

**OPEB Sample Journal Entries - Year One Only**

**Employer Information (example employer with three codes)**

Parent Employer Code	Child Employer Code	Employer Contributions to Pension	Employer Contributions to Health Care	Total Employer Contributions	Proportionate Share % of Health Care Total
100000	100100	\$ 9,206,904	\$ 708,223	\$ 9,915,127	0.500000%
100000	100700	\$ 4,603,452	\$ 354,112	\$ 4,957,564	0.250000%
100000	100708	\$ 4,603,452	\$ 354,112	\$ 4,957,564	0.250000%
Employer Totals - Calculated by Employer		\$ 18,413,808	\$ 1,416,447	\$ 19,830,255	1.000000%
Total Employer Contributions used in calculation of proportionate share %		\$ 1,983,025,405			

Note: Information in blue is found on the audited Schedule of Employer Allocations

Total Proportionate Share % Used in Calculations below - Example Employer has aggregated three employer codes to arrive at one percentage and amounts below for financial reporting.

These amounts will always differ in employer calculations due to the contributions used for proportionate share % calculations not including contributions for employer code 690300. Refer to the Q&A for "What are the contributions added at the bottom of the Schedule of Employer Allocations for employer code 690300? Why are they excluded from the proportionate share calculation?"

**Calculations**

Description	(A) Balance from Audited Schedule of Employer Allocations	(B) Balance from Audited Schedule of Collective Health Care Amounts	(C) Employer Proportionate Share %	(D) Calculated Employer Share for Journal Entries - Calculated by Employer	
Total Employer Contributions allocated to Health Care in 2017 (agrees to GASB 68 audited schedule)	\$ 157,417,888		1%	\$ 1,574,179	A x C = D
Beginning Balance December 31, 2016 Net OPEB Liability		\$ 10,100,339,673	1%	\$ 101,003,397	B x C = D
December 31, 2017 Net OPEB Liability		\$ 10,859,263,395	1%	\$ 108,592,634	B x C = D
Deferred Inflows of Resources - Net Difference Between Projected and Actual Investment Earnings on OPEB Plan Investments as of December 31, 2017		\$ 808,942,594	1%	\$ 8,089,426	B x C = D
Deferred Outflows of Resources - Difference Between Expected and Actual Experience and Assumption Changes as of December 31, 2017		\$ 799,128,735	1%	\$ 7,991,287	B x C = D
Employer OPEB Expense for the year ended December 31, 2017		\$ 926,155,469	1%	\$ 9,261,555	B x C = D

Information in pink is found in the audited Schedule of Collective OPEB Amounts

**Journal Entries - refer to color coding in calculations above for source of numbers (column D)—OPTION 1**

	Debit	Credit
1 To record beginning net OPEB liability in year of implementation:		
Net Position	\$ 101,003,397	
Net OPEB Liability		\$ 101,003,397

2 Contributions recorded by employer during the measurement period as submitted to OPERS:  
 (current employer approach to record required employer contributions  
 measurement period is January 1, 2017 through December 31, 2017)

Personnel Costs - OPEB Expense	\$ 1,574,179	
Cash		\$ 1,574,179

3 To record deferred inflows related to OPEB:

Net OPEB Liability	\$ 7,991,287	
Deferred Inflows of Resources		\$ 7,991,287

4 To record deferred outflows related to OPEB:

Deferred Outflows of Resources	\$ 8,089,426	
Net OPEB Liability		\$ 8,089,426

5 To record new GASB 75 OPEB expense at measurement date and eliminate employer  
 OPEB contributions expense since included within Net OPEB Liability calculation (in  
 accordance with GASB 75):

Net OPEB Liability	\$ 1,574,179	
New GASB 75 OPEB Expense	\$ 9,261,555	
Personnel Costs - OPEB Expense		\$ 1,574,179
Net OPEB Liability		\$ 9,261,555

**Transaction Summary**

	Reconciliation of 1% Employer Net OPEB Liability	Expense/ (Revenue)
Net OPEB Liability, Beginning of Year	\$ 101,003,397	
Deferred Outflows of Resources, related to OPEB	\$ 7,991,287	
Deferred Inflows of Resources, related to OPEB	\$ (8,089,426)	
New GASB 75 OPEB Expense	\$ 9,261,555	\$ 9,261,555
Personnel Costs - OPEB Expense	\$ (1,574,179)	\$ (1,574,179)
Net OPEB Liability, End of Year	\$ 108,592,634	
Impact to Income Statement		\$ 7,687,376

**Note**

Employer specific amounts that are excluded from these example calculations and journal entries are the change in proportionate share and differences between employer contributions and proportionate share of contributions as defined in paragraphs .64 and .65 of GASB Statement No. 75, *Accounting and Financial*

*Reporting for Postemployment Benefits Other Than Pensions.*

In the initial year of implementation, there is no change in proportionate share as OPERS calculated only one proportionate share and employers apply that share to both beginning and ending Net OPEB Liability amounts. OPERS concluded that the calculation of two proportionate shares, for both 2017 and 2016, was not necessary as the impact to calculations would result in immaterial differences. OPERS external auditors agreed with this conclusion.

Since OPERS is using actual contributions submitted by employers for the measurement period (January 1, 2017 through December 31, 2017), there should be no differences between employer contributions submitted and those contributions used to calculate proportionate share percentages.