

GASB 75 Reconciliation and Sample Journal Entries for Group Life Insurance For the Measurement Date of June 30, 2023

Information used in these sample entries is related to the Total Group Life Insurance Plan and Employer 30100.

(Page references are related to the GASB Statement No. 75 Report for the Virginia Retirement System prepared as of June 30, 2023)

Reconciliation of Entries Necessary to Record June 30, 2023, Net OPEB Liability

	All Employers		Employer 30100	
	Debit	Credit	Debit	Credit
Net OPEB Liability - July 1, 2022	\$ 1,204,098,215	p 117	\$ 388,321	p 117
FY 2022 Deferred Inflows of Resources	\$ 321,725,610	FY 2022	\$ 103,499	FY 2022
FY 2023 Employer OPEB Expense	\$ 54,426,440	p 82	\$ 10,574	p 82
FY 2023 Deferred Outflows of Resources	\$ 222,193,647	p 82	\$ 55,486	p 82
FY 2023 Employer Contributions	\$ 127,198,962	(A)	\$ 38,870	(A)
FY 2023 Special Employer Contributions	\$ 3,053,324	p 81	\$ 3,101	p 69
FY 2023 Non-Employer Contributing Entity	\$ 7,092,802	p 81	\$ —	
FY 2022 Deferred Outflows of Resources	\$ 220,993,024	FY 2022	\$ 60,478	FY 2022
FY 2023 Deferred Inflows of Resources	\$ 244,792,357	p 82	\$ 88,921	p 82
Net OPEB Liability - June 30, 2023	\$ 1,199,313,443	p 117	\$ 366,510	p 117
	<u>\$ 1,802,443,912</u>	<u>\$ 1,802,443,912</u>	<u>\$ 557,880</u>	<u>\$ 557,880</u>

A - The employer contributions are the proportionate share of the total regular employer contributions to the Group Life Insurance OPEB Plan in FY 2023 and not the agency's actual

employer contributions.

Refer to MD 6-30-2023 - Analysis of FY 2023 Changes in Net OPEB Liability - GLI under GASB Audit Opinions and Disclosure Guidance on the VRS website.

1. To set up July 1, 2022, Net OPEB Liability and Reverse FY 2022 Deferred Inflows and Outflows.

	All Employers			Employer 30100	
	Debit	Credit		Debit	Credit
Net OPEB Liability - July 1, 2022	\$ 1,204,098,215		p 117	\$ 388,321	p 117
FY 2022 Deferred Inflows of Resources	\$ 321,725,610		FY 2022	\$ 103,499	FY 2022
FY 2022 Deferred Outflows of Resources		\$ 220,993,024	FY 2022		\$ 60,478 FY 2022
Adjusted Net OPEB Liability - July 1, 2022		\$ 1,304,830,801	Calculated		\$ 431,342 Calculated
	<u>\$ 1,525,823,825</u>	<u>\$ 1,525,823,825</u>		<u>\$ 491,820</u>	<u>\$ 491,820</u>

This entry establishes the adjusted Net OPEB Liability at July 1, 2022, exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2022 Reclassification of the FY 2023 Employer Contributions as Deferred Outflows of Resources.

	All Employers			Employer 30100	
	Debit	Credit		Debit	Credit
FY 2023 Employer Contributions	—			—	
FY 2022 Deferred Outflows of Resources		—			—
	<u>—</u>	<u>—</u>		<u>—</u>	<u>—</u>

This is the employer's FY 2023 Employer Contributions for Group Life Insurance. Since the Measurement Date for the prior year was June 30, 2022, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2023 Financial Statements.

3. To set up June 30, 2023 Deferred Inflows and Outflows and Record FY 2023 OPEB Expense.

	All Employers			Employer 30100	
	Debit	Credit		Debit	Credit
FY 2023 Employer OPEB Expense	\$ 54,426,440		p 82	\$ 10,574	p 82
FY 2023 Deferred Outflows of Resources	\$ 222,193,647		p 82	\$ 55,486	p 82
Net OPEB Liability - June 30, 2023	\$ 105,517,358		Calculated	\$ 64,832	Calculated
FY 2023 Employer Contributions		\$ 127,198,962	(A)	\$ 38,870	(A)
FY 2023 Special Employer Contributions		\$ 3,053,324		\$ 3,101	
FY 2023 Non-Employer Contributing Entity		\$ 7,092,802		\$ —	
FY 2023 Deferred Inflows of Resources		\$ 244,792,357	p 82	\$ 88,921	p 82
	\$ 382,137,445	\$ 382,137,445		\$ 130,892	\$ 130,892

This entry records the FY 2023 Employer OPEB Expense and the related Deferred Inflows and Outflows at June 30, 2023.

A - The employer contributions are the proportionate share of the total regular employer contributions to the Group Life Insurance OPEB Plan in FY 2023 and not the agency's actual employer contributions.

Refer to MD 6-30-2023 - Analysis of FY 2023 Changes in Net OPEB Liability - GLI under GASB Audit Opinions and Disclosure Guidance on the VRS website.

4. To Reclassify the FY 2024 Employer Contributions as Deferred Outflows of Resources.

	All Employers		Employer 30100	
	Debit	Credit	Debit	Credit
FY 2023 Deferred Outflows of Resources	—		—	
FY 2024 Employer Contributions		—		—
	—	—	—	—

This is the employer's FY 2024 Employer Contributions for the Group life Insurance OPEB. Since the Measurement Date is June 30, 2023, employer contributions made after that date must be reclassified as Deferred Outflows of Resources. These contributions will be part of the Total Employer OPEB Expense in the FY 2025 Financial Statements.