OkMRF
SAMPLE ENTRIES FOR GASB 68
MEASUREMENT DATE OF JULY 1, 2025 - Year 12
SAMPLE CITY, OKLAHOMA

NOTES:
Sample City must determine appropriate internal allocation methods to record the related GASB 68 transactions. The Proprietary Funds' allocations will be at each fund level and the remaining allocation will be at the Government-wide level to the various departments or activities. Discuss your internal method to use for the allocation with your auditor, establishing an internal method that is representative of your group of employees creating the pension expense and net pension liability.

Let's assume the results of your allocation method are as follows:

General Fund		
General Government	28%	
Streets	36%	
		64%
Utility Authority		
Water	18%	
Wastewater	18%	
	100%	36%

The numbers referenced A to O are cross-referenced to Exhibits 1 - 5 of the Accounting Valuation Report for GASB 68.

FY 2025 **Actual** Employer Contributions were $53,171 vs the estimate of $55,300 in previous year's sample entries. B

FY 2026 **Estimated** Employer Contributions $51,835. This will be your actual employer portion of your contributions for FY 25-26 P

		Government Wide-Governmental Activities		Proprietary Fund @ Fund Level		Totals		
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
AJE-1								
Pension Expense for General Government			19,965				19,965	
Pension Expense for Streets			25,668				25,668	
Pension Expense Water					12,835		12,835	
Pension Expense Wastewater					12,835		12,835	
Net Pension Liability (net change for year)	$71,303	45,633		25,670		71,303		A

To record the net change to Net Pension Liability at measurement date of July 1, 2025.

		Government Wide-Governmental Activities Dr.	Cr.	Proprietary Fund @ Fund Level Dr.	Cr.	Totals Dr.	Cr.	
AJE-2								
Pension Expense for General Government		14,888				14,888		
Pension Expense for Streets		19,141				19,141		
Pension Expense Water				9,571		9,571		
Pension Expense Wastewater				9,571		9,571		
Deferred **Outflows**-Contributions (FYE 2025 actual)	$53,171		34,029		19,142		53,171	B
To reverse last year's entry for FY 2025 Employer Contributions as Deferred Outflows for the actual amount vs estimate of $55,300 in prior year example.								
AJE-3								
Deferred **Outflows** - Actuarial Loss 2026	$12,582	8,052		4,530		12,582		C
Pension Expense for General Government			3,522				3,522	
Pension Expense for Streets			4,530				4,530	
Pension Expense Water					$2,265		2,265	
Pension Expense Wastewater					$2,265		2,265	
To record Deferred Outflows for Actuarial Loss 2026.								
AJE-4								
Deferred **Outflows** - Actuarial Loss 2026	$2,352		1,506		846		2,352	D
Pension Expense for General Government		659				659		
Pension Expense for Streets		847				847		
Pension Expense Water				423		423		
Pension Expense Wastewater				423		423		
To record current year amortization of 2026 Deferred Outflows for Actuarial Loss.								
AJE-5								
Deferred **Inflows**-Actuarial Gain 2025	$2,153	1,379		774		2,153		E
Pension Expense for General Government			603				603	
Pension Expense for Streets			776				776	
Pension Expense Water					387		387	
Pension Expense Wastewater					387		387	
To record current year amortization of 2025 Deferred Inflows for Actuarial Gain.								

			Government Wide-Governmental Activities		Proprietary Fund @ Fund Level		Totals		
			Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
AJE-6									
	Deferred **Inflows**-Actuarial Gain 2024	$3,470	2,220		1,250		3,470		F
	Pension Expense for General Government			972				972	
	Pension Expense for Streets			1,248				1,248	
	Pension Expense Water					625		625	
	Pension Expense Wastewater					625		625	
	To record current year amortization of 2024 Deferred Inflows for Actuarial Gain.								
AJE-7									
	Deferred **Inflows**-Actuarial Gain 2023	$8,023	5,135		2,888		8,023		G
	Pension Expense for General Government			2,246				2,246	
	Pension Expense for Streets			2,889				2,889	
	Pension Expense Water					1,444		1,444	
	Pension Expense Wastewater					1,444		1,444	
	To record current year amortization of 2023 Deferred Inflows for Actuarial Gain.								
AJE-8									
	Deferred **Inflows** - Actuarial Gain 2022	$1,221	781		440		1,221		H
	Pension Expense for General Government			341				341	
	Pension Expense for Streets			440				440	
	Pension Expense Water					220		220	
	Pension Expense Wastewater					220		220	
	To record current year amortization of 2022 Deferred Inflows for Actuarial Gain.								
AJE-9									
	Deferred **Inflows**-Changes in Assumptions 2023	$5,510	3,526		1,984		5,510		I
	Pension Expense for General Government			1,542				1,542	
	Pension Expense for Streets			1,984				1,984	
	Pension Expense Water					992		992	
	Pension Expense Wastewater					992		992	
	To record current year amortization of 2023 Deferred Inflows for Changes in Assumptions.								

			Government Wide-Governmental Activities		Proprietary Fund @ Fund Level		Totals		
			Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
AJE-10									
	Pension Expense for General Government		21,027				21,027		
	Pension Expense for Streets		27,035				27,035		
	Pension Expense Water				13,518		13,518		
	Pension Expense Wastewater				13,518		13,518		
	Deferred **Inflows**-Investment Gain 2026	$75,098		48,062		27,036		75,098	J
	To record Deferred Inflows for Investment Gains 2026.								
AJE-11									
	Deferred **Inflows** - Investment Gain 2026	$15,020	9,612		5,408		15,020		K
	Pension Expense for General Government			4,206				4,206	
	Pension Expense for Streets			5,406				5,406	
	Pension Expense Water					2,704		2,704	
	Pension Expense Wastewater					2,704		2,704	
	To record current year amortization of Deferred Inflows for Investment Gain 2026.								
AJE-12									
	Deferred **Inflows** - Investment Gain 2025	$11,220	7,180		4,040		11,220		L
	Pension Expense for General Government			3,141				3,141	
	Pension Expense for Streets			4,039				4,039	
	Pension Expense Water					2,020		2,020	
	Pension Expense Wastewater					2,020		2,020	
	To record current year amortization of Deferred Inflows for Investment Gain 2025.								

			Government Wide-Governmental Activities		Proprietary Fund @ Fund Level		Totals		
			Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
AJE-13									
	Deferred **Inflows** - Investment Gain 2024	$4,085	2,615		1,470		4,085		M
	Pension Expense for General Government			1,144				1,144	
	Pension Expense for Streets			1,471				1,471	
	Pension Expense Water					735		735	
	Pension Expense Wastewater					735		735	
	To record current year amortization of Deferred Inflows for Investment Gain 2024.								
AJE-14									
	Pension Expense for General Government		18,969				18,969		
	Pension Expense for Streets		24,388				24,388		
	Pension Expense Water				12,194		12,194		
	Pension Expense Wastewater				12,194		12,194		
	Deferred **Outflows**-Investment Loss 2023	$67,745		43,357		24,388		67,745	N
	To record current year amortization of Deferred Outflows for Investment Loss 2023.								
AJE-15									
	Deferred **Inflows** - Investment Gain 2022	$56,288	36,024		20,264		56,288		O
	Pension Expense for General Government			15,761				15,761	
	Pension Expense for Streets			20,263				20,263	
	Pension Expense Water					10,132		10,132	
	Pension Expense Wastewater					10,132		10,132	
	To record current year amortization of Deferred Inflows for Investment Gain 2022.								
AJE-16									
	Deferred **Outflows**-Estimated ER Contributions FY 2026	$51,835	33,175		18,660		51,835		P
	Pension Expense for General Government			14,514				14,514	
	Pension Expense for Streets			18,661				18,661	
	Pension Expense Water					9,330		9,330	
	Pension Expense Wastewater					9,330		9,330	
	To record ER Estimated Contributions for FYE 26 as Deferred Outflows.								

	Government Wide-Governmental Activities		Proprietary Fund @ Fund Level		Totals	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
$441,076	$282,286	$282,286	$158,790	$158,790	$441,076	$441,076

Oklahoma Municipal Retirement Fund
Employee Retirement System of [redacted] Oklahoma

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balance at 7/1/2024	$ 1,698,928	$ 1,614,728	$ 84,200
Changes for the Year:			
Service cost	62,308		62,308
Interest cost	122,332		122,332
Difference between expected and actual experience	12,582		C 12,582
Assumption changes	0		0
Contributions -- Employer		53,171	(53,171) B
Contributions -- Employee		24,905	(24,905)
Net investment income		193,865	(193,865)
Benefit payments, including refunds of employee contributions	(138,157)	(138,157)	0
Benefit changes due to plan amendments	0		0
Administrative expense		(3,416)	3,416
Other changes			0
Net changes	59,065	130,368	(71,303) A
Balance at 7/1/2025	$ 1,757,993	$ 1,745,096	$ 12,897

SENSITIVITY OF NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

	1% Decrease 6.50%	**Current Discount Rate 7.50%**	**1% Increase 8.50%**
Total Pension Liability	$ 1,988,882	$ 1,757,993	$ 1,573,128
Plan Fiduciary Net Position	1,745,096	1,745,096	1,745,096
Net Pension Liability	$ 243,786	$ 12,897	$ (171,968)

The discount rate used to value benefits was the long-term expected rate of return on plan investments, 7.50% (see Exhibit 11), as prescribed by paragraph 26 of GASB 68 when the plan's fiduciary net position is projected to be sufficient to make projected benefit payments.

The employer has adopted a funding method that is designed to fund all benefits payable to participants over the course of their working careers. Any differences between actual and expected experience are funded over a fixed period to ensure all funds necessary to pay benefits have been contributed to the trust before those benefits are payable. Thus, in accordance with paragraph 29, the evaluations required by paragraph 27 to determine the sufficiency pension plan assets can be made without a separate projection of cashflows.

Oklahoma Municipal Retirement Fund
Employee Retirement System of [redacted] Oklahoma

RECONCILIATION OF TOTAL PENSION LIABILITY

Total Pension Liability at 7/1/2024	$	1,698,928	
Service Cost		62,308	
Interest Cost		122,332	
Benefit Payments		(138,157)	
Projected Total Pension Liability at 7/1/2025	$	1,745,411	
Benefit Changes Due to Plan Amendments		0	
Actuarial (Gain)/Loss		12,582	C
Assumption Changes		0	
Total Pension Liability at 7/1/2025	$	1,757,993	

Oklahoma Municipal Retirement Fund
Employee Retirement System of [redacted] Oklahoma

RECONCILIATION OF PLAN FIDUCIARY NET POSITION

Market Value of Assets at 7/1/2024	$	1,614,728
Contributions -- Employer		53,171 B
Contributions -- Employee		24,905
Net Investment Income		193,865
Benefit Payments		(138,157)
Administrative Expenses		(3,416)
Refund of Residual Assets		0
Market Value of Assets at 7/1/2025	$	1,745,096

Oklahoma Municipal Retirement Fund
Employee Retirement System of [redacted] Oklahoma

PENSION EXPENSE

Service Cost		$	62,308
Interest Cost			122,332
Expected Return on Plan Investments			(118,767)
Administrative Expenses			3,416
Contributions -- Employee			(24,905)
Amortization of Deferred (Inflows) and Outflows			
Actuarial (gains) and losses	D E F G H		(12,515)
Changes in assumptions	I		(5,510)
Investment (gains) and losses	K L M N O		(18,868)
Benefit Changes Due to Plan Amendments			0
Pension Expense for Fiscal 2026		$	7,491

Oklahoma Municipal Retirement Fund
Employee Retirement System of [redacted] Oklahoma

AMORTIZATION OF DEFERRED (INFLOWS) AND OUTFLOWS

	Fiscal Year Established	Deferred (Inflow)/Outflow	Amortization Years	Balance before Current Recognition	Current Recognition	Balance after Current Recognition
Actuarial (gains)/losses						
	2018	$ (27,298)	4.11	$ 0	$ 0	$ 0
	2019	9,725	4.30	0	0	0
	2020	(31,472)	4.83	0	0	0
	2021	42,408	4.94	0	0	0
	2022	(7,562)	4.77	(1,221)	(1,221)	0
	2023	(39,876)	4.97	(15,806)	(8,023)	(7,783)
	2024	(15,825)	4.56	(8,884)	(3,470)	(5,414)
	2025	(11,218)	5.21	(9,065)	(2,153)	(6,912)
	2026	12,582	5.35	12,582	2,352	10,230
Total current recognition					$ (12,515)	
Remaining deferred (inflows)						$ (20,109)
Remaining deferred outflows						$ 10,230
Changes in assumptions						
	2018	$ 24,945	4.11	$ 0	0	0
	2020	15,923	4.83	0	0	0
	2023	(27,382)	4.97	(10,854)	(5,510)	(5,344)
Total current recognition					$ (5,510)	
Remaining deferred (inflows)						$ (5,344)
Remaining deferred outflows						$ 0
Investment (gains)/losses						
	2022	$ (281,442)	5	$ (56,288)	$ (56,288)	$ 0
	2023	338,724	5	135,489	67,745	67,744
	2024	(20,425)	5	(12,255)	(4,085)	(8,170)
	2025	(56,100)	5	(44,880)	(11,220)	(33,660)
	2026	(75,098)	5	(75,098)	(15,020)	(60,078)
Total current recognition					$ (18,868)	
Remaining deferred (inflows)						$ (101,908)
Remaining deferred outflows						$ 67,744

Amounts reported as deferred (inflows) of resources and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal 2027	$ 21,020
Fiscal 2028	(32,068)
Fiscal 2029	(26,043)
Fiscal 2030	(13,119)
Fiscal 2031	823
Thereafter	0

ANNUAL REQUIRED CONTRIBUTION (ARC)

FOOTNOTE DISCLOSURE INFORMATION

EXAMPLE OF CALCULATION

Summary of 2025 -2026 Plan Contribution Rates

Employee contribution rate as a % of payroll		4.00%	A
Employer/Municipality required contribution rate as a % of payroll		8.55%	B
TOTAL REQUIRED CONTRIBUTION RATE		12.55%	C
TOTAL OF COVERED PAYROLL		622,115.86	D
ACTUARIAL REQUIRED CONTRIBUTION		78,075.54	C X D = E

Actual Employee contributions

Employee contributions-cash basis 24-25	$	24,962.02	
Less: 6/30/2024 Accrued employee contributions		(917.71)	
Add: 6/30/2025 Accrued employee contributions		860.58	
TOTAL EMPLOYEE CONTRIBUTIONS FY 24-25	$	24,904.89	F

Actual Employer contributions

Employer contributions-cash basis 24-25	$	53,228.54	
Employer contribution-Lump Sum (if applicable)	$	-	
Less: 6/30/2024 Accrued employer contributions		(1,897.38)	
Add: 6/30/2025 Accrued employer contributions		1,839.49	
TOTAL EMPLOYER CONTRIBUTIONS FY 24-25	$	53,170.65	G
TOTAL AMOUNT CONTRIBUTED FY 24-25	$	78,075.54	F + G = H
TOTAL PERCENTAGE CONTRIBUTED		100.00%	H ÷ E