

Teachers' Retirement Board

TRB77500

Permanent Full-Time Positions

Fund	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Legislative	
				FY 26	FY 27	FY 26	FY 27
General Fund	27	27	27	27	27	27	27

Budget Summary

Account	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Legislative	
				FY 26	FY 27	FY 26	FY 27
Personal Services	1,964,441	1,971,034	2,198,913	2,291,080	2,291,080	2,291,080	2,291,080
Other Expenses	393,838	451,239	497,003	496,003	482,003	496,003	482,003
Other Current Expenses							
Retirement Contributions - Normal Cost	-	-	-	-	-	293,618,465	299,800,000
Retirement Contributions - UAL	-	-	-	-	-	1,511,502,535	1,405,300,000
Other Than Payments to Local Governments							
Retirement Contributions	1,578,038,000	1,554,542,000	1,558,960,000	1,655,121,000	1,705,100,000	-	-
Retirees Health Service Cost	12,116,191	13,557,097	16,030,802	29,507,250	33,267,000	29,507,250	44,356,000
Municipal Retiree Health Insurance Costs	9,357,523	8,208,196	9,840,000	6,630,000	6,630,000	6,630,000	8,840,000
Agency Total - General Fund	1,601,869,993	1,578,729,566	1,587,526,718	1,694,045,333	1,747,770,083	1,844,045,333	1,761,069,083

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Policy Revisions

Reduce the State's Share of Health Care Funding from One-Third to One-Quarter

Retirees Health Service Cost	(9,835,750)	(11,089,000)	(9,835,750)	-	-	11,089,000
Municipal Retiree Health Insurance Costs	(2,210,000)	(2,210,000)	(2,210,000)	-	-	2,210,000
Total - General Fund	(12,045,750)	(13,299,000)	(12,045,750)	-	-	13,299,000

Background

Currently, the state share is one-third of the base plan premium, and the remaining two-thirds are shared by the health fund and the retiree. Section 301 of PA 25-168, the FY 26 and FY 27 Budget, reduces the state's share to one-quarter of the cost of the base plan in FY 26 only. The differential between one-quarter and one-third will be supported by the health fund.

Governor

Reduce funding by \$12,045,750 in FY 26 and \$13,299,000 in FY 27 to reflect the reduction in the state's share of retiree healthcare costs.

Legislative

Reduce funding by \$12,045,750 in FY 26 and retain funding in FY 27 to reduce the state's share of retiree healthcare costs to one-quarter of the cost of the base plan in FY 26 and restore the state's share to one-third in FY 27.

Reduce Other Expenses

Other Expenses	(15,000)	(15,000)	(15,000)	(15,000)	-	-
Total - General Fund	(15,000)	(15,000)	(15,000)	(15,000)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Governor

Reduce funding by \$15,000 in both FY 26 and FY 27.

Legislative

Same as Governor

Current Services

Fund the Actuarially Determined Employer Contribution (ADEC) for the Teachers' Retirement System (TRS)

Retirement Contributions - Normal Cost	-	-	293,618,465	299,800,000	293,618,465	299,800,000
Retirement Contributions - UAL	-	-	1,511,502,535	1,405,300,000	1,511,502,535	1,405,300,000
Retirement Contributions	96,161,000	146,140,000	(1,558,960,000)	(1,558,960,000)	(1,655,121,000)	(1,705,100,000)
Total - General Fund	96,161,000	146,140,000	246,161,000	146,140,000	150,000,000	-

Background

The Connecticut Teachers' Retirement System (TRS) is the state's defined benefit plan for approximately 53,400 active and 40,000 retired Connecticut public school teachers and beneficiaries. The benefits of the program are funded by employee contributions, state appropriations and investment income. The June 30, 2024, TRS actuarial valuation set an actuarially determined employer contribution (ADEC) for the TRS of \$1,655,100,000 in FY 26 and \$1,705,100,000 in FY 27. Payment of the full contribution is required by both statute (CGS Sec. 10-183z) and the bond covenant for Pension Obligation Bonds (POBs), issued pursuant to PA 07-186. The state's debt service payment on the POBs is appropriated in Debt Service - State Treasurer.

Section 40 of PA 25-168, the FY 26 and FY 27 Budget, appropriates an additional \$150 million to pay down the TRS unfunded actuarial accrued liability in FY 26.

Governor

Provide funding of \$96,161,000 in FY 26 and \$146,140,000 in FY 27 to fund the ADEC for TRS in the biennium.

Legislative

Provide funding of \$246,161,000 in FY 26 and \$146,140,000 in FY 27 to fund the ADEC for TRS in the biennium.

Adjust Funding for the State's Share of Retiree Health Service Costs

Retirees Health Service Cost	23,312,198	28,325,198	23,312,198	28,325,198	-	-
Municipal Retiree Health Insurance Costs	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	-	-
Total - General Fund	22,312,198	27,325,198	22,312,198	27,325,198	-	-

Background

The TRB is required to offer one or more health plans to retired TRS members who are participating in Medicare. CGS Sec. 10-183t requires a cost sharing arrangement in which retirees, the state, and the TRB health fund each pay one-third of the total cost for the basic plan. The TRB health fund is supported by active teachers who contribute 1.25% of their annual salary. The TRB basic plan changed from a Medicare Supplement Plan to a Medicare Advantage Plan, effective July 1, 2018.

Governor

Provide funding of \$22,312,198 in FY 26 and \$27,325,198 in FY 27 to reflect increased premiums rates.

Legislative

Same as Governor

Annualize Cost of Existing Wage Agreements

Personal Services	92,167	92,167	92,167	92,167	-	-
Total - General Fund	92,167	92,167	92,167	92,167	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Background

The Governor's Recommended Budget provides funding of \$124.4 million in FY 26 and FY 27, across nine appropriated funds, to reflect current wage-related adjustments resulting from existing wage agreements.

Governor

Provide funding of \$92,167 in both FY 26 and FY 27 to reflect this agency's increased wage costs.

Legislative

Same as Governor

Realign Funding in Other Expenses Based on Required Actuarial Reports

Other Expenses	14,000	-	14,000	-	-	-
Total - General Fund	14,000	-	14,000	-	-	-

Background

The state contracts with an actuarial firm to complete certain reports which vary in frequency.

Governor

Provide funding of \$14,000 in FY 26 to support costs of actuarial reports.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27
FY 25 Appropriation - GF	1,587,526,718	1,587,526,718	1,587,526,718	1,587,526,718	-	-
Policy Revisions	(12,060,750)	(13,314,000)	(12,060,750)	(15,000)	-	13,299,000
Current Services	118,579,365	173,557,365	268,579,365	173,557,365	150,000,000	-
Total Recommended - GF	1,694,045,333	1,747,770,083	1,844,045,333	1,761,069,083	150,000,000	13,299,000