



FRF Instructions for Sample Journal Entries, Footnote Disclosure and RSI for Employers with a 9/30/24 FYE using a 6/30/2024 Measurement Date

PERSI has created DRAFT guidelines regarding Governmental Accounting Standards Board (GASB) Statement No. 68 based on pension plan information that is currently available. **They are subject to change as new information becomes available.** The guidelines in this document are applicable to employers with a 9/30/24 FYE who will have to use June 30, 2024 as their measurement date.

The guidelines include general instructions for employers regarding journal entries, footnote disclosure and required supplementary information (RSI) required by GASB. Some of the information required for your financial statements to be complete will have to come from your organization.

NOTE: These guidelines are neither authoritative nor designed to replace guidance from your auditor. Instead, they provide sample displays and disclosure to assist with preparation of your financial statements, footnote disclosure and RSI if you are required to report under GASB. This publication is intended to help employers understand how to take the PERSI employer data to record required journal entries and report required footnote disclosures. PERSI cannot be held liable for any information provided in this publication, sample footnote disclosure or sample JE. PERSI cannot be held liable for how the employer applies the information provided by PERSI to their financial statements.

Sample Journal Entries: See JE Template (Sample FRF JE employers with FYE 9-30-2024 using 6-30-2024 measurement date)

FRF employers will have to post JEs related to FRF data and PERSI base plan data separately. FRF employers cannot net FRF entries with base plan entries. I.E. FRF has a net pension asset whereas the base plan has a net pension liability, the employer cannot net the asset against the liability.

Input tab:

Total employer contribution - employer's contributions can be found on PERSI's June 30, 2023 and June 30, 2024 "**GASB 68 20XX FRF Plan Allocation Report**".

Employer proportionate allocation - employer's proportionate allocation can be found on PERSI's June 30, 2023 and June 30, 2024 "**GASB 68 20XX FRF Plan Allocation Report**".

Enter the above data into the JE template. The employer portion of deferred inflows/outflows will auto populate.

Change in proportionate share is the impact of the change in collective amounts using FY23 & FY24 allocation percentages. Employer may be required to make an additional JE to record the change.

JE's tab:

The cell highlighted in yellow will have to come from the employer records. The amounts presented are for illustration purposes only. Enter the debit and the corresponding credit will auto populate.

All other cells will auto populate after you enter your data in the input tab. Please note that the 9/30/2024 entry is out of balance by the change in proportionate share. This amount should match the amount brought in from the Input tab (there may be a slight rounding amount). If a JE is needed, it will have to be recorded in deferred flows and amortized over the required number of years. Consult with your auditor regarding the application of this entry.

Sample Footnote Disclosure: See Sample Footnote Disclosure (FRF Sample Footnote for employers with a 9-30-2024 FYE using 6-30-2024 measurement date)

Member and Employer Contributions – employer's contributions can be found on the "GASB 68 2024 FRF Plan Allocation Report".

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflow of Resources and Deferred Inflows of Resources related to Pensions – employer's proportion can be found on the "GASB 68 2024 FRF Plan Allocation Report".

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflow of Resources and Deferred Inflows of Resources related to Pensions – employer's recognized pension expense (revenue) can be found on the JE template plan pension expense/(revenue).

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflow of Resources and Deferred Inflows of Resources related to Pensions table – the majority of this data will come from the JE template and will be the cumulative portion.

Changes in employer's proportion and differences between the employer's contributions and the employer's proportionate contributions – change in proportionate share box on JE template input tab.

Contributions subsequent to the measurement date – this number comes from the employer, the measurement date for PERSI data is 6/30/2024. This number will represent the employer's contributions from July 1, 2024 to September 30, 2024 (for this example) and will always be a deferred outflow of resources. This should be the same amount as the last JE on the JE template JEs tab.

In the paragraph directly below the deferred inflows/outflows table the dollar amount to report will be the same as contributions subsequent to the measurement date in the deferred outflows/inflows table.

The average of expected remaining service lives of all employees that are provided with pensions through the System determined at July 1, 2020 the beginning of the measurement period ended June 30, 2024 can be found in the **"GASB 68 2024 FRF Plan Allocation Report"**. – 1 Year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/ (revenue) as follows – employers will need to apply their allocation percent to the table found in the Plan Pension Expense/ (Revenue) section of the Firefighters' Retirement Fund June 30, 2024 **"GASB 68 2024 FRF Plan Allocation Report"**. In addition to the PERSI data if an entry is recorded for the change in proportionate share that will need to be added to this table and amortized.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate – employers will apply their proportionate allocation to the table found in the sensitivity section of the Firefighters' Retirement Fund June 30, 2024 **"GASB 68 2024 FRF Plan Allocation Report"**.

Payables to the pension plan - this data will come from the employer if applicable.

Required Supplementary Information

Employer's portion of NPA – percent comes from the Firefighters' Retirement Fund June 30, 2024 **"GASB 68 2024 FRF Plan Allocation Report"**.

Employer's proportionate share of NPA – can be found on JE template 6/30/2024 NPA or apply employer percent to the Firefighters' Retirement Fund June 30, 2024 **"GASB 68 2024 FRF Plan Allocation Report"**.

Employer's covered-employee payroll – employer provides this data – keep in mind for RSI covered payroll is defined as total payroll, not pensionable payroll. (may want to consider if total vs. pensionable is immaterial). It does not include payroll for employees who are not PERSI eligible.

Employer's proportional share of NPL/NPA as a % of covered payroll – calculation of above data.

Plan fiduciary net position as a % of total pension liability – PERSI's FY23 audited financial statements note 5.

Statutorily required contribution – employers will take pensionable wages multiplied times the contribution rates applicable

Contributions in relation to the statutorily required contribution - employers will take the actual contributions made during the year

Contribution (deficiency) excess – net of above

Employer's covered-employee payroll – same as above

Contributions as a percent of covered-employee payroll – calculation of above

Notes to the Required Supplementary Information – For FY23 there were no changes; therefore, this section is not required.

Non Authoritative