

**GASB 75 Reconciliation and Sample Journal Entries for Health Insurance Credit - State
For the Measurement Date of June 30, 2021.**

Information used in these sample entries is related to the State HIC 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, 2021)

Reconciliation of Entries Necessary to Record June 30, 2021, Net OPEB Liability

	All Employers		Employer 30100	
	Debit	Credit	Debit	Credit
Net OPEB Liability - July 1, 2020	\$ 918,006,087	p 141	\$ 866,047	p 137
FY 2020 Deferred Inflows of Resources	\$ 50,187,570	FY 2020	\$ 32,337	FY 2020
FY 2021 Employer OPEB Expense	\$ 72,225,665	p 131	\$ 72,713	p 127
FY 2021 Deferred Outflows of Resources	\$ 58,296,420	p 131	\$ 53,572	p 127
FY 2021 Employer Contributions	\$ 81,191,646	(A)	\$ 78,936	(A)
FY 2021 Special Employer Contributions	\$ 38,655,725	FY2021 GASB Report p 6	\$ 37,581	FY2021 GASB Report p 6
FY 2020 Deferred Outflows of Resources	\$ 52,251,916	FY 2020	\$ 31,630	FY 2020
FY 2021 Deferred Inflows of Resources	\$ 82,075,787	p 131	\$ 55,460	p 127
Net OPEB Liability - June 30, 2021	\$ 844,540,668	p 141	\$ 821,062	p 137
	<u>\$ 1,098,715,742</u>	<u>\$ 1,098,715,742</u>	<u>\$ 1,024,669</u>	<u>\$ 1,024,669</u>

A - The employer contributions are the proportionate share of the total regular employer contributions to the State HIC OPEB Plan in FY 2021 and not the agency's actual employer contributions.

Refer to MD 6-30-2021 - Analysis of FY 2021 Changes in Net OPEB Liability - HIC - State under GASB Audit Opinions and Disclosure Guidance on the VRS website.

1. To set up July 1, 2020, Net OPEB Liability and Reverse FY 2020 Deferred Inflows and Outflows.

	All Employers			Employer 30100	
	Debit	Credit		Debit	Credit
Net OPEB Liability - July 1, 2020	\$ 918,006,087		p 141	\$ 866,047	p 137
FY 2020 Deferred Inflows of Resources	\$ 50,187,570		FY 2020	\$ 32,337	FY 2020
FY 2020 Deferred Outflows of Resources		\$ 52,251,916	FY 2020		\$ 31,630 FY 2020
Adjusted Net OPEB Liability - July 1, 2020		\$ 915,941,741	Calculated		\$ 866,754 Calculated
	\$ 968,193,657	\$ 968,193,657		\$ 898,384	\$ 898,384

This entry establishes the adjusted Net OPEB Liability at July 1, 2020, exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2020 Reclassification of the FY 2021 Employer Contributions as Deferred Outflows of Resources.

	All Employers		Employer 30100	
	Debit	Credit	Debit	Credit
FY 2021 Employer Contributions	\$ —		\$ —	
FY 2020 Deferred Outflows of Resources		\$ —		\$ —
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

This is the employer's FY 2021 Employer Contributions for the State HIC OPEB Plan. Since the Measurement Date for the prior year was June 30, 2020, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2021 Financial Statements.

3. To set up June 30, 2021, Deferred Inflows and Outflows and Record FY 2021 OPEB Expense.

	All Employers			Employer 30100	
	Debit	Credit		Debit	Credit
FY 2021 Employer OPEB Expense	\$ 72,225,665		p 131	\$ 72,713	p 127
FY 2021 Deferred Outflows of Resources	\$ 58,296,420		p 131	\$ 53,572	p 127
Net OPEB Liability - June 30, 2021	\$ 71,401,073		Calculated	\$ 45,692	Calculated
FY 2021 Employer Contributions		\$ 81,191,646	(A)		\$ 78,936 (A)
FY 2021 Special Employer Contributions		\$ 38,655,725	FY2021 GASB Report p 6		\$ 37,581 FY2021 GASB Report p 6
FY 2021 Deferred Inflows of Resources		\$ 82,075,787	p 131		\$ 55,460 p 127
	\$ 201,923,158	\$ 201,923,158		\$ 171,977	\$ 171,977

This entry records the FY 2021 Employer OPEB Expense and the related Deferred Inflows and Outflows at June 30, 2021.

A - The employer contributions are the proportionate share of the total regular employer contributions to the State HIC OPEB Plan in FY 2021 and not the agency's actual employer contributions.

Refer to MD 6-30-2021 - Analysis of FY 2021 Changes in Net OPEB Liability - HIC - State under GASB Audit Opinions and Disclosure Guidance on the VRS website.

4. To Reclassify the FY 2022 Employer Contributions as Deferred Outflows of Resources.

	All Employers		Employer 30100	
	Debit	Credit	Debit	Credit
FY 2021 Deferred Outflows of Resources	\$ —		\$ —	
FY 2022 Employer Contributions		\$ —		\$ —
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

This is the employer's FY 2021 Employer Contributions for the State HIC OPEB. Since the Measurement Date is June 30, 2021, 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 2023 Financial Statements.