

GASB 68 Reconciliation and Sample Journal Entries for Political Subdivision Employers **For the Measurement Date of June 30, 2024**

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, 2024)

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 2024 Changes in Net Pension Liability posted on the VRS website.

Reconciliation of Entries Necessary to Record June 30, 2024, Net Pension Liability

	All Political Subdivisions		Employer 55100	
	Debit	Credit	Debit	Credit
Net Pension Liability (Asset) - July 1, 2023	\$ 2,396,240,721	p 107	\$ 3,970,753	p 98
FY 2023 Deferred Inflows of Resources	1,970,843,837	FY 2023	6,299,804	FY 2023
FY 2024 Employer Pension Expense (Revenue)	713,037,215	p 88	1,371,911	p 78
FY 2024 Deferred Outflows of Resources	1,649,316,711	p 88	5,200,310	p 78
FY 2024 Employer Contributions		814,134,037 p 129		1,436,980 p 120
FY 2023 Deferred Outflows of Resources		1,886,651,737 FY 2023		4,168,354 FY 2023
FY 2024 Deferred Inflows of Resources		1,604,540,504 p 88		4,819,274 p 78
Net Pension Liability (Asset) - June 30, 2024		2,424,112,206 p 107	1,523,336	p 98
	<u>\$ 6,729,438,484</u>	<u>\$ 6,729,438,484</u>	<u>\$ 14,395,361</u>	<u>\$ 14,395,361</u>

1. To set up July 1, 2023, Net Pension Liability and Reverse FY 2023 Deferred Inflows and Outflows.

	All Political Subdivisions			Employer 55100	
	Debit	Credit		Debit	Credit
Net Pension Liability - July 1, 2023	\$ 2,396,240,721		p 107		\$3,970,753 p 98
FY 2023 Deferred Inflows of Resources	1,970,843,837		FY 2023	6,299,804	FY 2023
FY 2023 Deferred Outflows of Resources		1,886,651,737	FY 2023		4,168,354 FY 2023
Adjusted Net Pension Liability - July 1, 2023		2,480,432,821	Calculated	1,839,303	Calculated
	<u>\$ 4,367,084,558</u>	<u>\$ 4,367,084,558</u>		<u>\$ 8,139,107</u>	<u>\$ 8,139,107</u>

This entry establishes the adjusted Net Pension Liability at July 1, 2023, exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2023 Reclassification of FY 2024 Employer Contributions as Deferred Outflows of Resources.

	All Political Subdivisions		Employer 55100	
	Debit	Credit	Debit	Credit
FY 2024 Employer Contributions	\$	—	\$	—
FY 2023 Deferred Outflows of Resources		\$		\$
	\$	—	\$	—

This is the employer's FY 2024 Employer Contributions for Pensions. Since the Measurement Date for the prior year was June 30, 2023, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2024 Financial Statements.

3. To set up June 30, 2024, Deferred Inflows and Outflows and Record FY 2024 Pension Expense.

	All Political Subdivisions			Employer 55100	
	Debit	Credit		Debit	Credit
FY 2024 Employer Pension Expense (Revenue)	\$ 713,037,215		p 88	\$ 1,371,911	p 78
FY 2024 Deferred Outflows of Resources	1,649,316,711		p 88	5,200,310	p 78
Net Pension Liability (Asset) - June 30, 2024	56,320,615		Calculated		315,967 Calculated
FY 2024 Employer Contributions		814,134,037	p 129		1,436,980 p 120
FY 2024 Deferred Inflows of Resources		1,604,540,504	p 88		4,819,274 p 78
	<u>\$ 2,418,674,541</u>	<u>\$ 2,418,674,541</u>		<u>\$ 6,572,221</u>	<u>\$ 6,572,221</u>

This entry records the FY 2024 Employer Pension Expense and the related Deferred Inflows and Outflows at June 30, 2024.

4. To Reclassify the FY 2025 Employer Contributions as Deferred Outflows of Resources.

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

This is the employer's FY 2025 Employer Contributions for Pensions. Since the Measurement Date is June 30, 2024, 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 2026 Financial Statements.