

LEGISLATIVE APPROPRIATIONS REQUEST

For Fiscal Years 2024 and 2025

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

by

Texas Pension Review Board

<i>Board Member</i>	<i>Dates of Term</i>	<i>Hometown</i>
Stephanie Leibe, Chair	(2021-2027)	Austin
Keith Brainard, Vice Chair	(2019-2025)	Georgetown
Marcia Dush	(2019-2025)	Austin
Robert Ries	(2020-2023)	Austin
Christopher Gonzales	(2021-2027)	Cypress
Christopher Zook	(2021-2027)	Houston
Vacant		

Date of Submission: July 29, 2022

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BOARD MEMBER	TERM EXPIRES	
	JANUARY 31	HOMETOWN
Stephanie Leibe, Chair	2027	Austin
Keith Brainard, Vice Chair	2025	Georgetown
Marcia Dush	2025	Austin
Robert Ries	2023	Austin
Christopher Gonzales	2027	Cypress
Christopher Zook	2027	Houston
Vacant		

Overview

The Pension Review Board (PRB) was established in 1979 as the oversight body for state and local public retirement systems in Texas, which is currently comprised of 347 total systems. Of these, 100 are actuarially funded defined benefit plans, for which total net assets are approximately \$269 billion, with total membership of over three million members. The general duties of the PRB, outlined in Chapter 801 of the Texas Government Code, are to:

- conduct a continuing review of public retirement systems, compiling and comparing information about benefits, creditable service, financing and administration of systems;
- conduct intensive studies of potential or existing problems that threaten the actuarial soundness of or inhibit an equitable distribution of benefits in one or more public retirement systems;
- provide information and technical assistance on pension planning to public retirement systems on request; and
- recommend policies, practices, and legislation to public retirement systems and appropriate governmental entities.

Additionally, the agency plays a key role in assisting the Legislature in assessing the impact of pension legislation. The agency must prepare and provide an actuarial impact statement for any bill or resolution that proposes to change the amount or number of benefits or participation in benefits of a public retirement system or that proposes to change a fund liability of a public retirement system. The PRB also has several other additional duties, including developing and administering an educational training program for trustees and system administrators of Texas public retirement systems; and receiving and analyzing system investment expense information and reporting to the Legislature on Texas public retirement system investment practices and performance.

With limited resources and small staff size, the PRB strives to provide highly technical analysis of public pensions that corresponds to demographic shifts, changes in the complexity of pension fund investments, and the overall funding challenges faced by Texas retirement systems. As issues related to public pensions grow more complex, the PRB staff tries to provide even higher quality service to the Legislature; the governor; and public retirement systems including their administrators, trustees, and members. The agency's highly knowledgeable staff are its most valuable asset. The PRB's ability to effectively execute its mission depends on being able to both attract and retain highly qualified staff with hard-to-find technical expertise and credentials in actuarial science and investment and financial analysis. The agency also requires staff with legal and policy expertise as well as competence in various coding languages to effectively manage the PRB's mission-critical database. The database and public-facing data center provide state-level data on public pensions allowing for analysis that informs the Legislature's policymaking efforts.

The PRB's fiscal years 2022-2023 appropriations totaled \$2,257,498, all of which comes from the General Revenue Fund. Of the agency's FY 2022-2023 appropriations, nearly 91 percent is dedicated to staff salaries. The PRB is authorized for 13 total full-time equivalents and currently has 11 employees, including the Executive Director, and two vacant positions.

The Legislature has recently added or modified several requirements public pensions systems must comply with and the PRB must oversee and help systems implement with guidelines, rules, data collection, and other activities. To strengthen oversight and increase transparency, the 86th Legislature added new requirements for public retirement systems through Senate Bills (SB) 2224, concerning funding policies, and SB 322, concerning investment practices and performance. In the current biennium, the PRB has been working diligently to continue implementation of these requirements. SB 2224 requires all public retirement systems to adopt a written funding policy targeting full funding. The first funding policies from all public retirement systems were due February 1, 2020. SB 322 also added a requirement that all systems report enhanced investment expense information in their annual financial reports, and required all public retirement systems with assets over \$30 million to conduct an investment practices and performance evaluation (IPPE). The first comprehensive evaluations were due June 1, 2020, and the PRB subsequently provided a report to the Legislature summarizing and analyzing about 60 total evaluations.

In 2020 the PRB began working on legislative recommendations to clarify and increase transparency in the requirements added by SB 2224 in 2019, as well as the existing funding soundness restoration plan (FSRP) requirement originally passed in 2015. The agency held several committee and board meetings and involved stakeholders throughout the process. The PRB concurrently summarized and analyzed the IPPEs and included additional recommendations to modify the IPPE requirements in its biennial report to the legislature in November of 2020. As a result of the recommendations, the 87th Legislature enacted HB 3898 with changes to enhance transparency for IPPEs, update FSRP requirements to bring them more in line with best practices and the PRB *Pension Funding Guidelines* and strengthen the funding policy framework by requiring sponsor involvement and concurrent updates if a system must prepare an FSRP.

One of the PRB's core mandates is to recommend policies and legislation to public retirement systems and the Legislature. To accomplish this, the PRB has held open meetings to discuss the changes in recent

legislation, provided guidance and educational materials, and laid out rule concepts and drafts prior to posting proposed rules. The agency always requests feedback from systems and their sponsors to ensure the materials, including rules, are transparent and fair. The PRB staff has recently drafted proposed rules that will be published in the July 29th issue of the Texas Register for public comment. The board is expected to finally adopt the rules at its October 2022 meeting, to be effective later in the fall.

The PRB has been continually providing technical assistance and information to the Texas Local Firefighter Retirement Act (TLFFRA) systems on various issues, including service verifications, answering inquiries relating to TLFFRA statute, and assisting the systems with new reporting requirements. The PRB has been presenting at TLFFRA trustee trainings and annual conferences over the past several years. Additionally, the PRB updated and distributed the TLFFRA statute (Article 6243e) and published the TLFFRA Report in May 2022, which provides general and comparative information for TLFFRA systems, including current financial, actuarial, and benefit data. The PRB also recently updated and distributed the TLFFRA Trustee Manual.

The PRB regularly issues memoranda to the systems updating them on meetings, published reports, program updates, and reporting requirement changes. It has also recently revamped its website to make it more intuitive and user friendly and has begun using social media to provide enhanced communication with all stakeholders. Communicating with systems has been a focus of the agency and the PRB will continue to focus on providing technical assistance and keeping systems and their sponsors properly informed of agency developments.

The PRB's ability to carry out its mission effectively, including the duties mentioned above, hinges on its pensions database and online data center, which provide the macro-level data the agency and others use to conduct analyses and inform policy recommendations. HB 2 (87 R) provided supplemental funding to the agency to rebuild the PRB's aging database and to build a self-service portal to allow retirement systems to upload and view compliance status in real time. The PRB is currently making progress on achieving these objectives; however, due to the specific required skillset and heavy labor market demand for programmers, the PRB has found it difficult to find qualified programmers to complete these projects within the expected timeframe. The PRB hopes to have completed the new database by June of 2023 when the appropriation expires but will need more time to complete the portal project. The PRB expects to request an extension of this funding through the supplemental appropriations bill for the 88th Legislative Session.

The PRB's exceptional items are squarely focused on increasing staff compensation to improve recruitment to fill open positions as well as retain current staff. The agency has always struggled to recruit and retain staff with certain highly technical skills due to salary constraints and direct competition for this same talent by other state agencies, Texas pension systems, agencies in other states, and the private sector. For example, the PRB's critical staff actuary position has historically been quite difficult to fill due to limited salary and competition with the private sector. The agency's actuary enables the PRB to provide the expert actuarial analysis the state needs, such as for providing crucial analysis of legislative proposals impacting public pensions. The PRB's perennial staffing issues have recently become more acute due to significantly higher living costs in the greater Austin area, where almost all PRB staff live, and a very strong

labor market. After the FY 2021 loss of three analysts and the FY 2022 loss of the agency's entire executive team—Executive Director, Deputy Director, and Chief Actuary—the PRB has been very fortunate to recruit talent to fill most of those positions despite very small applicant pools and limited options. The agency also continues efforts to grow other employees' technical abilities and knowledge to fill gaps and build redundancies. However, the process to replace the executive team took almost a year and filling additional positions is still ongoing. This level of staffing flux has caused significant disruption in the agency's ability to perform its mission. Remaining staff's workload has increased to offset the impact of employee turnover, which in turn threatens the further loss of critical, highly technical staff and staff with significant institutional knowledge.

For an agency of such a small size, losing even one employee has an outsized impact on the PRB's overall ability to carry out its mission for the state of Texas. Similarly, succession planning to deal with turnover is exceedingly difficult. The PRB provides training to staff to ensure certain skill sets are shared by multiple staff—such as accounting and coding—but in general the agency cannot hire multiple people with the same expertise that perform the same functions due to resource constraints. For example, the agency has only one actuary, and the loss of the actuary can critically impair the PRB's ability to provide the actuarial analysis the state needs and expects.

Exceptional Items

Considering the critically important, high-quality work of the agency and with consideration to the significant increase in the cost of living and highly competitive labor market conditions, the board requests the following two exceptional items.

The first request concerns additional funds to increase staff salaries with two ends in mind:

- to keep pace with the rising cost of living, especially associated with the rising cost of housing in the greater Austin area, and
- to provide staff with merit increases.

The vast majority of PRB staff reside in the greater Austin area, which has experienced especially high increases in the cost of living by several measures. Data shows that over the past two years there has been a 23 percent increase in the cost of rent in Austin. In addition, the US Bureau of Labor Statistics' 12-month percentage change in CPI for June 2022 has shown an increase above 10 percent in the cost of food and an increase of 41.6 percent for energy. The PRB requires additional funds to help adjust staff salaries to incorporate this dramatic rise in the cost of living. At current salary levels, the agency has already seen a drastic decrease in the number of applications received for recent job postings compared with historical data. In FY 2022 the PRB had five job postings, receiving an average of four applicants per posting. In FY 2021, the PRB received an average of 39 applications per posting, 28 in FY 2020, and 13 in FY 2019. Not only does the PRB need this additional funding to better compensate existing staff and avoid turnover, the funding is necessary to simply offer salaries at a level that will attract applicants for open positions.

Additionally, the agency requests funding to offer merit-based salary increases to its staff. Through the covid pandemic and the recent departure of three executive staff members and other technical staff, existing and new staff has continued providing high-quality work and has crafted innovative projects to allow the agency to focus on its core mandates. Some of its major projects, including building a new database, experienced significant setbacks due to the failure of the existing database in summer 2021. Staff had to navigate a challenging situation and create workarounds allowing the PRB to continue to provide the high level of customer service and data reporting. Part of the amount of this request also includes funds to increase the salaries of the PRB's two highly technical positions—the Senior Actuary and the Investment Analyst—to make their salaries more comparable with other state agencies and the private sector.

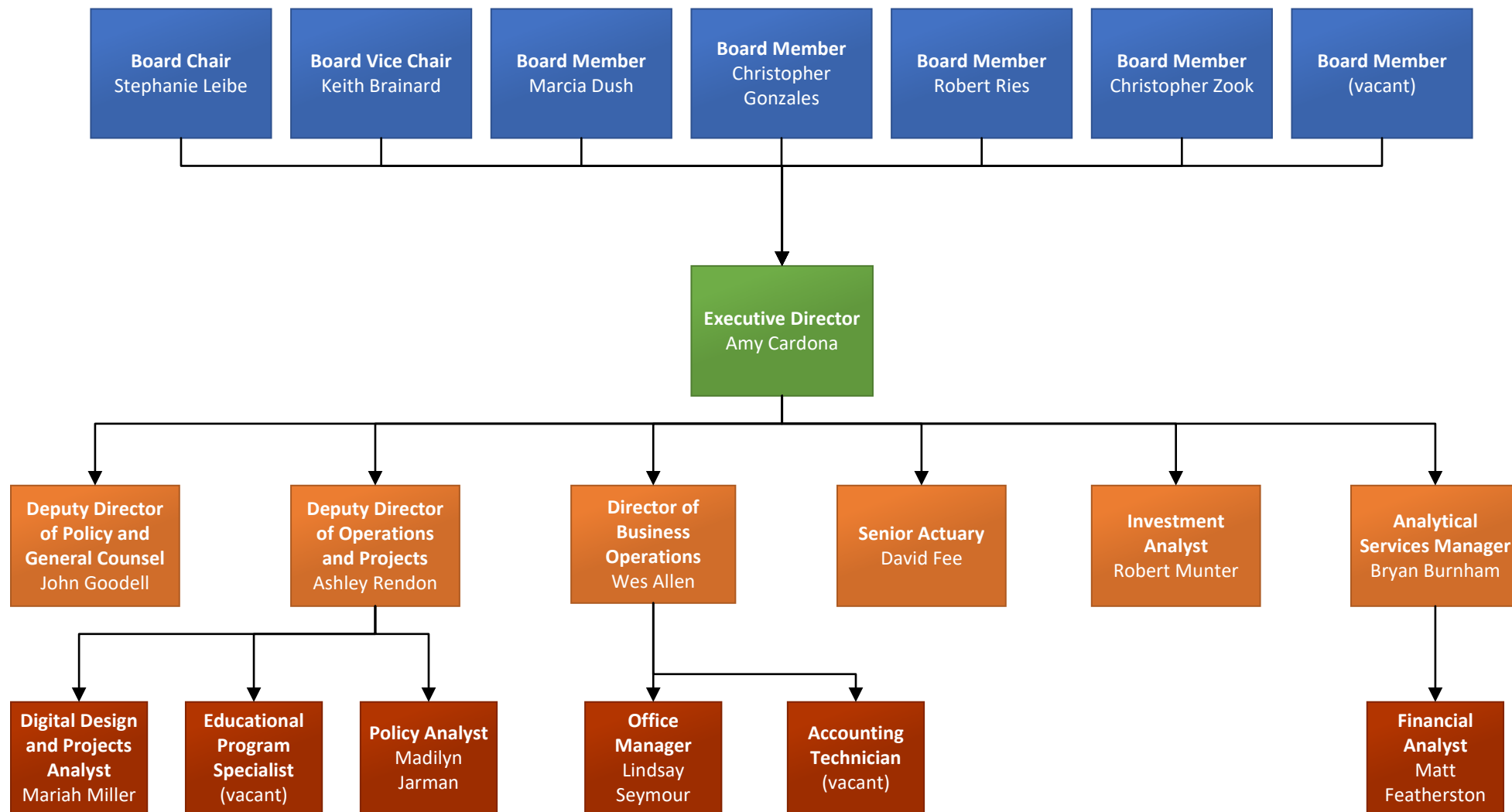
In the second exceptional item request, the board requests the executive director's salary be authorized for the maximum salary of \$149,240 currently listed in Article IX 3.04 for Group 3 exempt positions. Currently the executive director's salary authorization is capped at \$126,730. The board also requests a corresponding increase in the agency's total appropriation for FY 2024-2025 of \$45,020 to fund the increased authorized salary. This change would move the executive director's salary closer to that of other executive directors at agencies with a similar mission and staff size. In addition, current market conditions such as inflation and labor market competition undercut the board's ability to offer a competitive salary to its executive director. Earlier this year, the PRB's executive director left the agency for an executive position at a local public retirement system. Given the board needs the ability to retain a qualified employee to lead the agency, the board members specifically requested staff include this request as an exceptional item.

Agency Authority and Policy on Criminal Background Checks

In accordance with Texas Government Code, Chapter 411.1402, the PRB may obtain criminal history record information maintained by the Texas Department of Public Safety (DPS), or another law enforcement agency for any job applicants, consultants and contractors, and the agency may use the information to evaluate an applicant for employment. Criminal history checks may also be conducted on current or former employees when circumstances necessitate such checks. Only the Executive Director or designee may approve a request for a criminal history check on current or former employees. A conviction is not an automatic cause for an adverse personnel action. However, failure to report a conviction may result in corrective action up to and including termination of employment. PRB will review all criminal convictions individually and in relationship to the position being sought.



PENSION REVIEW BOARD





CERTIFICATE

Texas Pension Review Board

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office of Budget, Planning and Policy (GOBPP) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the GOBPP will be notified in writing in accordance with Article IX, Section 7.01 (2022–23 GAA).

Chief Executive Office or Presiding Judge

Amy Cardona

box SIGN 48VPL2W4-175XB9Y1

Signature

Amy Cardona

Printed Name

Executive Director

Title

7/29/2022

Date

Board or Commission Chair

Stephanie Leibe

box SIGN 1382KWW4-175XB9Y1

Signature

Stephanie Leibe

Printed Name

PRB Board Chair

Title

7/29/2022

Date

Chief Financial Officer

Westley Allen

box SIGN 1382KWW4-175XB9Y1

Signature

Westley Allen

Printed Name

Accountant

Title

7/29/2022

Date

Budget Overview - Biennial Amounts
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

338 Pension Review Board

Appropriation Years: 2024-25

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2024-25
Goal: 1. Provide Info to Help Ensure											
Actuarially Sound Retirement Systems											
1.1.1. Retirement System Reviews	1,022,240	1,022,240							1,022,240	1,022,240	152,510
1.2.1. Technical Assistance And Education	1,835,258	1,235,258							1,835,258	1,235,258	152,510
Total, Goal	2,857,498	2,257,498							2,857,498	2,257,498	305,020
Total, Agency	2,857,498	2,257,498							2,857,498	2,257,498	305,020
Total FTEs									13.0	13.0	0.0

338 Pension Review Board

Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
1 Provide Info to Help Ensure Actuarially Sound Retirement Systems					
1 Determine Actuarial Condition of Defined Benefit Public Rmt Systems					
1 RETIREMENT SYSTEM REVIEWS	459,593	511,120	511,120	511,120	511,120
2 Respond to Requests From Legislature and Public Retirement Systems					
1 TECHNICAL ASSISTANCE AND EDUCATION	583,376	717,629	1,117,629	617,629	617,629
TOTAL, GOAL 1	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
TOTAL, AGENCY STRATEGY REQUEST	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	1,042,969	1,228,749	1,628,749	1,128,749	1,128,749
SUBTOTAL	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
TOTAL, METHOD OF FINANCING	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749

2.A. Summary of Base Request by Strategy

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

338 Pension Review Board

Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
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*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	338	Agency name:	Pension Review Board			
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>						
<u>1</u>	General Revenue Fund					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2022-23 GAA)					
		\$0	\$1,128,749	\$1,128,749	\$0	\$0
	Regular Appropriations from MOF Table (2020-21 GAA)					
		\$1,053,749	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2024-25 GAA)					
		\$0	\$0	\$0	\$1,128,749	\$1,128,749
	<i>RIDER APPROPRIATION</i>					
	Art IX, Sec 18.82 Contingency for SB 322					
		\$75,000	\$0	\$0	\$0	\$0
	Comments: Investment Analyst Position					
	<i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i>					
	HB 2, 87th Leg, Regular Session					
		\$600,000	\$0	\$0	\$0	\$0
	Comments: Supplemental					

2.B. Summary of Base Request by Method of Finance

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	338	Agency name:	Pension Review Board			
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>						
HB 2, 87th Leg, Regular Session						
		\$(85,601)	\$0	\$0	\$0	\$0
Comments: 5% Reduction						
<i>LAPSED APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2020-21 GAA)						
		\$(179)	\$0	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>						
HB 2, 87th Leg, Regular Session						
		\$(600,000)	\$600,000	\$0	\$0	\$0
Comments: UB Forward						
HB 2, 87th Leg, Regular Session						
		\$0	\$(500,000)	\$500,000	\$0	\$0
Comments: UB Forward						
TOTAL,	General Revenue Fund	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749

2.B. Summary of Base Request by Method of Finance

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 338		Agency name: Pension Review Board				
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
TOTAL, ALL GENERAL REVENUE						
		\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
GRAND TOTAL		\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749

2.B. Summary of Base Request by Method of Finance

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 338	Agency name: Pension Review Board				
METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2020-21 GAA)	12.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2022-23 GAA)	0.0	13.0	13.0	0.0	0.0
Regular Appropriations from MOF Table (2024-25) GAA	0.0	0.0	0.0	13.0	13.0
RIDER APPROPRIATION					
Art IX, Sec 18.82. Contingency for SB 322 GAA	1.0	0.0	0.0	0.0	0.0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2022-23 GAA)	0.0	(2.5)	0.0	0.0	0.0
Comments: Employee turnover: Agency's three most senior management positions left.					
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Below cap 2020-2021 GAA	(2.3)	0.0	0.0	0.0	0.0
Comments: FTE Below Cap was related to positions not filled due to 5% reduction and normal employee turnover					
TOTAL, ADJUSTED FTES	10.7	10.5	13.0	13.0	13.0

2.B. Summary of Base Request by Method of Finance

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **338**

Agency name: **Pension Review Board**

METHOD OF FINANCING

Exp 2021

Est 2022

Bud 2023

Req 2024

Req 2025

**NUMBER OF 100% FEDERALLY FUNDED
FTEs**

2.C. Summary of Base Request by Object of Expense

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)**338 Pension Review Board**

OBJECT OF EXPENSE	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1001 SALARIES AND WAGES	\$871,332	\$944,000	\$1,025,959	\$1,025,959	\$1,025,959
1002 OTHER PERSONNEL COSTS	\$74,552	\$98,132	\$19,600	\$19,600	\$19,600
2001 PROFESSIONAL FEES AND SERVICES	\$46,302	\$139,736	\$512,500	\$12,500	\$12,500
2003 CONSUMABLE SUPPLIES	\$350	\$2,337	\$3,500	\$3,500	\$3,500
2004 UTILITIES	\$896	\$1,025	\$0	\$0	\$0
2005 TRAVEL	\$251	\$6,932	\$26,000	\$26,000	\$26,000
2006 RENT - BUILDING	\$1,355	\$741	\$1,000	\$1,000	\$1,000
2007 RENT - MACHINE AND OTHER	\$7,000	\$0	\$15,000	\$15,000	\$15,000
2009 OTHER OPERATING EXPENSE	\$40,931	\$35,846	\$25,190	\$25,190	\$25,190
OOE Total (Excluding Riders)	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
OOE Total (Riders)					
Grand Total	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749

2.D. Summary of Base Request Objective Outcomes

8/17/2022 11:51:04AM

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

338 Pension Review Board					
Goal/ Objective / Outcome	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1 Provide Info to Help Ensure Actuarially Sound Retirement Systems					
1 Determine Actuarial Condition of Defined Benefit Public Rtmt Systems					
KEY 1 Percent of Systems That Are Actuarially Sound					
	97.90%	98.26%	98.00%	98.00%	98.00%
2 Percent of Systems in Compliance with Reporting Requirements					
	49.00%	71.30%	70.00%	70.00%	70.00%
2 Respond to Requests From Legislature and Public Retirement Systems					
1 % of Legislative and System Requests Answered					
	100.00%	100.00%	100.00%	100.00%	100.00%
2 % of Training Session Participants Satisfied					
	84.62%	83.75%	95.00%	95.00%	95.00%
KEY 3 % All Constituents Satisfied w/Educ Svcs					
	86.40%	85.00%	95.00%	95.00%	95.00%
4 % Trustees, Administrators Complying W/Minimum Training Requirements					
	74.80%	90.00%	80.00%	80.00%	80.00%

2.E. Summary of Exceptional Items Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/17/2022
TIME : 11:51:05AM

Agency code: 338

Agency name: Pension Review Board

Priority	Item	2024			2025			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Staff CPI and Merit Salary Increase	\$130,000	\$130,000		\$130,000	\$130,000		\$260,000	\$260,000
2	Executive Director Salary Increase	\$22,510	\$22,510		\$22,510	\$22,510		\$45,020	\$45,020
Total, Exceptional Items Request		\$152,510	\$152,510		\$152,510	\$152,510		\$305,020	\$305,020
Method of Financing									
	General Revenue	\$152,510	\$152,510		\$152,510	\$152,510		\$305,020	\$305,020
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$152,510	\$152,510		\$152,510	\$152,510		\$305,020	\$305,020

Full Time Equivalent Positions

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/17/2022
TIME : 11:51:05AM

Agency code: 338	Agency name: Pension Review Board					
Goal/Objective/STRATEGY	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
1 Provide Info to Help Ensure Actuarially Sound Retirement Systems						
1 <i>Determine Actuarial Condition of Defined Benefit Public Rtmt System</i>						
1 RETIREMENT SYSTEM REVIEWS	\$511,120	\$511,120	\$76,255	\$76,255	\$587,375	\$587,375
2 <i>Respond to Requests From Legislature and Public Retirement System</i>						
1 TECHNICAL ASSISTANCE AND EDUCATION	617,629	617,629	76,255	76,255	693,884	693,884
TOTAL, GOAL 1	\$1,128,749	\$1,128,749	\$152,510	\$152,510	\$1,281,259	\$1,281,259
TOTAL, AGENCY STRATEGY REQUEST	\$1,128,749	\$1,128,749	\$152,510	\$152,510	\$1,281,259	\$1,281,259
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$1,128,749	\$1,128,749	\$152,510	\$152,510	\$1,281,259	\$1,281,259

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/17/2022

TIME : 11:51:05AM

Agency code: 338		Agency name: Pension Review Board					
Goal/Objective/STRATEGY		Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
General Revenue Funds:							
1	General Revenue Fund	\$1,128,749	\$1,128,749	\$152,510	\$152,510	\$1,281,259	\$1,281,259
		\$1,128,749	\$1,128,749	\$152,510	\$152,510	\$1,281,259	\$1,281,259
TOTAL, METHOD OF FINANCING		\$1,128,749	\$1,128,749	\$152,510	\$152,510	\$1,281,259	\$1,281,259
FULL TIME EQUIVALENT POSITIONS		13.0	13.0	0.0	0.0	13.0	13.0

2.G. Summary of Total Request Objective Outcomes
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/17/2022
Time: 11:51:05AM

Agency code: **338** Agency name: **Pension Review Board**

Goal/ Objective / Outcome

		BL 2024	BL 2025	Excp 2024	Excp 2025	Total Request 2024	Total Request 2025
1	Provide Info to Help Ensure Actuarially Sound Retirement Systems						
1	<i>Determine Actuarial Condition of Defined Benefit Public Rmt Systems</i>						
KEY	1 Percent of Systems That Are Actuarially Sound						
		98.00%	98.00%	98.00%	98.00%	98.00%	98.00%
	2 Percent of Systems in Compliance with Reporting Requirements						
		70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
2	<i>Respond to Requests From Legislature and Public Retirement Systems</i>						
	1 % of Legislative and System Requests Answered						
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	2 % of Training Session Participants Satisfied						
		95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
KEY	3 % All Constituents Satisfied w/Educ Svcs						
		95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
	4 % Trustees, Administrators Complying W/Minimum Training Requirements						
		80.00%	80.00%	80.00%	80.00%	80.00%	80.00%

338 Pension Review Board

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems
OBJECTIVE: 1 Determine Actuarial Condition of Defined Benefit Public Rtmt Systems
STRATEGY: 1 Conduct Reviews of Texas Public Retirement Systems.

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
	1 Number of Compliance Actions Initiated	0.00	10.00	30.00	30.00	30.00
KEY	2 Number of Reviews Completed	272.00	403.00	300.00	300.00	300.00
Efficiency Measures:						
	1 % Reports Filed within Time Frames After Non-compliance Notice	0.00 %	50.00 %	50.00 %	50.00 %	50.00 %
Explanatory/Input Measures:						
	1 # Systems Registered with SPRB	347.00	347.00	350.00	350.00	350.00
	2 Est Value of Investments Owned by Texas Retirement Systems (Billions)	304.00	350.00	350.00	350.00	350.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$412,302	\$450,000	\$473,993	\$473,993	\$473,993
1002	OTHER PERSONNEL COSTS	\$41,136	\$40,132	\$9,055	\$9,055	\$9,055
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$14,000	\$5,775	\$5,775	\$5,775
2003	CONSUMABLE SUPPLIES	\$0	\$1,119	\$1,617	\$1,617	\$1,617
2004	UTILITIES	\$0	\$0	\$0	\$0	\$0
2005	TRAVEL	\$0	\$400	\$12,012	\$12,012	\$12,012
2006	RENT - BUILDING	\$0	\$0	\$462	\$462	\$462

338 Pension Review Board

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems
OBJECTIVE: 1 Determine Actuarial Condition of Defined Benefit Public Rtmt Systems
STRATEGY: 1 Conduct Reviews of Texas Public Retirement Systems.

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
2007	RENT - MACHINE AND OTHER	\$0	\$0	\$6,930	\$6,930	\$6,930
2009	OTHER OPERATING EXPENSE	\$6,155	\$5,469	\$1,276	\$1,276	\$1,276
TOTAL, OBJECT OF EXPENSE		\$459,593	\$511,120	\$511,120	\$511,120	\$511,120
Method of Financing:						
1	General Revenue Fund	\$459,593	\$511,120	\$511,120	\$511,120	\$511,120
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$459,593	\$511,120	\$511,120	\$511,120	\$511,120
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$511,120	\$511,120
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$459,593	\$511,120	\$511,120	\$511,120	\$511,120
FULL TIME EQUIVALENT POSITIONS:		5.0	5.0	6.0	6.0	6.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Pension Review Board (PRB) is mandated by statute (Texas Government Code, Chapter 801) to conduct a continuing review of Texas public retirement systems and to identify and study potential or existing problems affecting them. The PRB will gather and analyze a substantial amount of actuarial, financial, and investment-related data on all public retirement systems in the state and will make recommendations, providing technical assistance as needed. These efforts directly contribute to the statewide goal to support effective and efficient state government operations.

338 Pension Review Board

GOAL:	1	Provide Info to Help Ensure Actuarially Sound Retirement Systems	
OBJECTIVE:	1	Determine Actuarial Condition of Defined Benefit Public Rtmt Systems	Service Categories:
STRATEGY:	1	Conduct Reviews of Texas Public Retirement Systems.	Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The 86th Legislature passed SB 322 and SB 2224 adding Texas Government Code §§802.109 and 802.2011. SB 322 requires certain systems to pick an independent firm to evaluate their investment practices and performance and to provide improvement recommendations. The PRB formed an Investment Committee to create a report for the governor and legislature with summaries of those evaluations and provide potential legislative recommendations. SB 2224 requires systems to adopt a written funding policy. The PRB worked with systems to issue guidance, provided a sample policy, encouraged systems to work with sponsors on their policy, and notified sponsors of the requirement. The 87th Legislature passed HB 3898 amending Texas Government Code §802.109, §802.2011, §802.2015 and §802.2016 to clarify and enhance reporting transparency. The PRB proposed rules for adoption in Fall 2022 on the funding soundness restoration plan requirement to assist systems with reporting and compliance. Guidance was updated on investment practices and performance evaluations to incorporate changes in the law through HB 3898, and guidance for funding policies will be updated soon.

The agency publishes a quarterly Actuarial Valuation (AV) Report of pension data from systems' most recent AVs. The report is used to select systems for review and gauge actuarial health. Staff conducts an analysis of a system's actuarial condition, including projections of future funded status. The system and sponsor may provide input for the report. Additionally, both are invited to attend PRB meetings to discuss the review.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,022,240	\$1,022,240	\$0	<u>\$0</u>	Total of Explanation of Biennial Change

338 Pension Review Board

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems
OBJECTIVE: 2 Respond to Requests From Legislature and Public Retirement Systems
STRATEGY: 1 Provide Technical Assistance; Issue Impact Statements; Educate

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
	1 Number of Impact Statements Issued	53.00	0.00	40.00	0.00	40.00
	2 Number of Persons Participating in Training Sessions	768.00	512.00	600.00	600.00	600.00
KEY	3 Number of Technical Assistance Reports Provided by Staff	214.00	143.00	200.00	200.00	200.00
	4 Number of Responses to Requests for Technical Assistance	221.00	155.00	225.00	225.00	225.00
KEY	5 Number of Training Applications Reviewed	0.00	20.00	20.00	20.00	20.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$459,030	\$494,000	\$551,966	\$551,966	\$551,966
1002	OTHER PERSONNEL COSTS	\$33,416	\$58,000	\$10,545	\$10,545	\$10,545
2001	PROFESSIONAL FEES AND SERVICES	\$46,302	\$125,736	\$506,725	\$6,725	\$6,725
2003	CONSUMABLE SUPPLIES	\$350	\$1,218	\$1,883	\$1,883	\$1,883
2004	UTILITIES	\$896	\$1,025	\$0	\$0	\$0
2005	TRAVEL	\$251	\$6,532	\$13,988	\$13,988	\$13,988
2006	RENT - BUILDING	\$1,355	\$741	\$538	\$538	\$538
2007	RENT - MACHINE AND OTHER	\$7,000	\$0	\$8,070	\$8,070	\$8,070
2009	OTHER OPERATING EXPENSE	\$34,776	\$30,377	\$23,914	\$23,914	\$23,914
TOTAL, OBJECT OF EXPENSE		\$583,376	\$717,629	\$1,117,629	\$617,629	\$617,629

338 Pension Review Board

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems
OBJECTIVE: 2 Respond to Requests From Legislature and Public Retirement Systems
STRATEGY: 1 Provide Technical Assistance; Issue Impact Statements; Educate

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Method of Financing:						
1	General Revenue Fund	\$583,376	\$717,629	\$1,117,629	\$617,629	\$617,629
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$583,376	\$717,629	\$1,117,629	\$617,629	\$617,629
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$617,629	\$617,629
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$583,376	\$717,629	\$1,117,629	\$617,629	\$617,629
FULL TIME EQUIVALENT POSITIONS:		5.7	5.5	7.0	7.0	7.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

338 Pension Review Board

GOAL:	1	Provide Info to Help Ensure Actuarially Sound Retirement Systems	
OBJECTIVE:	2	Respond to Requests From Legislature and Public Retirement Systems	Service Categories:
STRATEGY:	1	Provide Technical Assistance; Issue Impact Statements; Educate	Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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Texas Government Code Chapter 801 mandates the PRB to provide education, information, and technical assistance to public retirement systems, including retirement systems that are organized under the Texas Local Fire Fighters Retirement Act (TLFFRA). The PRB is also required to recommend policies, practices, and legislation to the retirement systems and appropriate governmental entities.

Additionally, the PRB is charged to develop and administer an educational training program for trustees and system administrators of Texas public retirement systems and is authorized to develop and conduct training sessions or other educational activities. The PRB's governing statute requires the agency to prepare and provide actuarial impact statements as the House and Senate Rules require that an actuarial impact statement be attached to pension legislation for hearings. The agency will continue to serve as a central source of information on developments in the field of public pensions.

As pension plan administrators face increasing pressure to meet their funding requirements, it becomes even more important that the PRB stays abreast of investment options and funding mechanisms in order to provide the technical support and information these plans require to make informed decisions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

338 Pension Review Board

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems

OBJECTIVE: 2 Respond to Requests From Legislature and Public Retirement Systems Service Categories:

STRATEGY: 1 Provide Technical Assistance; Issue Impact Statements; Educate Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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With recent volatile market conditions due to coronavirus pandemic, public pension issues have been brought to the forefront of policy makers', public employees', and taxpayers' minds. Due to increased scrutiny and the shrinking state and local budgets, many pension administrators and public officials are grappling with serious funding challenges that threaten the fiscal health of public pension plans. Given the large amount of public money involved, these factors have increased the need for the PRB to respond to emerging problems and issues in a timely and efficient manner, keeping the legislature and the public informed, and provide assistance to the administrators and board members of systems with funding challenges.

The PRB's Minimum Educational Training (MET) Program for public retirement system trustees and administrators has been in place since January 2015. As part of the program, the PRB accredits providers of qualified training content, and in 2022, there were 12 accredited MET sponsors. The PRB has also developed free online courses in seven fundamental public pension topic areas to help trustees and administrators meet the MET requirements at their convenience. It is also developing continuing education courses as requested by stakeholders. The agency has been continually providing technical assistance and information to the local firefighter (organized under TLFFRA statute) systems on various issues, including but not limited to service verifications, answering questions relating to the TLFFRA statute, and assisting the systems with reporting requirements

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,835,258	\$1,235,258	\$(600,000)	\$(600,000)	The difference is accounted by the \$600,000 granted to the PRB in supplemental HB 2 of the 87th Legislature
			<u>\$(600,000)</u>	Total of Explanation of Biennial Change

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
METHODS OF FINANCE (INCLUDING RIDERS):				\$1,128,749	\$1,128,749
METHODS OF FINANCE (EXCLUDING RIDERS):	\$1,042,969	\$1,228,749	\$1,628,749	\$1,128,749	\$1,128,749
FULL TIME EQUIVALENT POSITIONS:	10.7	10.5	13.0	13.0	13.0

3.C. Rider Appropriations and Unexpended Balances Request

DATE: **8/17/2022**
TIME: **11:51:10AM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:

RIDER

STRATEGY

METHOD OF FINANCING:

Total, Method of Financing

Description/Justification for continuation of existing riders or proposed new rider

3.C. Rider Appropriations and Unexpended Balances Request

DATE: **8/17/2022**
TIME: **11:51:10AM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:

RIDER

STRATEGY

SUMMARY:

OBJECT OF EXPENSE TOTAL

METHOD OF FINANCING TOTAL

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 1:17:18PM

Agency code: 338 Agency name: Pension Review Board

CODE	DESCRIPTION	Excp 2024	Excp 2025
<p style="text-align: right;">Item Name: Staff CPI and Merit Salary Increase</p> <p style="text-align: right;">Item Priority: 1</p> <p style="text-align: right;">IT Component: No</p> <p style="text-align: right;">Anticipated Out-year Costs: Yes</p> <p style="text-align: right;">Involve Contracts > \$50,000: No</p> <p style="text-align: right;">Includes Funding for the Following Strategy or Strategies:</p> <p style="text-align: right;">01-01-01 Conduct Reviews of Texas Public Retirement Systems.</p> <p style="text-align: right;">01-02-01 Provide Technical Assistance; Issue Impact Statements; Educate</p>			
1001	SALARIES AND WAGES	130,000	130,000
TOTAL, OBJECT OF EXPENSE		\$130,000	\$130,000
METHOD OF FINANCING:			
1	General Revenue Fund	130,000	130,000
TOTAL, METHOD OF FINANCING		\$130,000	\$130,000

DESCRIPTION / JUSTIFICATION:

This exceptional item request is for \$260,000 for the 2024-2025 biennium. The request concerns additional funds to increase staff salaries with two ends in mind:

- An 8% increase to keep pace with the rising cost of living, especially associated with the rising cost of housing in the greater Austin area, and
- A 5% increase to provide staff with merit increases.

The vast majority of PRB staff reside in the greater Austin area, which has experienced especially high increases in the cost of living by several measures. The PRB requires additional funds to help adjust staff salaries to incorporate this dramatic rise in the cost of living. At current salary levels, the agency has already seen a drastic decrease in the number of applications received for recent job postings compared with historical data. Not only does the PRB need this additional funding to better compensate existing staff and avoid turnover, the funding is necessary to simply offer salaries at a level that will attract applicants for open positions.

Additionally, the agency requests funding to offer merit-based salary increases to its staff. Through the covid pandemic and the recent departure of three executive staff members and other technical staff, existing and new staff has continued providing high-quality work and has crafted innovative projects to allow the agency to focus on its core mandates. Some of its major projects, including building a new database, experienced significant setbacks due to the failure of the existing database in summer 2021. Staff had to navigate a challenging situation and create workarounds allowing the PRB to continue to provide the high level of customer service and data reporting. Part of the amount of this request also includes funds to increase the salaries of the PRB's two highly technical positions—the Senior Actuary and the Investment Analyst—to make their salaries more comparable with other state agencies and the private sector.

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 1:17:18PM

Agency code: 338 Agency name: Pension Review Board

CODE	DESCRIPTION	Excp 2024	Excp 2025
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EXTERNAL/INTERNAL FACTORS:

Data shows that over the past two years there has been a 23 percent increase in the cost of rent in Austin. In addition, the US Bureau of Labor Statistics' 12-month percentage change in CPI for June 2022 has shown an increase above 10 percent in the cost of food and an increase of 41.6 percent for energy. In FY 2022 the PRB had five job postings, receiving an average of four applicants per posting. In FY 2021, the PRB received an average of 39 applications per posting, 28 in FY 2020, and 13 in FY 2019.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The PRB requests for a permanent increase.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2026	2027	2028
\$130,000	\$130,000	\$130,000

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 1:17:18PM

Agency code: 338 Agency name: Pension Review Board

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Director Authorization and Salary Increase		
	Item Priority: 2		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies:		
	01-01-01 Conduct Reviews of Texas Public Retirement Systems.		
	01-02-01 Provide Technical Assistance; Issue Impact Statements; Educate		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	22,510	22,510
	TOTAL, OBJECT OF EXPENSE	\$22,510	\$22,510
METHOD OF FINANCING:			
1	General Revenue Fund	22,510	22,510
	TOTAL, METHOD OF FINANCING	\$22,510	\$22,510

DESCRIPTION / JUSTIFICATION:

This exceptional item request is \$45,020 for the 2024-2025 Biennium. In the second exceptional item request, the board requests both that the maximum salary authorized for the executive director be increased to \$149,240 and also be accompanied by a corresponding increase in the agency's total appropriation for FY 2024-2025 (\$45,020) to fund the increased authorized salary. This change would move the executive director's salary closer to that of other executive directors at agencies with a similar mission and staff size. In addition, current market conditions such as inflation and labor market competition undercut the board's ability to offer a competitive salary to its executive director. Earlier this year, the PRB's executive director left the agency for an executive position at a local public retirement system. Given the board needs the ability to retain a qualified employee to lead the agency, the board members specifically requested staff include this request as an exceptional item.

EXTERNAL/INTERNAL FACTORS:

Current market conditions such as inflation and labor market competition undercut the board's ability to offer a competitive salary to its executive director.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 1:17:18PM

Agency code: 338 Agency name: Pension Review Board

CODE	DESCRIPTION	Excp 2024	Excp 2025
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DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

The PRB requests for a permanent increase.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2026	2027	2028
\$22,510	\$22,510	\$22,510

Agency code:	338	Agency name:	Pension Review Board
Code	Description	Excp 2024	Excp 2025
Item Name:	Staff CPI and Merit Salary Increase		
Allocation to Strategy:	1-1-1	Conduct Reviews of Texas Public Retirement Systems.	
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	65,000	65,000
TOTAL, OBJECT OF EXPENSE		\$65,000	\$65,000
METHOD OF FINANCING:			
1	General Revenue Fund	65,000	65,000
TOTAL, METHOD OF FINANCING		\$65,000	\$65,000

Agency code:	338	Agency name:	Pension Review Board		
Code	Description			Excp 2024	Excp 2025
Item Name:	Staff CPI and Merit Salary Increase				
Allocation to Strategy:	1-2-1	Provide Technical Assistance; Issue Impact Statements; Educate			
OBJECTS OF EXPENSE:					
1001	SALARIES AND WAGES			65,000	65,000
TOTAL, OBJECT OF EXPENSE				\$65,000	\$65,000
METHOD OF FINANCING:					
1	General Revenue Fund			65,000	65,000
TOTAL, METHOD OF FINANCING				\$65,000	\$65,000

Agency code:	338	Agency name:	Pension Review Board		
Code	Description		Excp 2024	Excp 2025	
Item Name:		Director Authorization and Salary Increase			
Allocation to Strategy:		1-1-1	Conduct Reviews of Texas Public Retirement Systems.		
OBJECTS OF EXPENSE:					
1001	SALARIES AND WAGES		11,255	11,255	
TOTAL, OBJECT OF EXPENSE			\$11,255	\$11,255	
METHOD OF FINANCING:					
1	General Revenue Fund		11,255	11,255	
TOTAL, METHOD OF FINANCING			\$11,255	\$11,255	

Agency code:	338	Agency name:	Pension Review Board		
Code	Description		Excp 2024	Excp 2025	
Item Name:	Director Authorization and Salary Increase				
Allocation to Strategy:	1-2-1	Provide Technical Assistance; Issue Impact Statements; Educate			
OBJECTS OF EXPENSE:					
1001	SALARIES AND WAGES		11,255	11,255	
TOTAL, OBJECT OF EXPENSE			\$11,255	\$11,255	
METHOD OF FINANCING:					
1	General Revenue Fund		11,255	11,255	
TOTAL, METHOD OF FINANCING			\$11,255	\$11,255	

4.C. Exceptional Items Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 1:17:19PM

Agency Code: **338** Agency name: **Pension Review Board**

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems

OBJECTIVE: 1 Determine Actuarial Condition of Defined Benefit Public Rtmt Systems

STRATEGY: 1 Conduct Reviews of Texas Public Retirement Systems.

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2024	Excp 2025
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STRATEGY IMPACT ON OUTCOME MEASURES:

1 Percent of Systems That Are Actuarially Sound	98.00 %	98.00 %
2 Percent of Systems in Compliance with Reporting Requirements	70.00 %	70.00 %

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	76,255	76,255
Total, Objects of Expense	\$76,255	\$76,255

METHOD OF FINANCING:

1 General Revenue Fund	76,255	76,255
Total, Method of Finance	\$76,255	\$76,255

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Staff CPI and Merit Salary Increase

Director Authorization and Salary Increase

4.C. Exceptional Items Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 7/29/2022
TIME: 1:17:19PM

Agency Code: **338** Agency name: **Pension Review Board**

GOAL: 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems

OBJECTIVE: 2 Respond to Requests From Legislature and Public Retirement Systems

STRATEGY: 1 Provide Technical Assistance; Issue Impact Statements; Educate

Service Categories:

Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2024	Excp 2025
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STRATEGY IMPACT ON OUTCOME MEASURES:

<u>1</u>	% of Legislative and System Requests Answered	100.00 %	100.00 %
<u>2</u>	% of Training Session Participants Satisfied	95.00 %	95.00 %
<u>3</u>	% All Constituents Satisfied w/Educ Svcs	95.00 %	95.00 %
<u>4</u>	% Trustees, Administrators Complying W/Minimum Training Requirements	80.00 %	80.00 %

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	76,255	76,255
Total, Objects of Expense		\$76,255	\$76,255

METHOD OF FINANCING:

1	General Revenue Fund	76,255	76,255
Total, Method of Finance		\$76,255	\$76,255

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Staff CPI and Merit Salary Increase

Director Authorization and Salary Increase

6.A. Historically Underutilized Business Supporting Schedule
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COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	<u>HUB Expenditures FY 2020</u>			<u>Total Expenditures FY 2020</u>		<u>HUB Expenditures FY 2021</u>			<u>Total Expenditures FY 2021</u>	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	% Goal	Actual \$	FY 2021
11.2%	Heavy Construction	40.0 %	63.9%	23.9%	\$56,939	\$89,061	40.0 %	69.5%	29.5%	\$43,455	\$62,559	\$62,559
	Total Expenditures		63.9%		\$56,939	\$89,061		69.5%		\$43,455	\$62,559	\$62,559

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

Applicability:

To increase the PRB's use of HUBs in purchasing and public works contracting, the agency will make a good faith effort to utilize HUBs in the procurement process of all goods and services, whenever applicable for any dollar amount. The PRB will always strive to achieve and exceed the HUB Statewide goals whenever possible.

Factors Affecting Attainment:

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

The PRB's HUB goal is to establish procurement and contracting practices that support the promotion and utilization of qualified HUBs in all applicable procurements, contracts, and subcontracts made by the agency by an increase of at least 10% above the statewide average.

HUB Program Staffing:

The PRB has 1 dedicated FTE to the HUB program.

Current and Future Good-Faith Efforts:

Agency Code: **338** Agency: **Pension Review Board**

HUB Objective

To increase the PRB's use of HUBs in purchasing and public works contracting, the agency will make a good faith effort to utilize HUBs in the procurement process of all goods and services, whenever applicable for any dollar amount. The PRB will always strive to achieve and exceed the HUB Statewide goals whenever possible.

HUB Strategy

The PRB is dedicated to meet and exceed statewide HUB expenditure goals for each procurement category. To maximize spending through HUB providers, the PRB implements the following strategies:

- Implements good faith efforts to identify, solicit, and utilize qualified HUBs in all applicable procurement opportunities;
- Uses the Centralized Master Bidders List (CMBL) to determine the availability of HUBs; and
- Utilizes statewide contracts from HUB providers, which are generated by the Comptroller of Public Accounts and Department of Information Resources, when available.

6.B. Current Biennium Onetime Expenditure Schedule
Summary of Onetime Expenditures

Agency Code:	Agency Name:	Prepared By:	Date:
338	Pension Review Board	Westley Allen	7/29/2022

Projects	Estimated 2022	Budgeted 2023	Requested 2024	Requested 2025
Data Migration and Database Rewrite	\$300,000	\$0	\$0	\$0
Plan Reporting Portal	\$0	\$300,000	\$0	\$0
0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0
Total, All Projects	\$300,000	\$300,000	\$0	\$0

6.B. Current Biennium Onetime Expenditure Schedule
Strategy Allocation from 2022-23 Biennium to 2024-25 Biennium

Agency Code:	Agency Name:	Prepared By:	Date:
338	Pension Review Board	Westley Allen	7/29/2022

2022-23	2024-25
PROJECT: Data Migration and Database Rewrite	PROJECT:
ALLOCATION TO STRATEGY:	ALLOCATION TO STRATEGY:

Strategy Code	OOE/MOF Code	Strategy Allocation	Estimated 2022	Budgeted 2023	Requested 2024	Requested 2025
Object of Expense:						
1.2.1	2001	PROFESSIONAL FEES AND SERVICES	\$290,000	\$0	\$0	\$0
1.2.1	2009	OTHER OPERATING EXPENSE	\$10,000			
Total, Object of Expense			\$300,000	\$0	\$0	\$0
Method of Financing:						
1.2.1	0001	General Revenue fund	\$300,000	\$0	\$0	\$0
Total, Method of Financing			\$300,000	\$0	\$0	\$0

Project Description for the 2022-23 Biennium:
--

To migrate the PRB's data from multiple servers to the cloud and to create a new web-based interface for the current internal databases. First, the agency will move all of its servers, including the file, active directory, and internal databases (actuarial, financial and training) servers to the cloud. This would greatly reduce the agency's ongoing IT costs by eliminating the need for several physical servers that are expensive and require ongoing maintenance and upkeep.

Secondly, the agency's internal databases are now over a decade old. These databases house the actuarial, financial, investment, membership, and training data collected from the 100 defined benefit systems and are crucial to the agency's mandate to oversee those retirement systems and provide information to stakeholders. This request would fund the development/rewrite of a new web-based interface. The PRB needs to rewrite the current databases because they use a software that will be unsupported/discontinued by Microsoft in the near future. The agency is already experiencing databases functionality failures that cause inefficient use of staff resources. Continuing to use an aging and unsupported software for collecting critical pension plan data poses a risk to the agency's core mission. In addition, the PRB will increase efficiency of operations because the rewrite allows the agency to combine its actuarial and financial database (DAD) with the minimum educational training database (MET), which currently have unnecessary duplication. The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current databases. The cost of cloud migration and complete database rewrite would consist mostly of the database developer's contract rate.

Project Description and Allocation Purpose for the 2024-25 Biennium:

NA

6.B. Current Biennium Onetime Expenditure Schedule
Strategy Allocation from 2022-23 Biennium to 2024-25 Biennium

Agency Code:	Agency Name:	Prepared By:	Date:
338	Pension Review Board	Westley Allen	7/29/2022

2022-23	2024-25
PROJECT: Plan Reporting Portal	PROJECT:
ALLOCATION TO STRATEGY:	ALLOCATION TO STRATEGY:

Strategy Code	OOE/MOF Code	Strategy Allocation	Estimated 2022	Budgeted 2023	Requested 2024	Requested 2025
Object of Expense:						
1.2.1	2001	PROFESSIONAL FEES AND SERVICES		\$290,000	\$0	\$0
1.2.1	2009	OTHER OPERATING EXPENSE		\$10,000		
Total, Object of Expense			\$0	\$300,000	\$0	\$0
Method of Financing:						
1.2.1	0001	General Revenue fund		\$300,000	\$0	\$0
Total, Method of Financing			\$0	\$300,000	\$0	\$0

Project Description for the 2022-23 Biennium:
To allow retirement systems to access a self-service portal to upload their reports and to fill out an online form with data. System reporting to the PRB has not changed in over two decades. The process can be cumbersome for systems to transmit large reports and track their reporting compliance. A self-service portal will improve the reporting experience by allowing systems to access a secure reporting portal to upload their reports and view their compliance status in real time. For PRB staff, this enhancement will improve efficiency by reducing the labor-intensive process of manual data entry, reducing human errors, and allowing staff to spend more time performing analytical work. Overall, the agency will benefit from more efficient use of its resources by automating most of its internal data entry functions. Finally, this would allow the agency to make actual plan reports available on its datacenter to improve stakeholder transparency. The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current reporting process and databases. The cost to create the plan portal would consist mostly of the database developer's contract rate.
Project Description and Allocation Purpose for the 2024-25 Biennium:
N/A

6.K. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule

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Agency code: 338

Agency name: Pension Review Board

		Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
Expanded or New Initiative:		1.Data Migration and Database Rewrite				
Legal Authority for Item:						
HB 2, 87th Leg, Regular Session						
Description/Key Assumptions (including start up/implementation costs and ongoing costs):						
To migrate the PRB's data from multiple servers to the cloud and to create a new web-based interface for the current internal databases.						
First, the agency will move all of its servers, including the file, active directory, and internal databases (actuarial, financial and training) servers to the cloud. This would greatly reduce the agency's ongoing IT costs by eliminating the need for several physical servers that are expensive and require ongoing maintenance and upkeep .						
Secondly, the agency's internal databases are now over a decade old. These databases house the actuarial, financial, investment, membership, and training data collected from the 100 defined benefit systems and are crucial to the agency's mandate to oversee those retirement systems and provide information to stakeholders. This request would fund the development/rewrite of a new web-based interface. The PRB needs to rewrite the current databases because they use a software that will be unsupported/discontinued by Microsoft in the near future. The agency is already experiencing databases functionality failures that cause inefficient use of staff resources. Continuing to use an aging and unsupported software for collecting critical pension plan data poses a risk to the agency's core mission. In addition, the PRB will increase efficiency of operations because the rewrite allows the agency to combine its actuarial and financial database (DAD) with the minimum educational training database (MET), which currently have unnecessary duplication. The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current databases. The cost of cloud migration and complete database rewrite would consist mostly of the database developer's contract rate.						
State Budget by Program:	Technical Assistance and Education					
IT Component:	Yes					
Involve Contracts > \$50,000:	Yes					
Objects of Expense						
Strategy: 1-2-1 TECHNICAL ASSISTANCE AND EDUCATION						
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$90,000	\$200,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$10,000	\$0	\$0	\$0
SUBTOTAL, Strategy 1-2-1		\$0	\$100,000	\$200,000	\$0	\$0
TOTAL, Objects of Expense		\$0	\$100,000	\$200,000	\$0	\$0
Method of Financing						
GENERAL REVENUE FUNDS						
Strategy: 1-2-1 TECHNICAL ASSISTANCE AND EDUCATION						
1	General Revenue Fund	\$0	\$100,000	\$200,000	\$0	\$0
SUBTOTAL, Strategy 1-2-1		\$0	\$100,000	\$200,000	\$0	\$0
SUBTOTAL, GENERAL REVENUE FUNDS		\$0	\$100,000	\$200,000	\$0	\$0
TOTAL, Method of Financing		\$0	\$100,000	\$200,000	\$0	\$0

6.K. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule

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Agency name: Pension Review Board

Exp 2021**Bud 2022****Est 2023****Est 2024****Est 2025****Description of IT Component Included in New or Expanded Initiative:**

To migrate the PRB's data from multiple servers to the cloud and to create a new web-based interface for the current internal databases.

First, the agency will move all of its servers, including the file, active directory, and internal databases (actuarial, financial and training) servers to the cloud. This would greatly reduce the agency's ongoing IT costs by eliminating the need for several physical servers that are expensive and require ongoing maintenance and upkeep.

Secondly, the agency's internal databases are now over a decade old. These databases house the actuarial, financial, investment, membership, and training data collected from the 100 defined benefit systems and are crucial to the agency's mandate to oversee those retirement systems and provide information to stakeholders. This request would fund the development/rewrite of a new web-based interface. The PRB needs to rewrite the current databases because they use a software that will be unsupported/discontinued by Microsoft in the near future. The agency is already experiencing databases functionality failures that cause inefficient use of staff resources. Continuing to use an aging and unsupported software for collecting critical pension plan data poses a risk to the agency's core mission. In addition, the PRB will increase efficiency of operations because the rewrite allows the agency to combine its actuarial and financial database (DAD) with the minimum educational training database (MET), which currently have unnecessary duplication. The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current databases.

Is this IT component a New or Current Project? Current

FTEs related to IT Component?**Exp 2021****Bud 2022****Est 2023****Est 2024****Est 2025**

0.0

0.0

0.0

0.0

0.0

Proposed Software:

Box.com

Proposed Hardware:

NA

Development Cost and Other Costs:

The cost of cloud migration and complete database rewrite would consist mostly of the database developer's contract rate.

Type of Project:

Data Management / Data Warehousing

Estimated IT Cost:**Exp 2021****Bud 2022****Est 2023****Est 2024****Est 2025****Total Over Life of Project**

\$0

\$100,000

\$200,000

\$0

\$0

\$300,000

Contract Description:

The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current reporting process and databases.

Approximate Percentage of Expanded or New Initiative Contracted in FYs 2022-23: 100.0%

6.K. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule

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Agency name: Pension Review Board

		Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
Expanded or New Initiative:						
2. Plan Reporting Portal						
Legal Authority for Item:						
HB 2, 87th Leg, Regular Session						
Description/Key Assumptions (including start up/implementation costs and ongoing costs):						
To allow retirement systems to access a self-service portal to upload their reports and to fill out an online form with data. System reporting to the PRB has not changed in over two decades. The process can be cumbersome for systems to transmit large reports and track their reporting compliance. A self-service portal will improve the reporting experience by allowing systems to access a secure reporting portal to upload their reports and view their compliance status in real time. For PRB staff, this enhancement will improve efficiency by reducing the labor-intensive process of manual data entry, reducing human errors, and allowing staff to spend more time performing analytical work. Overall, the agency will benefit from more efficient use of its resources by automating most of its internal data entry functions. Finally, this would allow the agency to make actual plan reports available on its datacenter to improve stakeholder transparency. The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current reporting process and databases. The cost to create the plan portal would consist mostly of the database developer's contract rate.						
State Budget by Program:						
Technical Assistance and Education						
IT Component:						
Yes						
Involve Contracts > \$50,000:						
Yes						
Objects of Expense						
Strategy: 1-2-1 TECHNICAL ASSISTANCE AND EDUCATION						
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$290,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$10,000	\$0	\$0
SUBTOTAL, Strategy 1-2-1		\$0	\$0	\$300,000	\$0	\$0
TOTAL, Objects of Expense		\$0	\$0	\$300,000	\$0	\$0
Method of Financing						
GENERAL REVENUE FUNDS						
Strategy: 1-2-1 TECHNICAL ASSISTANCE AND EDUCATION						
1	General Revenue Fund	\$0	\$0	\$300,000	\$0	\$0
SUBTOTAL, Strategy 1-2-1		\$0	\$0	\$300,000	\$0	\$0
SUBTOTAL, GENERAL REVENUE FUNDS		\$0	\$0	\$300,000	\$0	\$0
TOTAL, Method of Financing		\$0	\$0	\$300,000	\$0	\$0

Description of IT Component Included in New or Expanded Initiative:

6.K. Part A Budgetary Impacts Related to Recently Enacted State Legislation Schedule

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Agency name: Pension Review Board

Exp 2021**Bud 2022****Est 2023****Est 2024****Est 2025**

To allow retirement systems to access a self-service portal to upload their reports and to fill out an online form with data. System reporting to the PRB has not changed in over two decades. The process can be cumbersome for systems to transmit large reports and track their reporting compliance. A self-service portal will improve the reporting experience by allowing systems to access a secure reporting portal to upload their reports and view their compliance status in real time. For PRB staff, this enhancement will improve efficiency by reducing the labor-intensive process of manual data entry, reducing human errors, and allowing staff to spend more time performing analytical work. Overall, the agency will benefit from more efficient use of its resources by automating most of its internal data entry functions. Finally, this would allow the agency to make actual plan reports available on its datacenter to improve stakeholder transparency.

Is this IT component a New or Current Project? New**FTEs related to IT Component?****Exp 2021****Bud 2022****Est 2023****Est 2024****Est 2025**

0.0

0.0

0.0

0.0

0.0

Proposed Software:

N/A

Proposed Hardware:

N/A

Development Cost and Other Costs:

The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current reporting process and databases. The cost to create the plan portal would consist mostly of the database developer's contract rate.

Type of Project:

Data Center Consolidation

Estimated IT Cost:**Exp 2021****Bud 2022****Est 2023****Est 2024****Est 2025****Total Over Life of Project**

\$0

\$0

\$300,000

\$0

\$0

\$300,000

Contract Description:

The PRB will use the Department of Information Resources' (DIR) IT Staff Augmentation Contract to secure the services of a database developer that is familiar with the PRB's current reporting process and databases.

Approximate Percentage of Expanded or New Initiative Contracted in FYs 2022-23: 100.0%

6.K. Part B Summary of Costs Related to Recently Enacted State Legislation Schedule

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Agency code: 338

Agency name: Pension Review Board

ITEM	EXPANDED OR NEW INITIATIVE	Exp 2021	Bud 2022	Est 2023	Est 2024	Est 2025
1	Data Migration and Database Rewrite	\$0	\$100,000	\$200,000	\$0	\$0
2	Plan Reporting Portal	\$0	\$0	\$300,000	\$0	\$0
Total, Cost Related to Expanded or New Initiatives		\$0	\$100,000	\$500,000	\$0	\$0
METHOD OF FINANCING						
	GENERAL REVENUE FUNDS	\$0	\$100,000	\$500,000	\$0	\$0
Total, Method of Financing		\$0	\$100,000	\$500,000	\$0	\$0

FULL-TIME-EQUIVALENTS (FTES):

7.A. Indirect Administrative and Support Costs

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338 Pension Review Board					
Strategy	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1-1-1 Conduct Reviews of Texas Public Retirement Systems.					
OBJECTS OF EXPENSE:					
1001 SALARIES AND WAGES	\$57,799	\$ 61,362	\$ 54,691	\$ 54,691	\$ 54,691
1002 OTHER PERSONNEL COSTS	5,767	5,473	1,045	1,045	1,045
2001 PROFESSIONAL FEES AND SERVICES	0	1,909	666	666	666
2003 CONSUMABLE SUPPLIES	0	153	187	187	187
2004 UTILITIES	0	0	0	0	0
2005 TRAVEL	0	55	1,386	1,386	1,386
2006 RENT - BUILDING	0	0	53	53	53
2007 RENT - MACHINE AND OTHER	0	0	800	800	800
2009 OTHER OPERATING EXPENSE	863	746	147	147	147
Total, Objects of Expense	\$64,429	\$69,698	\$58,975	\$58,975	\$58,975
METHOD OF FINANCING:					
1 General Revenue Fund	64,429	69,698	58,975	58,975	58,975
Total, Method of Financing	\$64,429	\$69,698	\$58,975	\$58,975	\$58,975
FULL TIME EQUIVALENT POSITIONS	0.7	0.7	0.7	0.7	0.7

Method of Allocation

7.A. Indirect Administrative and Support Costs

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Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1-1-1	Conduct Reviews of Texas Public Retirement Systems.					
INDIRECT ADMINISTRATIVE AND SUPPORT COSTS						

7.A. Indirect Administrative and Support Costs

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Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1-2-1 Provide Technical Assistance; Issue Impact Statements; Educate						
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$64,351	\$ 62,728	\$ 63,689	\$ 63,689	\$ 63,689
1002	OTHER PERSONNEL COSTS	4,684	7,909	1,217	1,217	1,217
2001	PROFESSIONAL FEES AND SERVICES	6,491	3,509	776	776	776
2003	CONSUMABLE SUPPLIES	49	4,802	217	217	217
2004	UTILITIES	126	140	0	0	0
2005	TRAVEL	35	891	1,614	1,614	1,614
2006	RENT - BUILDING	190	101	62	62	62
2007	RENT - MACHINE AND OTHER	981	0	931	931	931
2009	OTHER OPERATING EXPENSE	4,875	4,142	2,759	2,759	2,759
Total, Objects of Expense		\$81,782	\$84,222	\$71,265	\$71,265	\$71,265
METHOD OF FINANCING:						
1	General Revenue Fund	81,782	84,222	71,265	71,265	71,265
Total, Method of Financing		\$81,782	\$84,222	\$71,265	\$71,265	\$71,265
FULL TIME EQUIVALENT POSITIONS		0.8	0.8	0.8	0.8	0.8

Method of Allocation

7.A. Indirect Administrative and Support Costs

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Exp 2021

Est 2022

Bud 2023

BL 2024

BL 2025

INDIRECT ADMINISTRATIVE AND SUPPORT COSTS

7.A. Indirect Administrative and Support Costs

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		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$122,150	\$124,090	\$118,380	\$118,380	\$118,380
1002	OTHER PERSONNEL COSTS	\$10,451	\$13,382	\$2,262	\$2,262	\$2,262
2001	PROFESSIONAL FEES AND SERVICES	\$6,491	\$5,418	\$1,442	\$1,442	\$1,442
2003	CONSUMABLE SUPPLIES	\$49	\$4,955	\$404	\$404	\$404
2004	UTILITIES	\$126	\$140	\$0	\$0	\$0
2005	TRAVEL	\$35	\$946	\$3,000	\$3,000	\$3,000
2006	RENT - BUILDING	\$190	\$101	\$115	\$115	\$115
2007	RENT - MACHINE AND OTHER	\$981	\$0	\$1,731	\$1,731	\$1,731
2009	OTHER OPERATING EXPENSE	\$5,738	\$4,888	\$2,906	\$2,906	\$2,906
Total, Objects of Expense		\$146,211	\$153,920	\$130,240	\$130,240	\$130,240
Method of Financing						
1	General Revenue Fund	\$146,211	\$153,920	\$130,240	\$130,240	\$130,240
Total, Method of Financing		\$146,211	\$153,920	\$130,240	\$130,240	\$130,240
Full-Time-Equivalent Positions (FTE)		1.5	1.5	1.5	1.5	1.5

Agency code: **338**

Agency name: **Pension Review Board**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1-1-1	Conduct Reviews of Texas Public Retirement Systems.					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$354,502	\$368,181	\$419,302	\$419,302	\$419,302
1002	OTHER PERSONNEL COSTS	35,369	32,835	8,010	8,010	8,010
2001	PROFESSIONAL FEES AND SERVICES	0	11,455	5,109	5,109	5,109
2003	CONSUMABLE SUPPLIES	0	916	1,430	1,430	1,430
2004	UTILITIES	0	0	0	0	0
2005	TRAVEL	0	327	10,626	10,626	10,626
2006	RENT - BUILDING	0	0	409	409	409
2007	RENT - MACHINE AND OTHER	0	0	6,130	6,130	6,130
2009	OTHER OPERATING EXPENSE	5,293	4,475	1,129	1,129	1,129
Total, Objects of Expense		\$395,164	\$418,189	\$452,145	\$452,145	\$452,145
METHOD OF FINANCING:						
1	General Revenue Fund	395,164	418,189	452,145	452,145	452,145
Total, Method of Financing		\$395,164	\$418,189	\$452,145	\$452,145	\$452,145
FULL-TIME-EQUIVALENT POSITIONS (FTE):		4.0	4.0	5.5	5.5	5.5

DESCRIPTION

Direct Administrative and Support Costs

Agency code: **338**

Agency name: **Pension Review Board**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1-2-1	Provide Technical Assistance; Issue Impact Statements; Educate					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	\$459,030	\$494,000	\$551,966	\$551,966	\$551,966
1002	OTHER PERSONNEL COSTS	33,416	58,000	10,545	10,545	10,545
2001	PROFESSIONAL FEES AND SERVICES	46,302	64,747	435,460	6,725	6,725
2003	CONSUMABLE SUPPLIES	350	1,218	1,883	1,883	1,883
2004	UTILITIES	896	1,025	0	0	0
2005	TRAVEL	251	6,532	13,988	13,988	13,988
2006	RENT - BUILDING	1,355	741	538	538	538
2007	RENT - MACHINE AND OTHER	7,000	0	8,070	8,070	8,070
2009	OTHER OPERATING EXPENSE	34,776	30,377	23,914	23,914	23,914
Total, Objects of Expense		\$583,376	\$656,640	\$1,046,364	\$617,629	\$617,629
METHOD OF FINANCING:						
1	General Revenue Fund	583,376	656,640	1,046,364	617,629	617,629
Total, Method of Financing		\$583,376	\$656,640	\$1,046,364	\$617,629	\$617,629
FULL-TIME-EQUIVALENT POSITIONS (FTE):		5.2	5.5	6.0	6.0	6.0

DESCRIPTION

Direct Administrative and Support Costs

Agency code: **338**

Agency name: **Pension Review Board**

		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	\$813,532	\$862,181	\$971,268	\$971,268	\$971,268
1002	OTHER PERSONNEL COSTS	\$68,785	\$90,835	\$18,555	\$18,555	\$18,555
2001	PROFESSIONAL FEES AND SERVICES	\$46,302	\$76,202	\$440,569	\$11,834	\$11,834
2003	CONSUMABLE SUPPLIES	\$350	\$2,134	\$3,313	\$3,313	\$3,313
2004	UTILITIES	\$896	\$1,025	\$0	\$0	\$0
2005	TRAVEL	\$251	\$6,859	\$24,614	\$24,614	\$24,614
2006	RENT - BUILDING	\$1,355	\$741	\$947	\$947	\$947
2007	RENT - MACHINE AND OTHER	\$7,000	\$0	\$14,200	\$14,200	\$14,200
2009	OTHER OPERATING EXPENSE	\$40,069	\$34,852	\$25,043	\$25,043	\$25,043
Total, Objects of Expense		\$978,540	\$1,074,829	\$1,498,509	\$1,069,774	\$1,069,774
Method of Financing						
1	General Revenue Fund	\$978,540	\$1,074,829	\$1,498,509	\$1,069,774	\$1,069,774
Total, Method of Financing		\$978,540	\$1,074,829	\$1,498,509	\$1,069,774	\$1,069,774
Full-Time-Equivalent Positions (FTE)		9.2	9.5	11.5	11.5	11.5