State Comptroller - Fringe Benefits
OSC15200

Budget Summary

Account	Actual FY 24	Actual FY 25	Governor Estimated FY 26	Original Appropriation FY 27	Governor Revised FY 27	Legislative FY 27	Difference -Gov FY 27
Other Current Expenses							
Unemployment Compensation	3,024,020	3,914,456	4,003,400	4,049,400	4,047,500	4,047,500	-
Higher Education Alternative Retirement System	83,244,548	83,264,995	45,819,900	101,569,100	50,620,000	50,620,000	-
Pensions and Retirements - Other Statutory	2,228,093	2,196,085	2,082,961	2,433,850	2,433,850	2,433,850	-
Judges and Compensation Commissioners Retirement	35,251,783	30,459,918	30,551,644	31,587,446	31,945,712	31,945,712	-
Insurance - Group Life	9,343,637	9,280,397	9,391,350	9,736,350	9,736,350	9,736,350	-
Employers Social Security Tax	197,210,988	209,192,811	212,274,821	227,326,623	227,989,523	228,500,654	511,131
State Employees Health Service Cost	627,692,142	652,643,147	596,879,142	708,024,030	779,283,930	800,787,930	21,504,000
Retired State Employees Health Service Cost	692,952,650	764,896,266	790,564,000	957,183,800	996,028,080	996,028,080	-
Tuition Reimbursement - Training and Travel	3,264,896	4,569,537	985,000	150,000	150,000	150,000	-
Other Post Employment Benefits	61,619,664	61,103,087	55,375,498	65,073,558	65,333,458	65,541,816	208,358
Death Benefits For St Employ	10,600	41,730	-	-	-	-	-
SERS Defined Contribution Match	13,574,033	16,136,475	17,762,859	27,991,712	28,078,312	28,163,281	84,969
State Employees Retirement Contributions - Normal Cost	177,212,110	184,272,537	195,276,136	201,080,536	201,019,273	201,019,273	-
State Employees Retirement Contributions - UAL	1,463,453,121	1,449,958,640	1,410,902,244	1,324,870,699	1,330,298,497	1,330,298,497	-
Agency Total - General Fund	**3,370,082,285**	**3,471,930,081**	**3,371,868,955**	**3,661,077,104**	**3,726,964,485**	**3,749,272,943**	**22,308,458**
Unemployment Compensation	197,110	204,823	160,000	360,000	360,000	360,000	-
Insurance - Group Life	357,604	372,953	395,600	401,600	401,600	401,600	-
Employers Social Security Tax	18,071,014	20,181,469	21,462,731	21,697,231	21,697,231	21,697,231	-
State Employees Health Service Cost	62,167,985	66,335,515	74,798,800	65,927,200	80,108,200	80,108,200	-
Other Post Employment Benefits	3,627,679	3,897,321	3,790,697	4,321,112	4,321,112	4,321,112	-
SERS Defined Contribution Match	906,914	1,102,798	1,179,898	1,835,222	1,835,222	1,835,222	-
State Employees Retirement Contributions - Normal Cost	20,485,465	21,358,207	22,660,619	23,334,444	23,327,335	23,327,335	-
State Employees Retirement Contributions - UAL	155,690,019	149,126,804	145,173,898	136,192,810	136,648,679	136,648,679	-
Agency Total - Special Transportation Fund	**261,503,790**	**262,579,890**	**269,622,243**	**254,069,619**	**268,699,379**	**268,699,379**	**-**
Total - Appropriated Funds	**3,631,586,075**	**3,734,509,971**	**3,641,491,198**	**3,915,146,723**	**3,995,663,864**	**4,017,972,322**	**22,308,458**

Account	Governor Revised FY 27	Legislative FY 27	Difference from Governor

Policy Revisions

Adjust Funding for Net Impact of Position Changes

Unemployment Compensation	(1,900)	(1,900)	-
Employers Social Security Tax	553,400	429,716	(123,684)
State Employees Health Service Cost	2,781,700	2,126,500	(655,200)
Other Post Employment Benefits	217,000	168,497	(48,503)
SERS Defined Contribution Match	72,300	56,132	(16,168)
Total - General Fund	**3,622,500**	**2,778,945**	**(843,555)**

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 $3,622,500 in FY 27 to reflect current requirements for fringe benefit costs associated with net position changes.

Legislative

Provide funding of $2,778,945 in FY 27 to reflect current requirements for fringe benefit costs associated with net position changes.

Current Services

Remove Adjustment for Hospital Negotiations

State Employees Health Service Cost	24,190,900	24,190,900	-
Retired State Employees Health Service Cost	45,380,700	45,380,700	-
Total - General Fund	**69,571,600**	**69,571,600**	**-**
State Employees Health Service Cost	2,680,500	2,680,500	-
Total - Special Transportation Fund	**2,680,500**	**2,680,500**	**-**

Background

Section 28 of PA 25-168, the FY 26 and FY 27 Budget, allows the Comptroller to negotiate reimbursement rates with nongovernmental licensed short-term general hospitals for the active and retired state employee health plans. The anticipated savings to the health plans are offset by increases to hospital supplemental payments associated with the negotiated rates. The Governor's Recommended Budget removes the assumed savings as the policy is not moving forward.

Governor

Provide funding of $69,571,600 in FY 27 in the General Fund and $2,680,500 in FY 27 in the Special Transportation Fund to remove assumed FY 27 savings in the FY 26 and FY 27 Budget associated with hospital rates for state employees and non-Medicare retirees.

Legislative

Same as Governor

Adjust Funding for Higher Education Alternative Retirement System

Higher Education Alternative Retirement System	(50,949,100)	(50,949,100)	-
Total - General Fund	**(50,949,100)**	**(50,949,100)**	**-**

Background

The FY 24 and FY 25 Budget restructured the funding of fringe benefits for higher education constituent units so the Comptroller's General Fund fringe benefit accounts pay 100% of the pension "legacy" costs for all higher education employees, regardless of fund. In turn, the higher education constituent units pay 100% of the costs for group life insurance, active health, and social security for all its employees regardless of funding source. The proposal in the Governor's Recommended Budget changes the accounting for this process from gross to net budgeting, in which recoveries from higher education constituent units offset appropriations.

Account	Governor Revised FY 27	Legislative FY 27	Difference from Governor

Governor

Reduce funding by $50,949,100 in FY 27 to reflect an accounting change in Higher Education Alternative Retirement.

Legislative

Same as Governor

Adjust Funding for Health Insurance Costs to Reflect Recent Activity

State Employees Health Service Cost	43,821,100	64,821,100	21,000,000
Retired State Employees Health Service Cost	(6,536,420)	(6,536,420)	-
Total - General Fund	**37,284,680**	**58,284,680**	**21,000,000**
State Employees Health Service Cost	11,500,500	11,500,500	-
Total - Special Transportation Fund	**11,500,500**	**11,500,500**	**-**

Governor

Provide funding of $37,284,680 in FY 27 in the General Fund and $11,500,500 in FY 27 in the Special Transportation Fund to adjust for health care trends.

Legislative

Provide funding of $58,284,680 in FY 27 in the General Fund and $11,500,500 in FY 27 in the Special Transportation Fund to adjust for health care trends.

Provide Funding for the Actuarially Determined Employer Contribution (ADEC) for the State Employees Retirement System (SERS)

State Employees Retirement Contributions - Normal Cost	(61,263)	(61,263)	-
State Employees Retirement Contributions - UAL	5,427,798	5,427,798	-
Total - General Fund	**5,366,535**	**5,366,535**	**-**
State Employees Retirement Contributions - Normal Cost	(7,109)	(7,109)	-
State Employees Retirement Contributions - UAL	455,869	455,869	-
Total - Special Transportation Fund	**448,760**	**448,760**	**-**

Background

The State Employees' Retirement System (SERS) is the state's defined benefit plan for approximately 49,400 active and 57,700 retired state employees and beneficiaries. SERS is currently funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarially determined employer contribution (ADEC) (CGS Sec. 5-156a). SERS is a collectively bargained benefit. The current agreement governing pension benefits is effective until 2027. The ADEC is funded through three sources: a General Fund appropriation, Special Transportation Fund appropriation and recoveries from other funding sources, including other appropriated funds, federal funds, and grant funds.

Governor

Provide funding of $5,366,535 in FY 27 in the General Fund and $448,760 in FY 27 in the Special Transportation Fund to fund the ADEC for SERS.

Legislative

Same as Governor

Adjust Funding to Reflect Current Requirements

Employers Social Security Tax	109,500	744,315	634,815
State Employees Health Service Cost	466,200	1,625,400	1,159,200
Other Post Employment Benefits	42,900	299,761	256,861
SERS Defined Contribution Match	14,300	115,437	101,137
Total - General Fund	**632,900**	**2,784,913**	**2,152,013**

Governor

Provide funding of $632,900 in FY 27 to reflect current requirements.

Legislative

Provide funding of $2,784,913 in FY 27 to reflect current requirements.

Account	Governor Revised FY 27	Legislative FY 27	Difference from Governor

Provide Funding for the Actuarially Determined Employer Contribution (ADEC) for the Judges Retirement System (JRS)

Judges and Compensation Commissioners Retirement	358,266	358,266	-
Total - General Fund	**358,266**	**358,266**	**-**

Background

The Judges, Family Support Magistrates, and Compensation Commissioners' Retirement System (JRS) is the state's defined benefit plan for 208 active and 330 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).

PA 24-81 changed the methodology for the Judges, Family Support Magistrates, and Compensation Commissioners' Retirement System (JRS) to a 15-year layered amortization approach to reduce volatility in the required payments, which extended the system's unfunded liability repayment from 2032 to 2039.

Governor

Provide funding of $358,266 in FY 27 to fund the ADEC for JRS.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 27	Legislative FY 27	Difference from Governor
Original Appropriation - GF	3,661,077,104	3,661,077,104	-
Policy Revisions	3,622,500	2,778,945	(843,555)
Current Services	62,264,881	85,416,894	23,152,013
Total Recommended - GF	**3,726,964,485**	**3,749,272,943**	**22,308,458**
Original Appropriation - TF	254,069,619	254,069,619	-
Current Services	14,629,760	14,629,760	-
Total Recommended - TF	**268,699,379**	**268,699,379**	**-**