



OPERATING BUDGET FOR FISCAL YEAR 2022

Submitted to the Governor's Office of Budget and Policy and the Legislative Budget Board

BY THE EMPLOYEES RETIREMENT SYSTEM OF TEXAS

December 1, 2021





Operating Budget
For Fiscal Year 2022

Submitted to the

Governor's Office of Budget and Policy Division
Legislative Budget Board

By

The Employees Retirement System of Texas

December 1, 2021





Employees Retirement System of Texas

Operating Budget

For Fiscal Year 2022

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Budget Overview
87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

327 Employees Retirement System

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Goal: 1. Administer Comprehensive and Actuarially Sound Retirement Programs										
1.1.1. ERS Retirement Program	459,583,336	462,317,309	27,332,660	35,037,901	114,460,430	115,417,901	72,178,164	80,663,591	673,554,590	693,436,702
1.1.2. LECOS Retirement Program	7,706,464	9,447,589	175,243	196,013	50,562	55,417			7,932,269	9,699,019
1.1.3. Judicial Retirement System - Plan 2	10,130,007	10,061,692					4,209,973	4,181,582	14,339,980	14,243,274
1.1.4. Judicial Retirement System - Plan 1	18,525,660	19,464,760							18,525,660	19,464,760
1.1.5. Public Safety Death Benefits	25,602,818	31,303,676	3,500,000	4,196,324					29,102,818	35,500,000
1.1.6. Retiree Death Benefits	11,886,006	13,750,000							11,886,006	13,750,000
1.1.7. Legacy Payments		339,150,000		26,010,000		85,680,000		59,160,000		510,000,000
Total, Goal	533,434,291	885,495,026	31,007,903	65,440,238	114,510,992	201,153,318	76,388,137	144,005,173	755,341,323	1,296,093,755
Goal: 2. Provide Employees and Retirees with Quality Group Benefits										
2.1.1. Group Benefits Program	1,308,225,684	1,344,375,301	74,353,462	108,667,265	323,642,655	330,044,352	229,388,757	241,221,903	1,935,610,558	2,024,308,821
2.1.2. Probation Health Insurance	69,519,574	72,258,216							69,519,574	72,258,216
Total, Goal	1,377,745,258	1,416,633,517	74,353,462	108,667,265	323,642,655	330,044,352	229,388,757	241,221,903	2,005,130,132	2,096,567,037
Total, Agency	1,911,179,549	2,302,128,543	105,361,365	174,107,503	438,153,647	531,197,670	305,776,894	385,227,076	2,760,471,455	3,392,660,792
Total FTEs									401.1	415.0



2.A. Summary of Budget By Strategy

DATE : 12/1/2021

TIME : 1:50:59PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 327 Agency name: Employees Retirement System

Goal/Objective/STRATEGY	EXP 2020	EXP 2021	BUD 2022
1 Administer Comprehensive and Actuarially Sound Retirement Programs			
1 <i>Ensure Actuarially Sound Retirement Programs</i>			
1 ERS RETIREMENT PROGRAM	\$671,219,525	\$673,554,590	\$693,436,702
2 LECOS RETIREMENT PROGRAM	\$8,310,613	\$7,932,269	\$9,699,019
3 JUDICIAL RETIREMENT SYSTEM - PLAN 2	\$14,186,283	\$14,339,980	\$14,243,274
4 JUDICIAL RETIREMENT SYSTEM - PLAN 1	\$19,941,228	\$18,525,660	\$19,464,760
5 PUBLIC SAFETY DEATH BENEFITS	\$11,339,475	\$29,102,818	\$35,500,000
6 RETIREE DEATH BENEFITS	\$9,695,882	\$11,886,006	\$13,750,000
7 LEGACY PAYMENTS	\$0	\$0	\$510,000,000
TOTAL, GOAL 1	\$734,693,006	\$755,341,323	\$1,296,093,755
2 Provide Employees and Retirees with Quality Group Benefits			
1 <i>Manage GBP for State and Higher Education Employees</i>			
1 GROUP BENEFITS PROGRAM	\$1,934,190,049	\$1,935,610,558	\$2,024,308,821
2 PROBATION HEALTH INSURANCE	\$70,956,749	\$69,519,574	\$72,258,216
TOTAL, GOAL 2	\$2,005,146,798	\$2,005,130,132	\$2,096,567,037

2.A. Summary of Budget By Strategy

DATE : 12/1/2021

TIME : 1:50:59PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 327 Agency name: Employees Retirement System

Goal/Objective/STRATEGY	EXP 2020	EXP 2021	BUD 2022
General Revenue Funds:			
1 General Revenue Fund	\$1,893,147,454	\$1,911,179,549	\$2,302,128,543
	\$1,893,147,454	\$1,911,179,549	\$2,302,128,543
General Revenue Dedicated Funds:			
994 GR Dedicated Accounts	\$104,918,543	\$105,361,365	\$174,107,503
	\$104,918,543	\$105,361,365	\$174,107,503
Federal Funds:			
555 Federal Funds	\$438,104,263	\$438,153,647	\$531,197,670
	\$438,104,263	\$438,153,647	\$531,197,670
Other Funds:			
6 State Highway Fund	\$275,047,583	\$277,129,137	\$345,653,268
573 Judicial Fund	\$4,203,371	\$4,209,973	\$4,181,582
998 Other Special State Funds	\$24,418,590	\$24,437,784	\$35,392,226
	\$303,669,544	\$305,776,894	\$385,227,076
TOTAL, METHOD OF FINANCING	\$2,739,839,804	\$2,760,471,455	\$3,392,660,792
FULL TIME EQUIVALENT POSITIONS	388.6	401.1	415.0

2.B. Summary of Budget By Method of Finance
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/1/2021
 TIME: 1:52:03PM

Agency code: 327 Agency name: Employees Retirement System

METHOD OF FINANCING	Exp 2020	Exp 2021	Bud 2022
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GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2020-21 GAA)	\$1,937,375,293	\$1,959,750,113	\$0
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$0	\$1,940,712,246
Estimated Appropriation Revision	\$51,748	\$16,081,149	\$21,713,692

RIDER APPROPRIATION

Art IX, Sec 18.25 Contingency for HB 2384 (2020-21 GAA)	\$1,877,857	\$2,053,628	\$0
Art IX, Sec 18.57 Contingency for SB 1264 (2020-21 GAA)	\$3,045,683	\$4,824,187	\$0
Art IX, Sec.18.50. Contingency for SB 1071 (2022-23 GAA)	\$0	\$0	\$552,605

TRANSFERS

HB2 Sec 46 Contingency for SB 321 (87R)	\$0	\$0	\$339,150,000
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LAPSED APPROPRIATIONS

ERS Retirement Program	\$(773,214)	\$(134,461)	\$0
LECOS Retirement Program	\$(372,469)	\$(740,044)	\$0
Judicial Retirement System-Plan 1	\$(1,676,439)	\$(2,456,605)	\$0
Public Safety Death Benefits	\$(1,750,509)	\$0	\$0
Group Benefits Program	\$(40,257,095)	\$(63,595,782)	\$0
Retiree Death Benefits	\$(4,054,118)	\$(1,863,994)	\$0
Probation Health Insurance	\$(319,283)	\$(2,738,642)	\$0

2.B. Summary of Budget By Method of Finance
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/1/2021
 TIME: 1:52:03PM

Agency code: 327 Agency name: Employees Retirement System

METHOD OF FINANCING		Exp 2020	Exp 2021	Bud 2022
TOTAL,	General Revenue Fund	\$1,893,147,454	\$1,911,179,549	\$2,302,128,543
TOTAL, ALL	GENERAL REVENUE	\$1,893,147,454	\$1,911,179,549	\$2,302,128,543
<u>GENERAL REVENUE FUND - DEDICATED</u>				
994	General Revenue Dedicated Accounts			
	<i>REGULAR APPROPRIATIONS</i>			
	Regular Appropriations from MOF Table (2018-19 GAA)	\$107,779,074	\$109,428,625	\$0
	Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$148,097,503
	Art IX, Sec 18.57 Contingency for SB 1264 (2018-19 GAA)	\$169,436	\$268,377	\$0
	<i>TRANSFERS</i>			
	HB2 Sec. 46 Contingency for SB 321 (87R)	\$0	\$0	\$26,010,000
	<i>LAPSED APPROPRIATIONS</i>			
	ERS Retirement Program	\$(45,816)	\$(7,997)	\$0
	LECOS Retirement Program	\$(8,470)	\$(16,828)	\$0
	Public Safety Death Benefits	\$(696,324)	\$(696,324)	\$0
	Group Benefits Program	\$(2,279,357)	\$(3,614,488)	\$0
TOTAL,	General Revenue Dedicated Accounts	\$104,918,543	\$105,361,365	\$174,107,503
TOTAL, ALL	GENERAL REVENUE FUND - DEDICATED	\$104,918,543	\$105,361,365	\$174,107,503

FEDERAL FUNDS

2.B. Summary of Budget By Method of Finance
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 12/1/2021
 TIME: 1:52:03PM

Agency code: 327 Agency name: Employees Retirement System

METHOD OF FINANCING	Exp 2020	Exp 2021	Bud 2022
555 Federal Funds			
<i>REGULAR APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2018-19 GAA)	\$447,496,877	\$452,731,603	\$0
Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$445,517,670
<i>RIDER APPROPRIATION</i>			
Art IX, Sec 18.25 Contingency for HB 2384 (2018-19 GAA)	\$33,682	\$33,682	\$0
Art IX, Sec 18.57 Contingency for SB 1264 (2018-19 GAA)	\$732,161	\$1,159,700	\$0
<i>TRANSFERS</i>			
HB2 Sec. 46 Contingency for SB 321 (87R)	\$0	\$0	\$85,680,000
<i>LAPSED APPROPRIATIONS</i>			
ERS Retirement Program	\$(192,747)	\$(33,488)	\$0
LECOS Retirement Program	\$(2,444)	\$(4,855)	\$0
Group Benefits Program	\$(9,963,266)	\$(15,732,995)	\$0
TOTAL, Federal Funds	\$438,104,263	\$438,153,647	\$531,197,670
TOTAL, ALL FEDERAL FUNDS	\$438,104,263	\$438,153,647	\$531,197,670

OTHER FUNDS

6 State Highway Fund No. 006

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2018-19 GAA)	\$281,189,498	\$286,763,702	\$0
Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$293,633,268

2.B. Summary of Budget By Method of Finance
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/1/2021**
 TIME: **1:52:03PM**

Agency code: **327** Agency name: **Employees Retirement System**

METHOD OF FINANCING	Exp 2020	Exp 2021	Bud 2022
<i>RIDER APPROPRIATION</i>			
Art IX, Sec 18.25 Contingency for HB 2384 (2018-19 GAA)	\$483,321	\$765,553	\$0
<i>TRANSFERS</i>			
HB2 Sec. 46 Contingency for SB 321 (87R)	\$0	\$0	\$52,020,000
<i>LAPSED APPROPRIATIONS</i>			
ERS Retirement Program	\$(106,607)	\$(18,599)	\$0
Group Benefits Program	\$(6,518,629)	\$(10,381,519)	\$0
TOTAL, State Highway Fund No. 006	\$275,047,583	\$277,129,137	\$345,653,268
573 Judicial Fund No. 573			
<i>REGULAR APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2018-19 GAA)	\$4,181,582	\$4,181,582	\$0
Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$4,181,582
Estimated Appropriation Revision	\$21,789	\$28,391	\$0
TOTAL, Judicial Fund No. 573	\$4,203,371	\$4,209,973	\$4,181,582
998 Other Special State Funds			
<i>REGULAR APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2018-19 GAA)	\$24,885,339	\$25,153,135	\$0
Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$28,252,226
<i>RIDER APPROPRIATION</i>			
Art IX, Sec 18.57 Contingency for SB 1264 (2018-19 GAA)	\$35,829	\$56,750	\$0



2.C. Summary of Budget By Object of Expense
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **12/1/2021**
 TIME: **2:31:25PM**

Agency code: **327**

Agency name: **Employees Retirement System**

OBJECT OF EXPENSE	EXP 2020	EXP 2021	BUD 2022
1002 OTHER PERSONNEL COSTS	\$2,718,804,447	\$2,719,482,631	\$3,343,410,792
3001 CLIENT SERVICES	\$21,035,357	\$40,988,824	\$49,250,000
Agency Total	\$2,739,839,804	\$2,760,471,455	\$3,392,660,792



2.D. Summary of Budget By Objective Outcomes
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 12/1/2021
 Time: 1:53:24PM

Agency code: 327 Agency name: **Employees Retirement System**

Goal/ Objective / OUTCOME	Exp 2020	Exp 2021	Bud2022
1 Administer Comprehensive and Actuarially Sound Retirement Programs			
<i>1 Ensure Actuarially Sound Retirement Programs</i>			
KEY 1 % of ERS Retirees Expressing Satisfaction with Member Benefit Services	96.00 %	98.01 %	97.00 %
2 # of Years to Amortize the ERS Unfunded Actuarial Accrued Liability	999,999,999.00	33.00	32.00
3 # Years to Amortize the LECOS Unfunded Actuarial Accrued Liability	999,999,999.00	999,999,999.00	999,999,999.00
4 # of Years to Amortize the JRS-2 Unfunded Actuarial Accrued Liability	999,999,999.00	999,999,999.00	999,999,999.00
5 ERS Time-weighted Rate of Return (5 Year Rolling Basis)	7.34 %	11.17 %	7.00 %
6 ERS Annual Operating Expense Per Member	61.23	54.35	62.00
KEY 7 Investment Expense as Basis Points of Net Position	14.00	12.00	16.00
8 Percent of Time the ERS On-line System is Available to Customers	98.09 %	98.44 %	98.00 %
2 Provide Employees and Retirees with Quality Group Benefits			
<i>1 Manage GBP for State and Higher Education Employees</i>			
KEY 1 Percent of HealthSelect Participants Satisfied with TPA Services	89.00 %	90.20 %	85.00 %



3.A. Strategy Level Detail

DATE: 12/1/2021
TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 327 Agency name: Employees Retirement System

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs
OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs
STRATEGY: 1 Provide Retirement Program for Employees and Retirees. Estimated.

Service Categories:
Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	Number of ERS Annuitants Added to Annuity Payroll	5,098.00	5,078.00	5,598.00
KEY 2	Number of ERS Accounts Maintained	277,122.00	282,177.00	285,000.00
Explanatory/Input Measures:				
1	Number of ERS Annuitants	114,271.00	116,469.00	120,568.00
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$671,219,525	\$673,554,590	\$693,436,702
TOTAL, OBJECT OF EXPENSE		\$671,219,525	\$673,554,590	\$693,436,702
Method of Financing:				
1	General Revenue Fund	\$458,146,629	\$459,583,336	\$462,317,309
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$458,146,629	\$459,583,336	\$462,317,309
Method of Financing:				
994	GR Dedicated Accounts	\$27,147,059	\$27,332,660	\$35,037,901
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$27,147,059	\$27,332,660	\$35,037,901
Method of Financing:				
555	Federal Funds			
00.327.001	ERS Retirement	\$114,206,796	\$114,460,430	\$115,417,901
CFDA Subtotal, Fund	555	\$114,206,796	\$114,460,430	\$115,417,901
SUBTOTAL, MOF (FEDERAL FUNDS)		\$114,206,796	\$114,460,430	\$115,417,901
Method of Financing:				
6	State Highway Fund	\$63,167,054	\$63,571,430	\$71,103,388
998	Other Special State Funds	\$8,551,987	\$8,606,734	\$9,560,203

3.A. Strategy Level Detail

DATE: 12/1/2021
 TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs

OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs

Service Categories:

STRATEGY: 1 Provide Retirement Program for Employees and Retirees. Estimated.

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
SUBTOTAL, MOF (OTHER FUNDS)		\$71,719,041	\$72,178,164	\$80,663,591
TOTAL, METHOD OF FINANCE :		\$671,219,525	\$673,554,590	\$693,436,702
FULL TIME EQUIVALENT POSITIONS:		388.6	401.1	415.0

3.A. Strategy Level Detail

DATE: 12/1/2021
TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 327 Agency name: Employees Retirement System

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs
OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs
STRATEGY: 2 Provide Retirement Program for Law Enf and Corr Officers. Estimated.

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	Number of LECOS Annuitants Added to Annuity Payroll	888.00	866.00	1,056.00
2	Number of LECOS Accounts Maintained	65,855.00	67,065.00	68,275.00
Explanatory/Input Measures:				
1	Number of LECOS Annuitants	15,285.00	15,962.00	17,046.00
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$8,310,613	\$7,932,269	\$9,699,019
TOTAL, OBJECT OF EXPENSE		\$8,310,613	\$7,932,269	\$9,699,019
Method of Financing:				
1	General Revenue Fund	\$8,074,039	\$7,706,464	\$9,447,589
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$8,074,039	\$7,706,464	\$9,447,589
Method of Financing:				
994	GR Dedicated Accounts	\$183,601	\$175,243	\$196,013
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$183,601	\$175,243	\$196,013
Method of Financing:				
555	Federal Funds			
00.327.003	LECOS Retirement	\$52,973	\$50,562	\$55,417
CFDA Subtotal, Fund	555	\$52,973	\$50,562	\$55,417
SUBTOTAL, MOF (FEDERAL FUNDS)		\$52,973	\$50,562	\$55,417
TOTAL, METHOD OF FINANCE :		\$8,310,613	\$7,932,269	\$9,699,019
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 327 Agency name: Employees Retirement System

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs

OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs

Service Categories:

STRATEGY: 3 Provide Retirement Program for State Judicial Officers. Estimated.

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	Number of JRS-2 Annuitants Added to Annuity Payroll	17.00	53.00	20.00
2	Number of JRS-2 Accounts Maintained	786.00	813.00	830.00
Explanatory/Input Measures:				
1	Number of JRS-2 Annuitants	499.00	549.00	569.00
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$14,186,283	\$14,339,980	\$14,243,274
TOTAL, OBJECT OF EXPENSE		\$14,186,283	\$14,339,980	\$14,243,274
Method of Financing:				
1	General Revenue Fund	\$9,982,912	\$10,130,007	\$10,061,692
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$9,982,912	\$10,130,007	\$10,061,692
Method of Financing:				
573	Judicial Fund	\$4,203,371	\$4,209,973	\$4,181,582
SUBTOTAL, MOF (OTHER FUNDS)		\$4,203,371	\$4,209,973	\$4,181,582
TOTAL, METHOD OF FINANCE :		\$14,186,283	\$14,339,980	\$14,243,274
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
 TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 327 Agency name: Employees Retirement System

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs
 OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs
 STRATEGY: 4 Provide Payment of JRS-1 Benefits as Required by Law. Estimated.

Service Categories:
 Service: 06 Income: A.2 Age: B.2

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	Number of JRS-1 Annuitants Added to Annuity Payroll	10.00	10.00	10.00
2	Number of JRS-1 Accounts Maintained	10.00	10.00	10.00
Explanatory/Input Measures:				
1	Number of JRS-1 Annuitants	302.00	285.00	262.00
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$19,941,228	\$18,525,660	\$19,464,760
TOTAL, OBJECT OF EXPENSE		\$19,941,228	\$18,525,660	\$19,464,760
Method of Financing:				
1	General Revenue Fund	\$19,941,228	\$18,525,660	\$19,464,760
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$19,941,228	\$18,525,660	\$19,464,760
TOTAL, METHOD OF FINANCE :		\$19,941,228	\$18,525,660	\$19,464,760
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
 TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs
 OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs
 STRATEGY: 5 Provide Benefits to Beneficiaries of Public Safety Workers. Estimated.

Service Categories:
 Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	Number of Death Benefit Claims Processed	19.00	56.00	70.00
2	Number of Beneficiaries Receiving Benefits	139.00	144.00	148.00
Objects of Expense:				
3001	CLIENT SERVICES	\$11,339,475	\$29,102,818	\$35,500,000
TOTAL, OBJECT OF EXPENSE		\$11,339,475	\$29,102,818	\$35,500,000
Method of Financing:				
1	General Revenue Fund	\$7,839,475	\$25,602,818	\$31,303,676
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$7,839,475	\$25,602,818	\$31,303,676
Method of Financing:				
994	GR Dedicated Accounts	\$3,500,000	\$3,500,000	\$4,196,324
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$3,500,000	\$3,500,000	\$4,196,324
TOTAL, METHOD OF FINANCE :		\$11,339,475	\$29,102,818	\$35,500,000
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
 TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs

OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs

STRATEGY: 6 Provide Lump-sum Retiree Death Benefits. Estimated.

Service Categories:

Service: 06 Income: A.2 Age: B.2

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	Number of Retiree Death Benefits Paid	2,500.00	3,033.00	2,700.00
Efficiency Measures:				
1	Average Number of Business Days to Process Retiree Death Benefits	4.23	18.00	18.00
Objects of Expense:				
3001	CLIENT SERVICES	\$9,695,882	\$11,886,006	\$13,750,000
TOTAL, OBJECT OF EXPENSE		\$9,695,882	\$11,886,006	\$13,750,000
Method of Financing:				
1	General Revenue Fund	\$9,695,882	\$11,886,006	\$13,750,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$9,695,882	\$11,886,006	\$13,750,000
TOTAL, METHOD OF FINANCE :		\$9,695,882	\$11,886,006	\$13,750,000
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 1 Administer Comprehensive and Actuarially Sound Retirement Programs

OBJECTIVE: 1 Ensure Actuarially Sound Retirement Programs

STRATEGY: 7 Legacy Payments

Service Categories:

Service: NA Income: NA Age: NA

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$510,000,000
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$510,000,000
Method of Financing:				
1	General Revenue Fund	\$0	\$0	\$339,150,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$339,150,000
Method of Financing:				
994	GR Dedicated Accounts	\$0	\$0	\$26,010,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$0	\$26,010,000
Method of Financing:				
555	Federal Funds			
00.327.001	ERS Retirement	\$0	\$0	\$85,680,000
CFDA Subtotal, Fund	555	\$0	\$0	\$85,680,000
SUBTOTAL, MOF (FEDERAL FUNDS)		\$0	\$0	\$85,680,000
Method of Financing:				
6	State Highway Fund	\$0	\$0	\$52,020,000
998	Other Special State Funds	\$0	\$0	\$7,140,000
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$0	\$59,160,000
TOTAL, METHOD OF FINANCE :		\$0	\$0	\$510,000,000
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 2 Provide Employees and Retirees with Quality Group Benefits

OBJECTIVE: 1 Manage GBP for State and Higher Education Employees

Service Categories:

STRATEGY: 1 Provide Basic Insurance Program to General State Employees. Estimated.

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Output Measures:				
1	In-Network Services as a Percentage of Total Services	91.98 %	91.49 %	91.50 %
2	Mental Health/Substance Abuse Costs as % of Total HealthSelect Costs	2.51 %	3.58 %	4.00 %
3	Prescription Drug Program Costs as Percent of Total HealthSelect Costs	19.97 %	19.56 %	20.00 %
Efficiency Measures:				
KEY 1	Percent of Medical Claims Processed within 22 Business Days	98.82 %	98.63 %	98.00 %
2	% of Electronic Retail Pharmacy Claims Processed within 15 Business Days	100.00 %	100.00 %	100.00 %
KEY 3	HealthSelect Admin Fees as Percent of Total HealthSelect Costs	2.50 %	2.57 %	3.00 %
Explanatory/Input Measures:				
1	# Employees, Retirees & Dependents Covered by GBP Health Care Plans	548,082.00	538,009.00	546,079.00
2	Percent of Participants in HMOs	3.43 %	3.10 %	0.00 %
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$1,934,190,049	\$1,935,610,558	\$2,024,308,821
TOTAL, OBJECT OF EXPENSE		\$1,934,190,049	\$1,935,610,558	\$2,024,308,821
Method of Financing:				
1	General Revenue Fund	\$1,308,510,540	\$1,308,225,684	\$1,344,375,301
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,308,510,540	\$1,308,225,684	\$1,344,375,301
Method of Financing:				
994	GR Dedicated Accounts	\$74,087,883	\$74,353,462	\$108,667,265
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$74,087,883	\$74,353,462	\$108,667,265
Method of Financing:				
555	Federal Funds			
00.327.002	ERS Insurance	\$323,844,494	\$323,642,655	\$330,044,352

3.A. Strategy Level Detail

DATE: 12/1/2021
 TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 2 Provide Employees and Retirees with Quality Group Benefits

OBJECTIVE: 1 Manage GBP for State and Higher Education Employees

STRATEGY: 1 Provide Basic Insurance Program to General State Employees. Estimated.

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
CFDA Subtotal, Fund	555	\$323,844,494	\$323,642,655	\$330,044,352
SUBTOTAL, MOF (FEDERAL FUNDS)		\$323,844,494	\$323,642,655	\$330,044,352
Method of Financing:				
6	State Highway Fund	\$211,880,529	\$213,557,707	\$222,529,880
998	Other Special State Funds	\$15,866,603	\$15,831,050	\$18,692,023
SUBTOTAL, MOF (OTHER FUNDS)		\$227,747,132	\$229,388,757	\$241,221,903
TOTAL, METHOD OF FINANCE :		\$1,934,190,049	\$1,935,610,558	\$2,024,308,821
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021
 TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **327** Agency name: **Employees Retirement System**

GOAL: 2 Provide Employees and Retirees with Quality Group Benefits

OBJECTIVE: 1 Manage GBP for State and Higher Education Employees

STRATEGY: 2 Insurance Contributions for Local CSCD Employee Estimated

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	EXP 2020	EXP 2021	BUD 2022
Explanatory/Input Measures:				
1	# CSCD Employees, Retirees, & Dependents Covered by GBP	13,037.00	12,470.00	13,100.00
Objects of Expense:				
1002	OTHER PERSONNEL COSTS	\$70,956,749	\$69,519,574	\$72,258,216
TOTAL, OBJECT OF EXPENSE		\$70,956,749	\$69,519,574	\$72,258,216
Method of Financing:				
1	General Revenue Fund	\$70,956,749	\$69,519,574	\$72,258,216
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$70,956,749	\$69,519,574	\$72,258,216
TOTAL, METHOD OF FINANCE :		\$70,956,749	\$69,519,574	\$72,258,216
FULL TIME EQUIVALENT POSITIONS:				

3.A. Strategy Level Detail

DATE: 12/1/2021

TIME: 2:32:05PM

87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$2,739,839,804	\$2,760,471,455	\$3,392,660,792
METHODS OF FINANCE :	\$2,739,839,804	\$2,760,471,455	\$3,392,660,792
FULL TIME EQUIVALENT POSITIONS:	388.6	401.1	415.0

4.B. Federal Funds Supporting Schedule
87th Regular Session, Fiscal Year 2022 Operating Budget
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
TIME: 10:05:13AM

Agency code: 327 Agency name: Employees Retirement System

CFDA NUMBER/ STRATEGY	EXP 2020	EXP 2021	BUD 2022
00.327.001 ERS Retirement			
1 - 1 - 1 ERS RETIREMENT PROGRAM	114,206,796	114,460,430	115,417,901
1 - 1 - 7 LEGACY PAYMENTS	0	0	85,680,000
TOTAL, ALL STRATEGIES	\$114,206,796	\$114,460,430	\$201,097,901
ADDL FED FNDS FOR EMPL BENEFITS	0	0	0
TOTAL, FEDERAL FUNDS	\$114,206,796	\$114,460,430	\$201,097,901
ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0
00.327.002 ERS Insurance			
2 - 1 - 1 GROUP BENEFITS PROGRAM	323,844,494	323,642,655	330,044,352
TOTAL, ALL STRATEGIES	\$323,844,494	\$323,642,655	\$330,044,352
ADDL FED FNDS FOR EMPL BENEFITS	0	0	0
TOTAL, FEDERAL FUNDS	\$323,844,494	\$323,642,655	\$330,044,352
ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0
00.327.003 LECOS Retirement			
1 - 1 - 2 LECOS RETIREMENT PROGRAM	52,973	50,562	55,417
TOTAL, ALL STRATEGIES	\$52,973	\$50,562	\$55,417
ADDL FED FNDS FOR EMPL BENEFITS	0	0	0
TOTAL, FEDERAL FUNDS	\$52,973	\$50,562	\$55,417
ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0

4.B. Federal Funds Supporting Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/24/2021**
 TIME: **10:05:13AM**

Agency code: **327** Agency name: Employees Retirement System

CFDA NUMBER/ STRATEGY	EXP 2020	EXP 2021	BUD 2022
<u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u>			
00.327.001 ERS Retirement	114,206,796	114,460,430	201,097,901
00.327.002 ERS Insurance	323,844,494	323,642,655	330,044,352
00.327.003 LECOS Retirement	52,973	50,562	55,417
TOTAL, ALL STRATEGIES	\$438,104,263	\$438,153,647	\$531,197,670
TOTAL, ADDL FED FUNDS FOR EMPL BENEFITS	0	0	0
TOTAL, FEDERAL FUNDS	\$438,104,263	\$438,153,647	\$531,197,670
TOTAL, ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0

4.F. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:16:11AM

Agency code: 327

Agency name: **Employees Retirement System**

		Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
Expanded or New Initiative:						
	1.Relating to pricing of and health benefit plan cost-sharing requirements for prescription insulin.					
Legal Authority for Item:						
87th Legislative Session, H.B. 827						
Description/Key Assumptions (including start up/implementation costs and ongoing costs):						
Senate Bill 827 modifies Texas Insurance Code, Chapter 1358 to limit a participant's cost-share for prescription insulin to \$25 for a 30-day supply regardless of the amount or type of insulin needed to fill the participant's prescription. Prescription insulin is defined as a prescription drug that contains insulin and is issued to treat diabetes.						
The bill would apply to the HealthSelect Prescription Drug Program and the Consumer Directed HealthSelect Prescription Drug Program under Chapter 1551. The bill does not apply to the HealthSelect Medicare Rx Plan.						
A health plan is not prevented from requiring an enrollee to use an insulin that is on the plan's prescription drug formulary. The health plan's formulary must include at least one insulin from each therapeutic class.						
State Budget by Program:						
	Health Insurance					
IT Component:						
	No					
Involve Contracts > \$50,000:						
	No					
Objects of Expense						
Strategy: 2-1-1 GROUP BENEFITS PROGRAM						
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$1,569,977	\$1,616,779	\$1,665,282
	SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$1,569,977	\$1,616,779	\$1,665,282
	TOTAL, Objects of Expense	\$0	\$0	\$1,569,977	\$1,616,779	\$1,665,282
Method of Financing						
GENERAL REVENUE FUNDS						
Strategy: 2-1-1 GROUP BENEFITS PROGRAM						
1	General Revenue Fund	\$0	\$0	\$1,157,073	\$1,191,566	\$1,227,312
	SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$1,157,073	\$1,191,566	\$1,227,312
	SUBTOTAL, GENERAL REVENUE FUNDS	\$0	\$0	\$1,157,073	\$1,191,566	\$1,227,312
GR DEDICATED						
Strategy: 2-1-1 GROUP BENEFITS PROGRAM						
994	GR Dedicated Accounts	\$0	\$0	\$89,489	\$92,156	\$94,921
	SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$89,489	\$92,156	\$94,921
	SUBTOTAL, GR DEDICATED	\$0	\$0	\$89,489	\$92,156	\$94,921
FEDERAL FUNDS						
Strategy: 2-1-1 GROUP BENEFITS PROGRAM						

4.F. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:16:11AM

Agency code: 327

Agency name: **Employees Retirement System**

	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
555 Federal Funds	\$0	\$0	\$136,588	\$140,660	\$144,880
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$136,588	\$140,660	\$144,880
SUBTOTAL, FEDERAL FUNDS	\$0	\$0	\$136,588	\$140,660	\$144,880
OTHER FUNDS					
Strategy: 2-1-1 GROUP BENEFITS PROGRAM					
6 State Highway Fund	\$0	\$0	\$172,697	\$177,846	\$183,181
998 Other Special State Funds	\$0	\$0	\$14,130	\$14,551	\$14,988
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$186,827	\$192,397	\$198,169
SUBTOTAL, OTHER FUNDS	\$0	\$0	\$186,827	\$192,397	\$198,169
TOTAL, Method of Financing	\$0	\$0	\$1,569,977	\$1,616,779	\$1,665,282

4.F. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:16:11AM

Agency code: 327

Agency name: **Employees Retirement System**

	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
Expanded or New Initiative:					
2.Relating to coverage for diagnostic imaging for breast cancer under certain health benefit plans					
Legal Authority for Item:					
87th Legislative Session, S.B. 1065					
Description/Key Assumptions (including start up/implementation costs and ongoing costs):					
Senate Bill 1065 amends Insurance Code, Chapter 1356 to define “Diagnostic imaging” as an imaging examination using mammography, ultrasound imaging, or magnetic resonance imaging that is designed to evaluate (a) abnormality detected by a physician or patient in a breast, (b) an abnormality seen by a physician on a screening mammogram, (c) abnormality previously identified as benign in a breast for which follow-up imaging is recommend by a physician (d) individual with personal history of breast cancer or dense breast tissue. SB 1065 also states that a health benefit plan that provides coverage for screening mammogram must provide coverage for diagnostic imaging that is no less favorable than the coverage for a screening mammogram.					
State Budget by Program:					
Health Insurance					
IT Component:					
No					
Involve Contracts > \$50,000:					
No					
Objects of Expense					
Strategy: 2-1-1 GROUP BENEFITS PROGRAM					
1002 OTHER PERSONNEL COSTS	\$0	\$0	\$719,041	\$759,035	\$801,582
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$719,041	\$759,035	\$801,582
TOTAL, Objects of Expense	\$0	\$0	\$719,041	\$759,035	\$801,582
Method of Financing					
GENERAL REVENUE FUNDS					
Strategy: 1-1-1 ERS RETIREMENT PROGRAM					
1 General Revenue Fund	\$0	\$0	\$529,933	\$559,409	\$590,766
SUBTOTAL, Strategy 1-1-1	\$0	\$0	\$529,933	\$559,409	\$590,766
Strategy: 2-1-1 GROUP BENEFITS PROGRAM					
1 General Revenue Fund	\$0	\$0	\$529,933	\$559,409	\$590,766
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$529,933	\$559,409	\$590,766
SUBTOTAL, GENERAL REVENUE FUNDS	\$0	\$0	\$1,059,866	\$1,118,818	\$1,181,532
GR DEDICATED					
Strategy: 1-1-1 ERS RETIREMENT PROGRAM					
994 GR Dedicated Accounts	\$0	\$0	\$40,985	\$43,265	\$45,690
SUBTOTAL, Strategy 1-1-1	\$0	\$0	\$40,985	\$43,265	\$45,690
Strategy: 2-1-1 GROUP BENEFITS PROGRAM					
994 GR Dedicated Accounts	\$0	\$0	\$40,985	\$43,265	\$45,690
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$40,985	\$43,265	\$45,690

4.F. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:16:11AM

Agency code: 327

Agency name: Employees Retirement System

	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
SUBTOTAL, GR DEDICATED	\$0	\$0	\$81,970	\$86,530	\$91,380
FEDERAL FUNDS					
Strategy: 1-1-1 ERS RETIREMENT PROGRAM					
555 Federal Funds	\$0	\$0	\$62,557	\$66,036	\$69,738
SUBTOTAL, Strategy 1-1-1	\$0	\$0	\$62,557	\$66,036	\$69,738
Strategy: 2-1-1 GROUP BENEFITS PROGRAM					
555 Federal Funds	\$0	\$0	\$62,557	\$66,036	\$69,738
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$62,557	\$66,036	\$69,738
SUBTOTAL, FEDERAL FUNDS	\$0	\$0	\$125,114	\$132,072	\$139,476
OTHER FUNDS					
Strategy: 1-1-1 ERS RETIREMENT PROGRAM					
6 State Highway Fund	\$0	\$0	\$79,095	\$83,494	\$88,174
998 Other Special State Funds	\$0	\$0	\$6,471	\$6,831	\$7,214
SUBTOTAL, Strategy 1-1-1	\$0	\$0	\$85,566	\$90,325	\$95,388
Strategy: 2-1-1 GROUP BENEFITS PROGRAM					
6 State Highway Fund	\$0	\$0	\$79,095	\$83,494	\$88,174
998 Other Special State Funds	\$0	\$0	\$6,471	\$6,831	\$7,214
SUBTOTAL, Strategy 2-1-1	\$0	\$0	\$85,566	\$90,325	\$95,388
SUBTOTAL, OTHER FUNDS	\$0	\$0	\$171,132	\$180,650	\$190,776
TOTAL, Method of Financing	\$0	\$0	\$1,438,082	\$1,518,070	\$1,603,164

4.F. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:16:11AM

Agency code: 327

Agency name: **Employees Retirement System**

		Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
Expanded or New Initiative:						
	3. Relating to the state contribution to the Employees Retirement System of Texas					
Legal Authority for Item:						
87th Legislative Session, S.B. 321						
Description/Key Assumptions (including start up/implementation costs and ongoing costs):						
Senate Bill 321 requires the State to make an annual amortization payment toward eliminating the ERS unfunded liability by August 31, 2054 in addition to required contributions. Based on the updated actuarial valuation as of February 28, 2021 projected to August 31, 2021, the annual level dollar necessary to amortize the system's unfunded actuarial liabilities by the fiscal year ending August 31, 2054 is \$510 million per year. Additionally, SB321 restructures the retirement benefit for members of the employee and the elected class hired on or after September 1, 2022 into a cash balance benefit. Law Enforcement and Custodial Officers (LECO) will continue to receive enhanced benefits from the LECO Supplemental Retirement Fund (LECOSRF). All members of ERS hired on or after September 1, 2022 would contribute 6% of pay into individual accounts and LECOSRF members hired on or after September 1, 2022 would contribute an additional 2%.						
State Budget by Program:						
	State Retirement					
IT Component:						
	No					
Involve Contracts > \$50,000:						
	No					
Objects of Expense						
Strategy: 1-1-1 ERS RETIREMENT PROGRAM						
1002	OTHER PERSONNEL COSTS	\$0	\$510,000,000	\$510,000,000	\$510,000,000	\$510,000,000
	SUBTOTAL, Strategy 1-1-1	\$0	\$510,000,000	\$510,000,000	\$510,000,000	\$510,000,000
	TOTAL, Objects of Expense	\$0	\$510,000,000	\$510,000,000	\$510,000,000	\$510,000,000
Method of Financing						
GENERAL REVENUE FUNDS						
Strategy: 1-1-1 ERS RETIREMENT PROGRAM						
1	General Revenue Fund	\$0	\$339,150,000	\$339,150,000	\$339,150,000	\$339,150,000
	SUBTOTAL, Strategy 1-1-1	\$0	\$339,150,000	\$339,150,000	\$339,150,000	\$339,150,000
	SUBTOTAL, GENERAL REVENUE FUNDS	\$0	\$339,150,000	\$339,150,000	\$339,150,000	\$339,150,000
GR DEDICATED						
Strategy: 1-1-1 ERS RETIREMENT PROGRAM						
994	GR Dedicated Accounts	\$0	\$26,010,000	\$26,010,000	\$26,010,000	\$26,010,000
	SUBTOTAL, Strategy 1-1-1	\$0	\$26,010,000	\$26,010,000	\$26,010,000	\$26,010,000
	SUBTOTAL, GR DEDICATED	\$0	\$26,010,000	\$26,010,000	\$26,010,000	\$26,010,000
FEDERAL FUNDS						
Strategy: 1-1-1 ERS RETIREMENT PROGRAM						
555	Federal Funds	\$0	\$85,680,000	\$85,680,000	\$85,680,000	\$85,680,000

4.F. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:16:11AM

Agency code: 327

Agency name: Employees Retirement System

	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
SUBTOTAL, Strategy 1-1-1	\$0	\$85,680,000	\$85,680,000	\$85,680,000	\$85,680,000
SUBTOTAL, FEDERAL FUNDS	\$0	\$85,680,000	\$85,680,000	\$85,680,000	\$85,680,000
OTHER FUNDS					
Strategy: 1-1-1 ERS RETIREMENT PROGRAM					
6 State Highway Fund	\$0	\$52,020,000	\$52,020,000	\$52,020,000	\$52,020,000
998 Other Special State Funds	\$0	\$7,140,000	\$7,140,000	\$7,140,000	\$7,140,000
SUBTOTAL, Strategy 1-1-1	\$0	\$59,160,000	\$59,160,000	\$59,160,000	\$59,160,000
SUBTOTAL, OTHER FUNDS	\$0	\$59,160,000	\$59,160,000	\$59,160,000	\$59,160,000
TOTAL, Method of Financing	\$0	\$510,000,000	\$510,000,000	\$510,000,000	\$510,000,000

4.F. Part B Summary of Costs Related to Recently Enacted State Legislation Schedule
 87th Regular Session, Fiscal Year 2022 Operating Budget
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/24/2021
 TIME: 10:17:37AM

Agency code: 327

Agency name: Employees Retirement System

ITEM	EXPANDED OR NEW INITIATIVE	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
1	Relating to pricing of and health benefit plan cost-sharing requirements for prescription insulin.	\$0	\$0	\$1,569,977	\$1,616,779	\$1,665,282
2	Relating to coverage for diagnostic imaging for breast cancer under certain health benefit plans	\$0	\$0	\$719,041	\$759,035	\$801,582
3	Relating to the state contribution to the Employees Retirement System of Texas	\$0	\$510,000,000	\$510,000,000	\$510,000,000	\$510,000,000
Total, Cost Related to Expanded or New Initiatives		\$0	\$510,000,000	\$512,289,018	\$512,375,814	\$512,466,864
METHOD OF FINANCING						
	GENERAL REVENUE FUNDS	\$0	\$339,150,000	\$341,366,939	\$341,460,384	\$341,558,844
	GR DEDICATED	\$0	\$26,010,000	\$26,181,459	\$26,188,686	\$26,196,301
	FEDERAL FUNDS	\$0	\$85,680,000	\$85,941,702	\$85,952,732	\$85,964,356
	OTHER FUNDS	\$0	\$59,160,000	\$59,517,959	\$59,533,047	\$59,548,945
Total, Method of Financing		\$0	\$510,000,000	\$513,008,059	\$513,134,849	\$513,268,446

FULL-TIME-EQUIVALENTS (FTES):





200 E.18th Street Austin, Texas 78701 www.ers.texas.gov