

Cost-Sharing Defined Benefit Plans Checklist

Item Number	Item	Significance Level
Cost-Sharing Plans with Special Funding Situations Checklist		
<p><i>Recognition and measurement in financial statements prepared using the economic resources measurement focus and accrual basis of accounting by employers that have a special funding situation - An employer that has a special funding situation should apply the requirements of paragraphs 92–96. (GASBS 68, paragraph 72)</i></p>		
Cost-sharing employers with special funding situations (paragraphs 92 through 96)		
Proportionate Share of the Collective Net Pension Liability		
CS01	<p>A liability should be recognized for the employer's proportionate share of the collective net pension liability determined in conformity with paragraphs 48-51. For purposes of applying those paragraphs, if the effective pension plan terms define a specific relationship of the contribution requirements of a nonemployer contributing entity to those of the employer and other contributing entities, the employer's proportion should be established in a manner consistent with those terms, notwithstanding differences between the measurement basis used to determine contributions and that used to determine the collective net pension liability. (GASBS 68, paragraph 92)</p>	2
<p>(Note: Also from GASBS 68, paragraph 92: <i>For example, if the governmental nonemployer contributing entity's contribution requirements are defined by the plan terms to be 25 percent of the employers' total actuarially determined contribution, each employer's proportion of the collective net pension liability should be based on 75 percent of its total individual actuarially determined contribution. For another example, if (a) the governmental nonemployer contributing entity's required contribution, consistently contributed, is defined in the pension plan terms to be the amount necessary to finance 100 percent of past service cost on the actuarial funding basis used by the employers and nonemployer contributing entities and (b) the employers' required contribution rate is defined in the pension plan terms to be an amount to satisfy the portion of the actuarially determined service cost of each period that is not offset by employee contributions, the employer's proportion of the collective net pension liability should be considered to be zero percent.</i>)</p>		
Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions		
CS02	<p>Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions should be recognized in conformity with paragraphs 52-57. (GASBS 68, paragraph 93)</p>	2
CS03	<p>Pension expense also should be recognized for the nonemployer contributing entities' total proportionate share of collective pension expense (measured in conformity with paragraph 102) that is associated with the employer. (GASBS 68, paragraph 94)</p>	2
Support of Nonemployer Contributing Entities in a Special Funding Situation		
CS04	<p>Revenue should be recognized in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense (measured in conformity with paragraph 102) that is associated with the employer. (GASBS 68, paragraph 95)</p>	2
<p><i>Additional requirements - The requirements in paragraphs 73-82 for recognition in financial statements prepared using the current financial resources measurement focus and modified accrual basis of accounting, notes to financial statements, and required supplementary information should be applied. (GASBS 68, paragraph 96)</i></p>		

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All Cost-Sharing Employers (paragraphs 73 through 82)		
Recognition in financial statements prepared using the current financial resources measurement focus and modified accrual basis of accounting—all cost-sharing employers		
CS05	In financial statements prepared using the current financial resources measurement focus and modified accrual basis of accounting, an employer's proportionate share of the collective net pension liability should be recognized to the extent the liability is normally expected to be liquidated with expendable available financial resources. Pension expenditures should be recognized equal to the total of (a) amounts paid by the employer to the pension plan and (b) the change between the beginning and ending balances of amounts normally expected to be liquidated with expendable available financial resources. Net pension liabilities are normally expected to be liquidated with expendable available financial resources to the extent that benefit payments have matured—that is, benefit payments are due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits. (GASBS 68, paragraph 73)	2
Notes to financial statements—all cost-sharing employers		
CS06	The total (aggregate for all pensions, whether provided through cost-sharing, single-employer, or agent pension plans) of the employer's pension liabilities, pension assets, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense/expenditures for the period associated with net pension liabilities should be disclosed if the total amounts are not otherwise identifiable from information presented in the financial statements. (GASBS 68, paragraph 74)	2
Pension plan description		
CS07	The following information should be disclosed about the pension plan through which benefits are provided (GASBS 68, paragraph 76):	2
CS07a	The name of the pension plan, identification of the public employee retirement system or other entity that administers the pension plan, and identification of the pension plan as a cost-sharing pension plan.	2
CS07b	A brief description of the benefit terms, including (1) the classes of employees covered; (2) the types of benefits; (3) the key elements of the pension formulas; (4) the terms or policies, if any, with respect to automatic postemployment benefit changes, including automatic COLAs, and ad hoc postemployment benefit changes, including ad hoc COLAs; and (5) the authority under which benefit terms are established or may be amended. If the pension plan is closed to new entrants, that fact should be disclosed.	2
CS07c	A brief description of contribution requirements, including (1) the basis for determining the employer's contributions to the pension plan (for example, statute, contract, an actuarial basis, or some other manner); (2) identification of the authority under which contribution requirements of employers, nonemployer contributing entities, if any, and employees are established or may be amended; and (3) the contribution rates (in dollars or as a percentage of covered payroll) of those entities for the reporting period. Also, the amount of contributions recognized by the pension plan from the employer during the reporting period (measured as the total of amounts recognized as additions to the pension plan's fiduciary net position resulting from actual contributions and from contributions recognized by the pension plan as current receivables), if not otherwise disclosed.	2
CS07d	Whether the pension plan issues a stand-alone financial report (or the pension plan is included in the report of a public employee retirement system or another government) that is available to the public and, if so, how to obtain the report (for example, a link to the report on the public employee retirement system's website).	2

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	Information about the employer's proportionate share of the collective net pension liability	
	Assumptions and Other Inputs	
CS08	Significant assumptions and other inputs used to measure the total pension liability, including assumptions about inflation, salary changes, and ad hoc postemployment benefit changes (including ad hoc COLAs) should be disclosed. With regard to mortality assumptions, the source of the assumptions (for example, the published tables on which the assumption is based or that the assumptions are based on a study of the experience of the covered employees) should be disclosed. The dates of experience studies on which significant assumptions are based also should be disclosed. If different rates are assumed for different periods, information should be disclosed about what rates are applied to the different periods of the measurement. (GASBS 68, paragraph 77)	2
CS09	The following information should be disclosed about the discount rate (GASBS 68, paragraph 78):	2
CS09a	The discount rate applied in the measurement of the total pension liability and the change in the discount rate since the prior measurement date, if any	2
CS09b	Assumptions made about projected cash flows into and out of the pension plan, such as contributions from employers, nonemployer contributing entities, and employees	2
CS09c	The long-term expected rate of return on pension plan investments and a brief description of how it was determined, including significant methods and assumptions used for that purpose	2
CS09d	If the discount rate incorporates a municipal bond rate, the municipal bond rate used and the source of that rate	2
CS09e	The periods of projected benefit payments to which the long-term expected rate of return and, if used, the municipal bond rate applied to determine the discount rate	2
CS09f	The assumed asset allocation of the pension plan's portfolio, the long-term expected real rate of return for each major asset class, and whether the expected rates of return are presented as arithmetic or geometric means, if not otherwise disclosed	2
CS09g	Measures of the employer's proportionate share of the collective net pension liability calculated using (1) a discount rate that is 1-percentage-point higher than that required by paragraph 64 and (2) a discount rate that is 1-percentage-point lower than that required by paragraph 64.	2
	The Pension Plan's Fiduciary Net Position	
CS10	All information required by this and other financial reporting standards about the elements of the pension plan's basic financial statements (that is, all information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position) should be disclosed. However, if (a) a financial report that includes disclosure about the elements of the pension plan's basic financial statements is available on the Internet, either as a stand-alone financial report or included as a fiduciary fund in the financial report of another government and (b) information is provided about how to obtain the report, reference may instead be made to the other report for these disclosures. In this circumstance, it also should be disclosed that the pension plan's fiduciary net position has been determined on the same basis used by the pension plan, and a brief description of the pension plan's basis of accounting, including the policies with respect to benefit payments (including refunds of employee contributions) and the valuation of pension plan investments should be included. If significant changes have occurred that indicate that the disclosures included in the pension plan's financial report generally do not reflect the facts and circumstances at the measurement date, information about the substance and magnitude of the changes should be disclosed. (GASBS 68, paragraph 79)	2

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	Other information	
CS11	The following additional information should be disclosed, if applicable (GASBS 68, paragraph 80):	2
CS11a	The employer's proportionate share (amount) of the collective net pension liability and, if an employer has a special funding situation, (1) the portion of the nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability that is associated with the employer and (2) the total of the employer's proportionate share (amount) of the collective net pension liability and the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the employer	2
CS11b	The employer's proportion (percentage) of the collective net pension liability, the basis on which its proportion was determined, and the change in its proportion since the prior measurement date	2
CS11c	The measurement date of the collective net pension liability, the date of the actuarial valuation on which the total pension liability is based, and, if applicable, the fact that update procedures were used to roll forward the total pension liability to the measurement date	2
CS11d	A brief description of changes of assumptions or other inputs that affected measurement of the total pension liability since the prior measurement date	2
CS11e	A brief description of changes of benefit terms that affected measurement of the total pension liability since the prior measurement date	2
CS11f	A brief description of the nature of changes between the measurement date of the collective net pension liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective net pension liability, and the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known	2
CS11g	The amount of pension expense recognized by the employer in the reporting period	2
CS11h	The employer's balances of deferred outflows of resources and deferred inflows of resources related to pensions, classified as follows, if applicable:	2
CS11h(1)	Differences between expected and actual experience in the measurement of the total pension liability	2
CS11h(2)	Changes of assumptions or other inputs	2
CS11h(3)	Net difference between projected and actual earnings on pension plan investments	2
CS11h(4)	Changes in the employer's proportion (paragraph 54) and differences between the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the pension plan) and the employer's proportionate share of contributions (paragraph 55)	2
CS11h(5)	The employer's contributions to the pension plan subsequent to the measurement date of the collective net pension liability	2
CS11i	A schedule presenting the following:	2
CS11i(1)	For each of the subsequent five years and in the aggregate thereafter, the net amount of the employer's balances of deferred outflows of resources and deferred inflows of resources in subparagraph (h) that will be recognized in the employer's pension expense	2
CS11i(2)	The amount of the employer's balance of deferred outflows of resources in subparagraph (h) that will be included as a reduction of the collective net pension liability	2
CS11j	The amount of revenue recognized for the support provided by nonemployer contributing entities (see paragraphs 58 and 95), if any.	2

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Required supplementary information—all cost-sharing employers		
CS12	The required supplementary information identified in subparagraphs (a) and (b), as applicable, should be presented separately for each cost-sharing pension plan through which pensions are provided. The information indicated in subparagraph (a) should be determined as of the measurement date of the collective net pension liability. The information in subparagraph (b) should be determined as of the employer's most recent fiscal year-end. (GASBS 68, paragraph 81)	3
CS12a	A 10-year schedule presenting the following for each year:	3
CS12a(1)	If the employer does not have a special funding situation:	3
CS12a(1)(a)	The employer's proportion (percentage) of the collective net pension liability	3
CS12a(1)(b)	The employer's proportionate share (amount) of the collective net pension liability	3
CS12a(1)(c)	The employer's covered-employee payroll	3
CS12a(1)(d)	The employer's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered-employee payroll	3
CS12a(1)(e)	The pension plan's fiduciary net position as a percentage of the total pension liability.	3
CS12a(2)	If the employer has a special funding situation:	3
CS12a(2)(a)	The employer's proportion (percentage) of the collective net pension liability	3
CS12a(2)(b)	The employer's proportionate share (amount) of the collective net pension liability (b)	3
CS12a(2)(c)	The portion of the nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability that is associated with the employer (c)	3
CS12a(2)(d)	The total of (b) and (c)	3
CS12a(2)(e)	The employer's covered-employee payroll	3
CS12a(2)(f)	The employer's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered-employee payroll	3
CS12a(2)(g)	The pension plan's fiduciary net position as a percentage of the total pension liability.	3
CS12b	If the contribution requirements of the employer are statutorily or contractually established, a 10-year schedule presenting the following for each year:	3
CS12b(1)	The statutorily or contractually required employer contribution. For purposes of this schedule, statutorily or contractually required contributions should exclude amounts, if any, to separately finance specific liabilities of the individual employer to the pension plan.	3
CS12b(2)	The amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution. For purposes of this schedule, contributions should include only amounts recognized as additions to the pension plan's fiduciary net position during the employer's fiscal year resulting from actual contributions and from contributions recognized by the pension plan as current receivables.	3
CS12b(3)	The difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution.	3
CS12b(4)	The employer's covered-employee payroll.	3
CS12b(5)	The amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the employer's covered-employee payroll.	3

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	Notes to required schedules	
CS13	Information about factors that significantly affect trends in the amounts reported in the schedules required by paragraph 81 (for example, changes of benefit terms, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions) should be presented as notes to the schedules. (The amounts presented for prior years should not be restated for the effects of changes—for example, changes of benefit terms or changes of assumptions—that occurred subsequent to the measurement date of that information.) (GASBS 68, paragraph 82)	3