

State Comptroller - Fringe Benefits

OSC15200

Budget Summary

Account	Actual FY 20	Actual FY 21	Governor Estimated FY 22	Original Appropriation FY 23	Governor Revised FY 23	Legislative FY 23	Difference -Gov FY 23
Other Current Expenses							
Unemployment Compensation	3,281,410	5,378,968	4,790,700	9,915,000	7,915,000	7,915,000	-
Higher Education Alternative Retirement System	9,585,911	10,310,936	11,034,700	12,997,500	12,997,500	12,997,500	-
Pensions and Retirements - Other Statutory	1,923,329	1,856,833	1,895,971	2,191,248	2,191,248	2,191,248	-
Judges and Compensation Commissioners Retirement	27,010,989	31,893,464	33,170,039	35,136,261	32,532,792	32,532,792	-
Insurance - Group Life	8,696,990	8,674,635	9,943,600	10,223,000	10,514,900	10,514,900	-
Employers Social Security Tax	211,404,916	218,249,023	220,352,632	235,459,979	232,278,079	232,940,179	662,100
State Employees Health Service Cost	681,984,938	674,876,441	693,164,645	741,475,400	744,106,000	745,300,000	1,194,000
Retired State Employees Health Service Cost	743,069,910	749,604,132	749,009,000	875,791,000	875,791,000	875,791,000	-
Tuition Reimbursement - Training and Travel	3,455,608	3,900,262	115,000	-	-	-	-
Other Post Employment Benefits	91,673,340	80,561,174	80,927,099	86,077,363	85,398,163	85,657,863	259,700
Death Benefits For St Employ	15,000	11,666	-	-	-	-	-
SERS Defined Contribution Match	3,558,903	5,182,814	7,591,033	16,903,188	17,010,188	17,096,788	86,600
State Employees Retirement Contributions - Normal Cost	168,330,352	149,045,118	153,009,950	158,298,835	167,611,504	167,611,504	-
State Employees Retirement Contributions - UAL	1,027,358,185	1,166,549,215	1,307,632,680	1,350,688,768	1,397,316,389	1,400,199,989	2,883,600
Agency Total - General Fund	2,981,349,781	3,106,094,681	3,272,637,049	3,535,157,542	3,585,662,763	3,590,748,763	5,086,000
Unemployment Compensation	151,161	198,221	324,200	382,000	382,000	382,000	-
Insurance - Group Life	298,441	311,805	376,200	359,000	419,300	419,300	-
Employers Social Security Tax	15,018,768	16,369,207	17,601,000	18,317,616	18,367,316	18,413,216	45,900
State Employees Health Service Cost	51,690,136	52,545,101	54,274,062	60,085,606	60,292,606	60,292,606	-
Other Post Employment Benefits	5,894,483	5,540,997	5,600,000	5,713,922	5,733,422	5,733,422	-
SERS Defined Contribution Match	240,145	382,701	589,300	1,075,541	1,082,041	1,082,041	-
State Employees Retirement Contributions - Normal Cost	21,610,640	19,091,316	19,599,175	20,276,633	21,346,200	21,346,200	-
State Employees Retirement Contributions - UAL	125,473,360	137,112,684	152,758,381	158,392,912	163,773,082	163,773,082	-
Agency Total - Special Transportation Fund	220,377,134	231,552,032	251,122,318	264,603,230	271,395,967	271,441,867	45,900
Total - Appropriated Funds	3,201,726,915	3,337,646,713	3,523,759,367	3,799,760,772	3,857,058,730	3,862,190,630	5,131,900
Additional Funds Available							
Carryforward State Employees' Retirement Fund	-	-	21,000,000	-	-	-	-
Agency Grand Total	3,201,726,915	3,337,646,713	3,544,759,367	3,799,760,772	3,857,058,730	3,862,190,630	5,131,900

Account	Governor Revised FY 23	Legislative FY 23	Difference from Governor
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Policy Revisions

Reflect Impact of Position Changes

Insurance - Group Life	900	900	-
Employers Social Security Tax	818,100	1,480,200	662,100
State Employees Health Service Cost	2,630,600	3,824,600	1,194,000
Other Post Employment Benefits	320,800	580,500	259,700
SERS Defined Contribution Match	107,000	193,600	86,600
State Employees Retirement Contributions - Normal Cost	109,300	109,300	-
State Employees Retirement Contributions - UAL	185,200	185,200	-
Total - General Fund	4,171,900	6,374,300	2,202,400
Insurance - Group Life	(900)	(900)	-
Employers Social Security Tax	49,700	95,600	45,900
State Employees Health Service Cost	207,000	207,000	-
Other Post Employment Benefits	19,500	19,500	-
SERS Defined Contribution Match	6,500	6,500	-
State Employees Retirement Contributions - Normal Cost	(109,300)	(109,300)	-
State Employees Retirement Contributions - UAL	(185,200)	(185,200)	-
Total - Special Transportation Fund	(12,700)	33,200	45,900

Background

Fringe benefit costs that support positions in the General Fund and Special Transportation Fund are centrally budgeted in the Office of the State Comptroller.

Governor

Provide funding of \$4,171,900 in the General Fund and reduce funding by \$12,700 in the Special Transportation Fund to reflect the impact to fringe benefit costs associated with 127 new and reallocated positions.

Legislative

Provide funding of \$6,374,400 in the General Fund and \$33,200 in the Special Transportation Fund to reflect the net impact to fringe benefit costs associated with the net position change of 187 and Personal Services funding changes.

Adjust Fringe for Resident State Troopers

State Employees Retirement Contributions - UAL	-	2,883,600	2,883,600
Total - General Fund	-	2,883,600	2,883,600

Legislative

Provide funding of \$2,883,600 in the SERS UAL account to reflect eliminating unfunded pension liability from the resident state trooper fringe benefits billed to towns.

Current Services

Fund the SERS Actuarially Determined Employer Contribution (ADEC)

State Employees Retirement Contributions - Normal Cost	9,203,369	9,203,369	-
State Employees Retirement Contributions - UAL	27,031,364	27,031,364	-
Total - General Fund	36,234,733	36,234,733	-
State Employees Retirement Contributions - Normal Cost	1,178,867	1,178,867	-
State Employees Retirement Contributions - UAL	3,172,226	3,172,226	-
Total - Special Transportation Fund	4,351,093	4,351,093	-

Background

The State Employees' Retirement System (SERS) is the state's defined benefit plan for approximately 48,014 active and 53,699 retired state employees and beneficiaries. SERS is currently funded on an actuarial reserve basis, where the normal cost and past service liability are calculated to determine the state's actuarially determined employer contribution (ADEC) (CGS 5- 156a). SERS is a collectively bargained benefit. The current agreement governing pension benefits is effective until 2027. The SERS ADEC is

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funded through three sources: General Fund appropriation, Special Transportation Fund appropriation and recoveries from other funding sources, including other appropriated funds, federal funds and grant funds. The state transitioned from biennial valuations to annual valuations for SERS beginning with the June 30, 2018 valuation. The June 30, 2021 valuation, which was completed in January 2022, established the ADEC for FY 23.

Governor

Provide funding of \$36,234,733 in the General Fund, and \$4,351,093 in the Special Transportation Fund to fund the GF and STF portions of the SERS ADEC.

Legislative

Same as Governor

Reflect Impact of Revised Pension Fund Deposits

State Employees Retirement Contributions - UAL	19,411,057	19,411,057	-
Total - General Fund	19,411,057	19,411,057	-
State Employees Retirement Contributions - UAL	2,393,144	2,393,144	-
Total - Special Transportation Fund	2,393,144	2,393,144	-

Background

Under current law (CGS 4-30a) if the Budget Reserve Fund (BRF) exceeds the 15% cap, the State Treasurer must deposit the amount over the cap to either State Employees Retirement System (SERS) and/or the Teachers' Retirement System (TRS) to reduce the unfunded liability of the selected system by up to 5%. The FY 22 and FY 23 Budget funded the State Employee Retirement Contribution-UAL account based on savings to the SERS from an anticipated \$1 billion BRF transfer due to the BRF cap being exceeded in FY 21. At the close of FY 21, the BRF's 15% cap was exceeded by \$1.6 billion. The State Treasurer transferred the funds to both SERS (\$720 million) and TRS (\$904 million/5% of unfunded liability) in FY 22, based on the FY 21 excess. Previously, the FY 20 BRF excess of \$61.6 million was deposited in SERS in FY 21.

Governor

Provide funding of \$19,411,057 in the General Fund and \$2,393,144 in the Special Transportation Fund to reflect the impact of lower than budgeted pension fund deposits.

Legislative

Same as Governor

Adjust Fringe Benefits Costs Based on FY 22 Actual Experience

Unemployment Compensation	(2,000,000)	(2,000,000)	-
Insurance - Group Life	291,000	291,000	-
Employers Social Security Tax	(4,000,000)	(4,000,000)	-
Other Post Employment Benefits	(1,000,000)	(1,000,000)	-
Total - General Fund	(6,709,000)	(6,709,000)	-
Insurance - Group Life	61,200	61,200	-
Total - Special Transportation Fund	61,200	61,200	-

Governor

Reduce funding by \$6,709,000 in the General Fund and increase funding by \$61,200 in the Special Transportation Fund to reflect current requirements.

Legislative

Same as Governor

Adjust Funding for Judges & Compensation Commissioners Pension System to Reflect the Full ADEC

Judges and Compensation Commissioners Retirement	(2,603,469)	(2,603,469)	-
Total - General Fund	(2,603,469)	(2,603,469)	-

Background

The Judges, Family Support Magistrates, and Compensation Commissioners' Retirement System (JRS) is the state's defined benefit plan for 184 active and 303 retired Judges, Family Support Magistrates, Compensation Commissioners, and beneficiaries. JRS is currently funded on an actuarial reserve basis, where the normal cost and past service liability are calculated to determine the state's actuarially determined employer contribution (ADEC). The state transitioned from biennial valuations to annual valuations for JRS with the June 30, 2018 valuation. The June 30, 2021 valuation, which was completed in January 2022, established the ADEC for FY 23.

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Governor

Reduce funding by \$2,603,469 to reflect the full ADEC for the pension system which was less than the estimated ADEC which was budgeted.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 23	Legislative FY 23	Difference from Governor
Original Appropriation - GF	3,535,157,542	3,535,157,542	-
Policy Revisions	4,171,900	9,257,900	5,086,000
Current Services	46,333,321	46,333,321	-
Total Recommended - GF	3,585,662,763	3,590,748,763	5,086,000
Original Appropriation - TF	264,603,230	264,603,230	-
Policy Revisions	(12,700)	33,200	45,900
Current Services	6,805,437	6,805,437	-
Total Recommended - TF	271,395,967	271,441,867	45,900