

**GASB 75 Reconciliation and Sample Journal Entries for Health Insurance Credit - Teachers
For the Measurement Date of June 30, 2023**

Information used in these sample entries is related to the Teacher HIC Plan and Employer 40100.

(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 40100	
	Debit	Credit	Debit	Credit
Net OPEB Liability - July 1, 2022	\$ 1,249,047,027		\$ 4,013,062	
FY 2022 Deferred Inflows of Resources	\$ 98,613,075		\$ 457,397	
FY 2023 Employer OPEB Expense	\$ 93,862,616		\$ 233,614	
FY 2023 Deferred Outflows of Resources	\$ 75,872,126		\$ 190,550	
FY 2023 Employer Contributions		\$ 120,650,187		\$ 373,451
FY 2023 Non-employer Contributing Entity		\$ 4,004,338		\$ 12,395
FY 2022 Deferred Outflows of Resources		\$ 79,697,787		\$ 244,957
FY 2023 Deferred Inflows of Resources		\$ 101,625,132		\$ 514,120
Net OPEB Liability - June 30, 2023		\$ 1,211,417,400		\$ 3,749,700
	<u>\$ 1,517,394,844</u>	<u>\$ 1,517,394,844</u>	<u>\$ 4,894,623</u>	<u>\$ 4,894,623</u>

A - The employer contributions are the proportionate share of the total regular employer contributions to the Teacher HIC 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 - HIC - Teacher 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 40100	
	Debit	Credit		Debit	Credit
Net OPEB Liability - July 1, 2022	\$ 1,249,047,027		p 170	\$ 4,013,062	p 168
FY 2022 Deferred Inflows of Resources	\$ 98,613,075		FY 2022	\$ 457,397	FY 2022
FY 2022 Deferred Outflows of Resources		\$ 79,697,787	FY 2022		\$ 244,957 FY 2022
Adjusted Net OPEB Liability - July 1, 2022		\$ 1,267,962,315	Calculated		\$ 4,225,502 Calculated
	\$ 1,347,660,102	\$ 1,347,660,102		\$ 4,470,459	\$ 4,470,459

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 40100	
	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 the Teacher HIC OPEB Plan. 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 40100		
	Debit	Credit		Debit	Credit	
FY 2023 Employer OPEB Expense	\$ 93,862,616		p 164	\$ 233,614		p 161
FY 2023 Deferred Outflows of Resources	\$ 75,872,126		p 164	\$ 190,550		p 161
Net OPEB Liability - June 30, 2023	\$ 56,544,915		Calculated	\$ 475,802		Calculated
FY 2023 Employer Contributions		\$ 120,650,187	(A)		\$ 373,451	(A)
FY 2023 Non-employer Contributing Entity		\$ 4,004,338	p 160		\$ 12,395	p 159
FY 2023 Deferred Inflows of Resources		\$ 101,625,132	p 164		\$ 514,120	p 161
	<u>\$ 226,279,657</u>	<u>\$ 226,279,657</u>		<u>\$ 899,966</u>	<u>\$ 899,966</u>	

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 Teacher HIC 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 - HIC - Teacher 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 40100	
	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 Teacher HIC 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.