

**GASB 75 Reconciliation and Sample Journal Entries for Virginia Local Disability Program
(VLDP) - Teacher
For the Measurement Date of June 30, 2020.**

Information used in these sample entries is related to the Teacher VLDP Plan and Employer 40104.
(Page references are related to the GASB Statement No. 75 Report for the Virginia Retirement System prepared as of June 30, 2020)

Reconciliation of Entries Necessary to Record June 30, 2020, Net OPEB Liability

| | All Employers | | Employer 40104 | |
|--|---------------------|---------------------|------------------|------------------|
| | Debit | Credit | Debit | Credit |
| Net OPEB Liability - July 1, 2019 | \$ 581,338 | p 240 | \$ 4,589 | p 238 |
| FY 2019 Deferred Inflows of Resources | \$ 91,228 | FY 2019 | \$ 910 | FY 2019 |
| FY 2020 Employer OPEB Expense | \$ 2,184,892 | p 234 | \$ 18,050 | p 232 |
| FY 2020 Deferred Outflows of Resources | \$ 588,597 | p 234 | \$ 4,793 | p 232 |
| FY 2020 Employer Contributions | \$ 2,426,541 | (A) | \$ 20,072 | (A) |
| FY 2019 Deferred Outflows of Resources | \$ 122,566 | FY 2019 | \$ 801 | FY 2019 |
| FY 2020 Deferred Inflows of Resources | \$ 94,664 | p 234 | \$ 833 | p 232 |
| Net OPEB Liability - June 30, 2020 | \$ 802,284 | p 240 | \$ 6,636 | p 238 |
| | <u>\$ 3,446,055</u> | <u>\$ 3,446,055</u> | <u>\$ 28,342</u> | <u>\$ 28,342</u> |

A - The employer contributions are the proportionate share of the total regular employer contributions to the Teacher Liability OPEB Plan in FY 2020 and not the agency's actual employer contributions.

Refer to MD 6-30-2020 - Analysis of FY 2020 Changes in Net OPEB Liability - VLDP under GASB Audit Opinions and Disclosure Guidance on the VRS website.

1. To set up July 1, 2019, Net OPEB Liability and Reverse FY 2019 Deferred Inflows and Outflows.

| | All Employers | | Employer 40104 | |
|--|-------------------|-----------------------|-----------------|---------------------|
| | Debit | Credit | Debit | Credit |
| Net OPEB Liability - July 1, 2019 | \$ 581,338 | p 240 | \$ 4,589 | p 238 |
| FY 2019 Deferred Inflows of Resources | \$ 91,228 | FY 2019 | \$ 910 | FY 2019 |
| FY 2019 Deferred Outflows of Resources | | \$ 122,566 FY 2019 | | \$ 801 FY 2019 |
| Adjusted Net OPEB Liability - July 1, 2019 | | \$ 550,000 Calculated | | \$ 4,698 Calculated |
| | <u>\$ 672,566</u> | <u>\$ 672,566</u> | <u>\$ 5,499</u> | <u>\$ 5,499</u> |

This entry establishes the adjusted Net OPEB Liability at July 1, 2019, exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2019 Reclassification of the FY 2020 Employer Contributions as Deferred Outflows of Resources.

| | All Employers | | Employer 40104 | |
|--|---------------|-------------|----------------|-------------|
| | Debit | Credit | Debit | Credit |
| FY 2020 Employer Contributions | \$ — | | \$ — | |
| FY 2019 Deferred Outflows of Resources | | \$ — | | \$ — |
| | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> |

This is the employer's FY 2020 Employer Contributions for the Teacher - VLDP OPEB Plan. Since the Measurement Date for the prior year was June 30, 2019, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2020 Financial Statements.

3. To set up June 30, 2020, Deferred Inflows and Outflows and Record FY 2020 OPEB Expense.

| | All Employers | | | Employer 40104 | |
|--|---------------------|---------------------|------------|------------------|------------------|
| | Debit | Credit | | Debit | Credit |
| FY 2020 Employer OPEB Expense | \$ 2,184,892 | | p 234 | \$ 18,050 | p 232 |
| FY 2020 Deferred Outflows of Resources | \$ 588,597 | | p 234 | \$ 4,793 | p 232 |
| Net OPEB Asset - June 30, 2020 | \$ (252,284) | | Calculated | \$ (1,938) | Calculated |
| FY 2020 Employer Contributions | | \$ 2,426,541 | (A) | \$ 20,072 | (A) |
| FY 2020 Deferred Inflows of Resources | | \$ 94,664 | p 234 | \$ 833 | p 232 |
| | <u>\$ 2,521,205</u> | <u>\$ 2,521,205</u> | | <u>\$ 20,905</u> | <u>\$ 20,905</u> |

This entry records the FY 2020 Employer OPEB Expense and the related Deferred Inflows and Outflows at June 30, 2020.

A - The employer contributions are the proportionate share of the total regular employer contributions to the Teacher VLDP OPEB Plan in FY 2020 and not the agency's actual employer contributions.

Refer to MD 6-30-2020 - Analysis of FY 2020 Changes in Net OPEB Liability - Teacher VLDP under GASB Audit Opinions and Disclosure Guidance on the VRS website.

4. To Reclassify the FY 2020 Employer Contributions as Deferred Outflows of Resources.

| | All Employers | | Employer 40104 | |
|--|---------------|--------|----------------|--------|
| | Debit | Credit | Debit | Credit |
| FY 2020 Deferred Outflows of Resources | \$ | — | \$ | — |
| FY 2021 Employer Contributions | | \$ | | \$ |
| | \$ | — | \$ | — |

This is the employer's FY 2021 Employer Contributions for the Teacher VLDP OPEB. Since the Measurement Date is June 30, 2020, 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 2022 Financial Statements.