ (47,011)	\$ (47,011)	\$ -	\$ -

**Amortization of Employer Determined Amounts to add to Proportionate Share of  
Collective Pension Expense and Deferred Inflows/Outflows**

Denotes Employer Inputs

Total (4 + 5) Changes in Proportion (4) and Differences between Employer Contributions and Proportionate Share of Employer Contributions (5)

GASB 68 Reporting Year		Recognition Period (Years)		2015	2016	2017	2018	2019
2015	\$	2,738,581	3.0	\$ 912,860	\$ 912,860	\$ 912,860	\$ -	\$ -
2016			3.0	-	-	-	-	-
2017			3.0	-	-	-	-	-
2018			3.0	-	-	-	-	-
2019			3.0	-	-	-	-	-
Net Increase (Decrease) in Pension Expense				\$ 912,860	\$ 912,860	\$ 912,860	\$ -	\$ -

To be added to amounts in Exhibit 2

Add to Column E

Add to Column L

Add to Column M

Add to Column N

Add to Column O

**Summary**

	Deferred Outflows (Inflows) of Resources	Pension Expense
Change in Employer's Proportion of Net Pension Liability	\$ 1,919,741	\$ 959,871
Difference Between Employer Contributions During the Measurement Period	(94,021)	(47,011)
Net Amount Recognized	\$ 1,825,720	\$ 912,860
	T	

## GASB 68 Sample Employer Journal Entries

Denotes Employer Input

**(1) Recording the initial Net Pension Liability -** The following entry shows how to record the initial Net Pension Liability (as of June 30, 2014) in the financial statements. How it is to be reported will depend on the employer's financial organization and accounting structure. Recording this entry in the financial statements should be discussed with the employer's external auditor.

	Debit	Credit
Beginning Net Position-Restated	\$ 14,538,654	
Net Pension Liability		\$ 14,538,654

To record employer's proportionate share of the initial Net Pension Liability as of June 30, 2014 .

*(This initial entry will be recorded once in the accounting system and is not part of a monthly or yearly pension expense. Where practical, it is recommended that this be recorded in the first period of the fiscal year in which GASB 68 is implemented. Net Pension Liability does not necessarily need to have its own line in the financial statements. This determination will depend on the size of the liability relative to other items on the financial statements. Please note that Net Pension Liability is a long-term liability, and is not immediately payable.)*

**(2) Recording the yearly Pension Expense -** Pension expense is the difference in Net Pension Liability from the prior measurement date, June 30, 2014, to the current measurement date, June 30, 2015, with certain adjustments as shown collectively in [Exhibit 1](#). The employer's share of pension expense is calculated by multiplying the collective pension expense by the employer's June 30, 2015 proportionate share.

	Debit	Credit
Pension Expense	\$ 1,161,836	
Net Pension Liability		\$ 1,161,836

To record employer's proportionate share of the yearly Pension Expense. [Exhibit 2 Column E]

**(3) Recording actual employer contributions -**

**(A) Actual employer contributions made during the initial measurement period of July 1, 2013 - June 30, 2014 (one-time entry).**

	Debit	Credit
Net Pension Liability		
Beginning Net Position-Restated		\$ -

To reclass actual employer contributions made during the initial measurement period of July 1, 2013 through June 30, 2014 to net pension liability.

**(B) Actual employer contributions made subsequent to the measurement date (during current fiscal year).**

	Debit	Credit
Deferred Outflow		
Cash/Payroll Expense		\$ -

To reclass actual employer contributions made subsequent to the measurement date of June 30, 2014 (during fiscal year ended June 30, 2015) to deferred outflows of pension resources.

## GASB 68 Sample Employer Journal Entries

Denotes Employer Input

### **(4) Recording Deferred (Inflows) and Outflows of Resources Related to Pensions -**

Deferred (inflows)/outflows of resources are recognized to record:

- (A) Differences between expected and actual experience with regard to economic or demographic assumptions
- (B) Changes in assumptions about future economic or demographic factor or other inputs
- (C) Differences between projected and actual returns on investment
- (D) The net effect of the change in employer's proportion of beginning net pension liability
- (E) The difference between employer contributions and proportionate share of employer contributions

The collective deferred (inflows)/outflows amounts for Journal Entries (4) (A)-(C) are provided in [Exhibit 1](#), minus one year's amortization to pension expense. [Exhibit 2, columns F-O, provides the allocation by employer of the remaining amortizable amount of collective deferred inflows and outflows.](#)

### **(A) Differences between expected and actual experience with regard to economic or demographic assumptions**

	Debit	Credit
Net Pension Liability	\$ 266,414	
Deferred Inflow		\$ 266,414

To record employer's remaining proportionate share of differences between expected and actual experience with regard to economic or demographic assumptions at June 30, 2015.

Proportionate share calculation:

Exhibit 1	Exhibit 2 Column B	Deferred Inflow Amount to Amortize
\$ 167,128,306	0.23911%	\$ 399,620
Amortization Period		3 years
Amount to Pension Expense Each Year		\$ 133,207
<b>Remaining Amount to be Amortized</b>		<b>\$ 266,414</b> <a href="#">[Exhibit 2 Column G]</a>

### **(B) Changes in assumptions about future economic or demographic factor or other inputs (Amortization Period=3 years)**

For the fiscal year ended June 30, 2015, LASERS did not report deferred (inflows)/outflows for change in assumptions. However, for future reporting purposes the basic journal entry for (B) would be:

Changes in assumptions decrease proportionate share of net pension liability

	Debit	Credit
Net Pension Liability	\$ xxxx.xx	
Deferred Inflow		\$ xxxx.xx

Changes in assumptions increase proportionate share of net pension liability

	Debit	Credit
Deferred Outflow	\$ xxxx.xx	
Net Pension Liability		\$ xxxx.xx

**NOTE:** Deferred amounts would be minus first year amortization to pension expense as that is already reflected in JE 2.

## GASB 68 Sample Employer Journal Entries

Denotes Employer Input

### (C) Differences between projected and actual returns on investment

	Debit	Credit
Net Pension Liability	\$ 1,891,481	
Deferred Inflow		\$ 1,891,481

To record employer's remaining proportionate share of differences between projected and actual returns on investment at June 30, 2015.

Proportionate share calculation:

Exhibit 1	Exhibit 2 Column B	Deferred Inflow Amount to Amortize
\$ 988,813,237	0.23911%	\$ 2,364,351
Amortization Period		5 years
Amount to Pension Expense Each Year		\$ 472,870
Remaining Amount to be Amortized		\$ 1,891,481

*First year amortization already reflected in JE 2 above*  
*[Exhibit 2 Column K]*

### (D) The net effect of the change in employer's proportion of beginning net pension liability

	Debit	Credit
Pension Expense	\$ 959,871	
Deferred Outflow	\$ 1,919,741	
Net Pension Liability		\$ 2,879,612

To record the employer's calculation of the change in employer's pension liability as shown in [Exhibit 4 \(2\)](#) and related amortization over 3 years in [Exhibit 4a \(4\)](#).

### (E) The difference between employer contributions and proportionate share of employer contributions - Reference GASB 68 Implementation Guide, Illustration 3b, Calculation of Amounts Required by GASB 68, 2(b), in conformance to GASB 68, Paragraph 55

(1) To record the employer's calculation of the difference between employer contributions and proportionate share of employer contributions as shown in [Exhibit 4 \(3\)](#) and related amortization over 3 years in [Exhibit 4a \(5\)](#) **when employer contributions paid are greater than the proportionate share of contributions.**

	Debit	Credit
Pension Expense	\$	
Deferred Outflow	\$	
Net Pension Liability		#VALUE!

(2) To record the employer's calculation of the difference between employer contributions and proportionate share of employer contributions as shown in [Exhibit 4 \(3\)](#) and related amortization over 3 years in [Exhibit 4a \(5\)](#) **when employer contributions paid are less than the proportionate share of contributions.**

	Debit	Credit
Net Pension Liability	\$ 141,032	
Deferred Inflow		\$ 47,011
Pension Expense		\$ 94,021