

GASB 68 Reconciliation and Sample Journal Entries for VaLORS Employers

Information used in these sample entries is related to the Total VaLORS Plan and Employer 70156.

(Page references are related to the GASB Statement No. 68 Report for the Virginia Retirement System prepared as of June 30, 2015)

Reconciliation of Entries Necessary to Record June 30, 2015 Net Pension Liability

	All VaLORS Employers			Employer 70156		
	Debit	Credit		Debit	Credit	
Net Pension Liability - July 1, 2014	\$ 674,127,000		p 101	\$ 1,272,000		p 99
FY 2014 Deferred Inflows of Resources	\$ 81,425,000		FY 2014	\$ 275,000		FY 2014
FY 2015 Employer Pension Expense	\$ 62,397,000		P 95	\$ 64,000		p 91
FY 2015 Deferred Outflows of Resources	\$ 24,573,000		P 95	\$ 1,000		p 91
FY 2015 Employer Contributions		\$ 62,084,000	(A)		\$ 117,000	(A)
FY 2014 Deferred Outflows of Resources		\$ 11,595,000	FY 2014		\$ -	FY 2014
FY 2015 Deferred inflows of Resources		\$ 58,145,000	P 95		\$ 151,000	p 91
Net Pension Liability - June 30, 2015		\$ 710,698,000	p 101		\$ 1,344,000	p 99
	<u>\$ 842,522,000</u>	<u>\$ 842,522,000</u>		<u>\$ 1,612,000</u>	<u>\$ 1,612,000</u>	

A - The employer contributions are the proportionate share of the total employer contributions to the VaLORS Plan in FY 2015 and not the agency's actual employer contributions.

1. To set up June 30, 2014 Net Pension Liability and Reverse FY 2014 Deferred Inflows and Outflows.

	All VaLORS Employers			Employer 70156		
	Debit	Credit		Debit	Credit	
Net Pension Liability - July 1, 2014	\$ 674,127,000		p 101	\$ 1,272,000		p 99
FY 2014 Deferred Inflows of Resources	\$ 81,425,000		FY 2014	\$ 275,000		FY 2014
FY 2014 Deferred Outflows of Resources		\$ 11,595,000	FY 2014		\$ -	FY 2014
Net Pension Liability - June 30, 2015		\$ 743,957,000	Calculated		\$ 1,547,000	Calculated
	<u>\$ 755,552,000</u>	<u>\$ 755,552,000</u>		<u>\$ 1,547,000</u>	<u>\$ 1,547,000</u>	

This entry establishes the adjusted Net Pension Liability at July 1, 2015 exclusive of beginning Deferred Inflows and Outflows of Resources.

2. To Reverse FY 2014 Reclassification the FY 2015 Employer Contributions as Deferred Outflows Of Resources.

	All VaLORS Employers		Employer 70156	
	Debit	Credit	Debit	Credit
FY 2015 Employer Contributions	\$ -		\$ -	
FY 2014 Deferred Outflows of Resources		\$ -		\$ -
	\$ -	\$ -	\$ -	\$ -

This is the employer's FY 2015 Employer Contributions for Pensions. Since the Measurement Date for the prior year was June 30, 2014, employer contributions made after that date were reclassified as Deferred Outflows of Resources in the FY 2015 Financial Statements.

3. To set up June 30, 2015 Deferred Inflows and Outflows and Record FY 2015 Pension Expense.

	All VaLORS Employers			Employer 70156		
	Debit	Credit		Debit	Credit	
FY 2015 Employer Pension Expense	\$ 62,397,000		P 95	\$ 64,000		P 91
FY 2015 Deferred Outflows of Resources	\$ 24,573,000		P 95	\$ 1,000		P 91
Net Pension Liability - June 30, 2015	\$ 33,259,000		Calculated	\$ 203,000		Calculated
FY 2015 Employer Contributions		\$ 62,084,000	(A)	\$ 117,000		(A)
FY 2015 Deferred inflows of Resources		\$ 58,145,000	P 95	\$ 151,000		P 91
	\$ 120,229,000	\$ 120,229,000		\$ 268,000	\$ 268,000	

This entry records the FY 2015 Employer Pension Expense and the related Deferred Inflows and Outflows at June 30, 2015.

A - The employer contributions are the proportionate share of the total employer contributions to the VaLORS Plan in FY 2015 and not the agency's actual employer contributions.

4. To Reclassify the FY 2016 Employer Contributions as Deferred Outflows Of Resources.

	All VaLORS Employers		Employer 70156	
	Debit	Credit	Debit	Credit
FY 2015 Deferred Outflows of Resources	\$ -		\$ -	
FY 2016 Employer Contributions		\$ -		\$ -
	\$ -	\$ -	\$ -	\$ -

This is the employer's FY 2016 Employer Contributions for Pensions. Since the Measurement Date is June 30, 2015, 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 2017 Financial Statements.