

# GASB 75 Implementation Example Journal Entries

Beginning of implementation year:

Remove GASB 45 liability	GASB 45 liability	2,000,000	
	Net position		2,000,000
Add BOY GASB 75 liability	Net position	10,000,000	
	BOY GASB 75 liability		10,000,000
Add subsequent contributions	Deferred outflow - contributions	300,000	
	Net position		300,000

Activity during the year:

OPEB expense	425,000	
Cash		425,000

\*OPEB payments during the year should reduce the liability, but many governments record them to OPEB expense as they are paid and then true up the liability and expense at year-end.

Balances needed at end of year:

Account	Ending Balance	Source
OPEB expense	935,000	Actuary report
Deferred outflow – experience*	120,000	Actuary report
Deferred outflow – assumptions*	330,000	Actuary report
Deferred outflow – contributions	310,000	Employer records
OPEB liability	10,970,000	Actuary report

Journal entries:

OPEB expense	510,000	*			
Deferred outflow - experience	120,000	**			
Deferred outflow - assumptions	330,000	**			
Deferred outflow - contributions	10,000	***			
OPEB liability		****	970,000		

\* 935,000 ending bal - 425,000 activity already recorded

\*\* After initial year, entry will be amount necessary to bring balance to equal actuary report

\*\*\* 310,000 ending bal - 300,000 PY balance

\*\*\*\* 10,970,000 ending bal - 10,000,000 PY balance