

# House Budget Committee Report

**Agency:** Kansas Public Employees Retirement System **Bill No.** HB 2274

**Bill Sec.** --

**Analyst:** Wu

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Expenditure Summary	Agency Estimate FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	63,897,928	63,897,928	0
<i>Subtotal</i>	<u>\$ 63,897,928</u>	<u>\$ 63,897,928</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><b>\$ 63,897,928</b></u>	<u><b>\$ 63,897,928</b></u>	<u><b>\$ 0</b></u>
FTE positions	98.4	98.4	0.0

## Agency Estimate

The **agency** submits a revised estimate of \$63.9 million in FY 2023, including \$62.9 million from the Kansas Public Employees Retirement Fund. This represents a decrease of \$4.4 million, or 6.4 percent, below the amount approved by the 2022 Legislature. The majority of the decrease is attributable to a \$4.6 million decrease in expenditures from the Kansas Public Employees Retirement Fund for **external investment management and consultant fees**. Investment-related expenditures are determined by forecasting the current market value of the portfolio on June 30, 2022, by an actuarial rate of return assumption. On May 20, 2022, the KPERS Board of Trustees lowered the assumed rate of return from 7.75 percent to 7.00 percent. Management fee estimates are regularly updated to reflect investment experience and performance. The revised estimate lowers management fee estimates from the \$38.4 million approved by the 2022 Legislature to \$33.9 million in FY 2023, representing 0.143 percent of total assets.

The agency also submits a revised estimate of 98.4 FTE positions in FY 2023, which is the same as the approved number.

## Governor's Recommendation

The **Governor** concurs with the agency's revised estimate and recommends \$63.9 million in FY 2023, including \$62.9 million from the Kansas Public Employees Retirement Fund.



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The agency also submits a revised estimate of 98.4 FTE positions in FY 2023, which is the same as the approved number.

### **Governor's Recommendation**

The **Governor** concurs with the agency's revised estimate and recommends \$63.9 million in FY 2023, including \$62.9 million from the Kansas Public Employees Retirement Fund.

### **Senate Committee on Financial Institutions and Insurance Recommendation**

The **Committee on Financial Institutions and Insurance** concurs with the Governor's recommendation in FY 2023.

### **Senate Committee Recommendation**

The **Committee** concurs with the Committee on Financial Institutions and Insurance's recommendation in FY 2023.