

MONTANA PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION



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To Employers:

In June 2012 the Governmental Accounting Standards Board issued two new pronouncements GASB 67 and GASB 68. GASB 67 is applicable for *pension plans* with an implementation date following the first fiscal year beginning after June 15, 2013. GASB 68 is applicable to all *employers* and is to be implemented the first fiscal year beginning after June 15, 2014. This communication is to provide information to you for your fiscal year financial reporting. Each retirement plan will have its own GASB Disclosure document and you will receive a separate Employer Report for each plan for which you participate. You are required to report on each plan in which you participate.

Audited information is being provided which includes the opinion of our auditors. The audit, performed by the Legislative Audit Division, is to provide assurance at the system level, not the employer level, of the details comprising the employer proportionate share and the total pension amounts.

Please provide this email and all related information to the individual who prepares your financial statements and your auditor. To receive direct notifications, email addresses can be input in our new reporting system for payroll clerks and financial preparers. For assistance, please contact your entity's Portal Access Manager (PAM).

The MPERA homepage has a [GASB Information](#) link containing information to help the reader understand the pension pronouncements. If you are not familiar with GASB 68, the GASB Information webpage contains training presentations and other resources that describe the requirements of the pronouncement and what components are required for reporting. It also provides links to other MPERA reports.

The [GASB 68 Employer Data](#) provides links to information including the GASB Memo, Employer Specific Data, **Audited** GASB 67&68 Reports, and Journal Entries which provides additional links to the Teachers' Retirement System and the Local Government Services assistance web page. Using your employer number, the Employer Specific Data provides your employer report, including disclosures. The employer reports contains the GASB 68 components of your **audited** allocations including Net Pension Liability (NPL) and Pension Expense (PE).

The State of Montana has chosen a measurement date of June 30, 201X to be used for the June 30, 201Y reporting which is an allowable method for GASB 67 & 68 purposes.

Your most recent fiscal year contributions to the pension plan are a part of your financial reporting. These contributions can be obtained from your records or from the MPERA website. You will need to verify the amount of employer contributions subsequent to the measurement date, if any, as a deferred outflow item. NOTE: Pensionable payroll and covered payroll is not necessarily the same. GASB Statement 82 has redefined covered payroll to be the payroll on which contributions to a pension plan are based.

If you have questions about any of the information contained within this letter or on the MPERA website, please call Barbara Quinn or Hollie Koehler at 1-877-275-7372 or 1-406-444-3154. Please contact your financial specialist or your auditor about reporting requirements applicable to your government entity.