

Senate Subcommittee Report

Agency: Kansas Public Employees Retirement System **Bill No.** SB 514 **Bill Sec.** --

Analyst: Wu **Budget Analysis Vol. 1, Pg. 354** **GBR Vol. 2, Pg. 72**

Expenditure Summary	Agency Estimate FY 2024	Governor Recommendation FY 2024	Senate Committee Adjustments
Operating Expenditures:			
State General Fund	\$ -	\$ -	\$ -
Federal Funds	-	-	-
Other Funds	73,930,298	73,930,298	-
<i>Subtotal</i>	<u>\$ 73,930,298</u>	<u>\$ 73,930,298</u>	<u>\$ -</u>
Capital Improvements:			
State General Fund	\$ -	\$ -	\$ -
Federal Funds	-	-	-
Other Funds	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u><u>\$ 73,930,298</u></u>	<u><u>\$ 73,930,298</u></u>	<u><u>\$ -</u></u>
FTE positions	99.4	99.4	0.0

Agency Estimate

The **agency** requests a revised estimate of \$73.9 million and 99.4 FTE positions in FY 2024, including \$72.9 million from the KPERS Trust Fund. This represents an increase of \$6.6 million, or 9.9 percent, above the amount approved by the 2023 Legislature. The majority of the increase is attributable to a \$7.1 million increase in expenditures from the KPERS Trust Fund for **external investment management and consultant fees**. This includes management fees for real estate, publicly traded securities, custodial bank services, and investment consulting. Investment-related expenses are determined by forecasting the current market value of the portfolio on June 30, 2023, by an actuarial rate of return assumption. Management fee estimates are regularly updated to reflect investment experience and performance. The revised estimate raises estimates from the \$35.0 million approved by the 2023 Legislature to \$42.3 million in FY 2024, representing 0.167 percent of total assets.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate and recommends \$73.9 million and 99.4 FTE positions in FY 2024, including \$72.9 million from the KPERS Trust Fund.

Senate Committee on Financial Institutions and Insurance Recommendation

The **Committee on Financial Institutions and Insurance** concurs with the Governor's recommendation in FY 2024.

Senate Committee Recommendation

The **Committee** concurs with the Committee on Financial Institution and Insurance's recommendation in FY 2024.

Senate Committee of the Whole Recommendation (Sub. for SB 514)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2024.

House Budget Committee Report

Agency: Kansas Public Employees Retirement System **Bill No.** HB 2802 **Bill Sec.** --

Analyst: Wu **Budget Analysis Vol. 1, Pg. 354** **GBR Vol. 2, Pg. 72**

Expenditure Summary	Agency Estimate FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ -	\$ -	\$ -
Federal Funds	-	-	-
Other Funds	73,930,298	73,930,298	-
<i>Subtotal</i>	\$ 73,930,298	\$ 73,930,298	\$ -
Capital Improvements:			
State General Fund	\$ -	\$ -	\$ -
Federal Funds	-	-	-
Other Funds	-	-	-
<i>Subtotal</i>	\$ -	\$ -	\$ -
TOTAL	\$ 73,930,298	\$ 73,930,298	\$ -
FTE positions	99.4	99.4	0.0

Agency Estimate

The **agency** requests a revised estimate of \$73.9 million and 99.4 FTE positions in FY 2024, including \$72.9 million from the KPERS Trust Fund. This represents an increase of \$6.6 million, or 9.9 percent, above the amount approved by the 2023 Legislature. The majority of the increase is attributable to a \$7.1 million increase in expenditures from the KPERS Trust Fund for **external investment management and consultant fees**. This includes management fees for real estate, publicly traded securities, custodial bank services, and investment consulting. Investment-related expenses are determined by forecasting the current market value of the portfolio on June 30, 2023, by an actuarial rate of return assumption. Management fee

estimates are regularly updated to reflect investment experience and performance. The revised estimate raises estimates from the \$35.0 million approved by the 2023 Legislature to \$42.3 million in FY 2024, representing 0.167 percent of total assets.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate and recommends \$73.9 million and 99.4 FTE positions in FY 2024, including \$72.9 million from the KPERS Trust Fund.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2024.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation in FY 2024

House Committee of the Whole Recommendation (Sub. for HB 2273)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2024.