

Fund	SID	Account Description	Amount
General Fund			
11000	10010	Personal Services	1,161,977.18
11000	10020	Other Expenses	109,395.45
11000	12005	Unemployment Compensation	1,140,273.32
11000	12007	Higher Education Alternate Retirement	1,131,164.05
11000	12008	Pension & Retirement-Other Statutory	0.00
11000	12010	Group Life Insurance	1,147,881.18
11000	12011	Social Security Tax - Employers	2,097,920.40
11000	12012	State Employees Health Service Cost	31,163,155.62
11000	12013	Retired State Employees Health Srv. Cost	8,103,253.84
11000	12016	Tuition and Travel Reimbursement	6,753,801.03
11000	12018	Other Post Employment Benefits	424,858.28
11000	12608	SERS Defined Contribution Match - Tier IV	8,364,004.61

Transportation Fund			
12001	12005	Unemployment Compensation	155,177.00
12001	12010	Group Life Insurance	41,047.17
12001	12011	Social Security Tax - Employers	444,100.83
12001	12012	State Employees Health Service Cost	5,205,484.55

12001	12018	Other Post Employment Benefits	49,548.58
12001	12608	SERS Defined Contribution Match - Tier IV	436,082.11

Comments

Timing in filling vacancies

Timing of payments

Lower than anticipated costs

Deficiency Bill transferred \$69 million, Accounting Change, balance remaining, no net effect on overall budget

The competitive bid process awarded us with a lower premium with our new vendor and contract.

Deficiency bill transferred \$5 million, remaining balance, Lack of adjustment to second year of budget

With regard to Active Health, at the time our initial budget was submitted it was still anticipated that the general fund would be responsible for a portion of the higher education systems' employer share costs. Current projections appropriately exclude those values. Additionally, we are seeing a transition of enrolled member funding from the general fund to alternate sources (i.e., grants, higher education). In fiscal year ending June 30, 2022, the general fund portion of employer shares averaged approximately 65% of total spend. Today, that value is approximately 56.2% of total spend, thus reducing the general fund spend on the Active Health general fund appropriation account.

Deficiency Bill transferred \$35 million. The Retiree Health fund had a deficit prior to the Deficiency Bill transfer due to an increase in Medicare Advantage premiums. The 2022 federal Inflation Reduction Act significantly reduced Medicare's share of drug spend and reinsurance subsidy. This has resulted in a per member per month premium increase of approximately 75% as of January 1, 2025

Timing of processing payments

Deficiency Bill increased account by \$16 million. OPEB had a deficiency prior to the Deficiency Bill transfer as a result of a decrease in the ARP and SERS recovery rates. OPEB recovery amounts for ARP are lower this year due to a few factors. The rate is lower from FY2023 (27.64%) to FY2024 (20.38%) and FY2025 (23.37%). In addition, a large number of employees have completed their required 10 years of payments for OPEB, so the salary base is much lower. This will also affect the OPEB transfer for SERS.

Timing in filling vacancies, lower than anticipated costs, lack of adjustment for second year of budget

Lower than anticipated costs

Deficiency Bill increased account by \$1.5 million, remaining balance

With regard to Active Health, at the time our initial budget was submitted it was still anticipated that the general fund would be responsible for a portion of the higher education systems' employer share costs. Current projections appropriately exclude those values. Additionally, we are seeing a transition of enrolled member funding from the general fund to alternate sources (i.e., grants, higher education). In fiscal year ending June 30, 2022, the general fund portion of employer shares averaged approximately 65% of total spend. Today, that value is approximately 56.2% of total spend, thus reducing the general fund spend on the Active Health general fund appropriation account.

Deficiency Bill Increased account by \$850,000, remaining balance. OPEB had a deficiency prior to the Deficiency Bill transfer as a result of a decrease in the ARP and SERS recovery rates. OPEB recovery amounts for ARP are lower this year due to a few factors. The rate is lower from FY2023 (27.64%) to FY2024 (20.38%) and FY2025 (23.37%). In addition, a large number of employees have completed their required 10 years of payments for OPEB, so the salary base is much lower. This will also affect the OPEB transfer for SERS.

Timing in filling vacancies, lower than anticipated costs, lack of adjustment for second year of budget

Carry Forward

no
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yes
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