

Budget Summary – NC 403(b) Program

Key Facts:

- Revenue Assumptions:
 - 0.05% asset based administrative fee on the 403(b) Program
 - NC 403(b) Administrative Reimbursement Account does not have a balance.
Projection for first year is \$22 million in Program Assets
- 403(b) Program started with no funds but incurred start up expense
- 403(b) will not allocate any expense for year 2014 – 2015 in order to build a balance in the Administrative Reimbursement Account
- QEBA Loan to 403(b) \$150,000 – repayment, plus interest, to commence upon \$250,000 in the NC 403(b) Administrative Reimbursement Account. Interest rate to be determined by TSERS / LGERS Board of Trustees

Revenue and Fund Balance Projections

Assumptions:

- Assumed revenue assumptions for the first year of the 403(b) Program
- Estimated expenses of the Department's cost for administration
- As of September 11, 2014.

Revenue Projections	NC 403(b) Program
Administrative Account Balance as of September 2014:	\$0
Estimated revenue Earned During the year based on assumptions in Key Facts:	\$11,000
QEBA Loan	\$150,000
Total	\$161,000
Less Outstanding Legal Startup Expenses	(\$110,000)
Projected Balance	\$51,000