GASB 68 Reconciliation and Sample Journal Entries for Political Subdivision Employers
For the Measurement Date of June 30, 2025

Information used in these sample entries is related to the Total of the Political Subdivision Plans and Employer 55100.
(Page references are related to the GASB Statement No. 68 Report for the Virginia Retirement System prepared as of June 30, 2025)

Note: Employer specific rounded values can also be found on the pages indicated. More precise information is in the Locality's GASB 68 Report and the Analysis of 2025 Changes in Net Pension Liability posted on the VRS website.

Reconciliation of Entries Necessary to Record June 30, 2025, Net Pension Liability

		All Political Subdivisions			Employer 55100		
		Debit	Credit		Debit	Credit	
Net Pension Liability (Asset) - July 1, 2024		$ 2,424,112,206		p 108		$ 1,523,336	p 99
FY 2024 Deferred Inflows of Resources		1,604,540,504		FY 2024	4,819,274		FY 2024
FY 2025 Employer Pension Expense (Revenue)		410,648,286		p 89	957,552		p 79
FY 2025 Deferred Outflows of Resources		1,180,938,688		p 89	5,322,738		p 79
	FY 2025 Employer Contributions		942,589,045	p 130		1,977,091	p 121
	FY 2024 Deferred Outflows of Resources		1,649,316,711	FY 2024		5,200,310	FY 2024
	FY 2025 Deferred Inflows of Resources		1,461,831,717	p 89		3,942,541	p 79
	Net Pension Liability (Asset) - June 30, 2025		1,566,502,211	p 108	1,543,714		p 99
		$ 5,620,239,684	$ 5,620,239,684		$ 12,643,278	$ 12,643,278	

Created 7/1/2026

1. To set up July 1, 2024, Net Pension Liability and Reverse FY 2024 Deferred Inflows and Outflows.

	All Political Subdivisions			Employer 55100		
	Debit	Credit		Debit	Credit	
Net Pension Liability - July 1, 2024	$ 2,424,112,206		p 108		$1,523,336	p 99
FY 2024 Deferred Inflows of Resources	1,604,540,504		FY 2024	4,819,274		FY 2024
FY 2024 Deferred Outflows of Resources		1,649,316,711	FY 2024		5,200,310	FY 2024
Adjusted Net Pension Liability - July 1, 2024		2,379,335,999	Calculated	1,904,372		Calculated
	$ 4,028,652,710	$ 4,028,652,710		$ 6,723,646	$ 6,723,646	

This entry establishes the adjusted Net Pension Liability at July 1, 2024, exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2024 Reclassification of FY 2025 Employer Contributions as Deferred Outflows of Resources.

	All Political Subdivisions		Employer 55100	
	Debit	Credit	Debit	Credit
FY 2025 Employer Contributions	$ —		$ —	
FY 2024 Deferred Outflows of Resources		$ —		$ —
	$ —	$ —	$ —	$ —

This is the employer's FY 2025 Employer Contributions for Pensions. Since the Measurement Date for the prior year was June 30, 2024, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2025 Financial Statements.

3. To set up June 30, 2025, Deferred Inflows and Outflows and Record FY 2025 Pension Expense.

	All Political Subdivisions			Employer 55100		
	Debit	Credit		Debit	Credit	
FY 2025 Employer Pension Expense (Revenue)	$ 410,648,286		p 89	$ 957,552		p 79
FY 2025 Deferred Outflows of Resources	1,180,938,688		p 89	5,322,738		p 79
Net Pension Liability (Asset) - June 30, 2025	812,833,788		Calculated		360,658	Calculated
FY 2025 Employer Contributions		942,589,045	p 130		1,977,091	p 121
FY 2025 Deferred Inflows of Resources		1,461,831,717	p 89		3,942,541	p 79
	$ 2,404,420,762	$ 2,404,420,762		$ 6,280,290	$ 6,280,290	

This entry records the FY 2025 Employer Pension Expense and the related Deferred Inflows and Outflows at June 30, 2025.

4. To Reclassify the FY 2026 Employer Contributions as Deferred Outflows of Resources.

	All Political Subdivisions		Employer 55100	
	Debit	Credit	Debit	Credit
FY 2025 Deferred Outflows of Resources	$ —		$ —	
FY 2026 Employer Contributions		$ —		$ —
	$ —	$ —	$ —	$ —

This is the employer's FY 2026 Employer Contributions for Pensions. Since the Measurement Date is June 30, 2025, employer contributions made after that date must be reclassified as Deferred Outflows of Resources. These contributions will be part of the Total Employer Pension Expense in the FY 2027 Financial Statements.