

Administration and Regulation Committee 03-05-09

Pages 1 and 2: IPERS budget

Attached: IPERS update to the Government Oversight Committee

Fiscal Year 2010 Budget Request Summary

- No General Funds are requested.
- IPERS' administrative expenses are paid by the Trust Fund.
- No increase for IPERS' internal operations.
- An additional \$156,817 is needed to pay increased I/3 costs assessed by DAS.
- FY2010 Request: \$18,001,480 and 95.13 FTE (FY2009: \$17,844,663 and 95.13 FTE)

Fiscal Year 2010 Budget Request by Offer

FY2010 Offer Name	Offer	General Fund	Other Funds (IPERS Trust Fund)	Total
Investment Management <i>(Oversee investments and investment policy)</i>	553_ADM_001	\$0	\$ 791,873	\$ 791,873
Retirement Services <i>(Paying benefits; disability services)</i>	553_ADM_002	0	3,322,256	3,322,256
Member Services <i>(Benefit education and estimates; retirement counseling)</i>	553_ADM_003	0	2,776,810	2,776,810
Employer Relations and Data Management <i>(Employer training; compliance reviews; employer reporting)</i>	553_ADM_004	0	1,193,866	1,193,866
Governance, Plan Design, and Financial Control <i>(Legal compliance; administrative rule; internal auditing; appeal; plan design)</i>	553_ADM_005	0	2,164,018	2,164,018
Facilities Maintenance and Improvement	553_ADM_006	0	204,340	204,340
IPERS Quest for Excellence (I-Que) Project	553_ADM_007	0	7,548,317	<u>7,548,317</u>
				\$18,001,480

IPERS Trust Fund Asset and Expenses

FY	NET ASSETS HELD IN TRUST FOR BENEFITS	REFUNDS		BENEFITS		ADMINISTRATION		INVESTMENT MANAGEMENT	
		PAID (\$)	% TRUST	PAID (\$)	% TRUST	EXPENSES (\$)	% TRUST	EXPENSES (\$)	% TRUST
1990	4,727,639,799	22,277,786	0.47%	167,939,830	3.55%	2,383,365	0.05%	10,233,253	0.22%
1991	5,180,869,951	21,759,868	0.42%	185,708,786	3.58%	3,501,116	0.07%	13,713,496	0.26%
1992	5,646,470,378	24,222,944	0.43%	200,972,498	3.56%	2,445,338	0.04%	15,394,221	0.27%
1993	6,136,131,480	22,610,294	0.37%	222,863,750	3.63%	3,251,098	0.05%	15,893,685	0.26%
1994	6,841,201,336	21,025,322	0.31%	246,123,627	3.60%	3,289,949	0.05%	17,128,037	0.25%
1995	7,306,409,847	21,811,912	0.30%	278,097,597	3.81%	3,250,710	0.04%	14,099,790	0.19%
1996	9,587,104,982	23,743,427	0.25%	303,812,003	3.17%	3,409,775	0.04%	14,584,775	0.15%
1997	11,533,968,923	25,285,487	0.22%	348,536,733	3.02%	3,828,712	0.03%	17,380,143	0.15%
1998	13,692,899,832	24,557,597	0.18%	402,544,698	2.94%	4,012,736	0.03%	20,285,406	0.15%
1999	15,325,576,009	14,442,111	¹ 0.09%	466,752,949	3.05%	4,620,009	0.03%	34,555,214	0.23%
2000	17,140,231,190	65,608,628	¹ 0.38%	533,747,215	3.11%	5,865,985	0.03%	31,008,690	0.18%
2001	15,928,547,166	42,073,825	0.26%	624,259,449	3.92%	7,264,447	0.05%	42,597,049	0.26% ²
2002	14,874,419,194	37,915,199	0.25%	705,767,690	4.74%	7,581,105	0.05%	37,634,731	0.25%
2003	15,403,200,907	35,591,323	0.23%	736,330,878	4.78%	8,041,113	0.05%	29,908,131	0.21%
2004	17,249,916,851	36,430,011	0.21%	792,866,773	4.60%	7,959,601	0.05%	31,224,356	0.19%
2005	18,767,228,779	43,113,458	0.23%	868,557,596	4.63%	8,214,903	0.04%	48,784,645	0.27%
2006	20,404,852,110	41,667,603	0.20%	924,361,399	4.53%	9,320,559	0.05%	46,104,211	0.23%
2007	23,217,393,723	37,897,260	0.16%	1,013,974,608	4.37%	9,077,826	0.04%	58,209,079	0.26%
2008	22,370,594,989	36,204,512	0.16%	1,096,097,859	4.90%	9,885,467	0.04%	39,275,497	0.17%
Average Yearly % of Trust Fund			0.27%		3.87%		0.04%		0.22%

¹ Legislation passed in 1998 increased the refund payable amount for vested members effective 07/01/99. Many members delayed receiving their refund to take advantage of the legislative enhancement. Therefore, the refunds paid decreased significantly for FY1999, and increased significantly for FY2000.

² Effective in FY2001 and forward, administrative rules require that IPERS Investment Management Expenses in basis points be calculated on the average of the four quarter-end market values for the fiscal year. This amount for FY2001 is \$16,368,557,250; for FY2002 it is \$15,186,687,250; for FY2003 it is \$14,391,071,750; for FY2004 it is \$16,796,164,750; for FY2005 it is \$18,224,890,500; for FY2006 it is \$20,013,819,500; for FY2007 it is \$22,210,312,875; and for FY2008 it is \$23,080,073,000.