

Pension Review Board
Summary of Recommendations - House

I-84

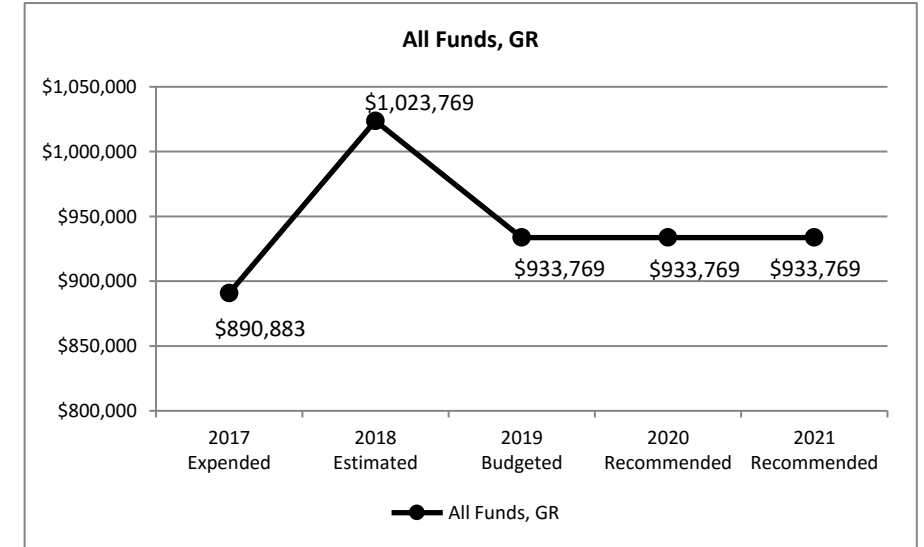
Anumeha Kumar, Executive Director

Katy Fallon-Brown, LBB Analyst

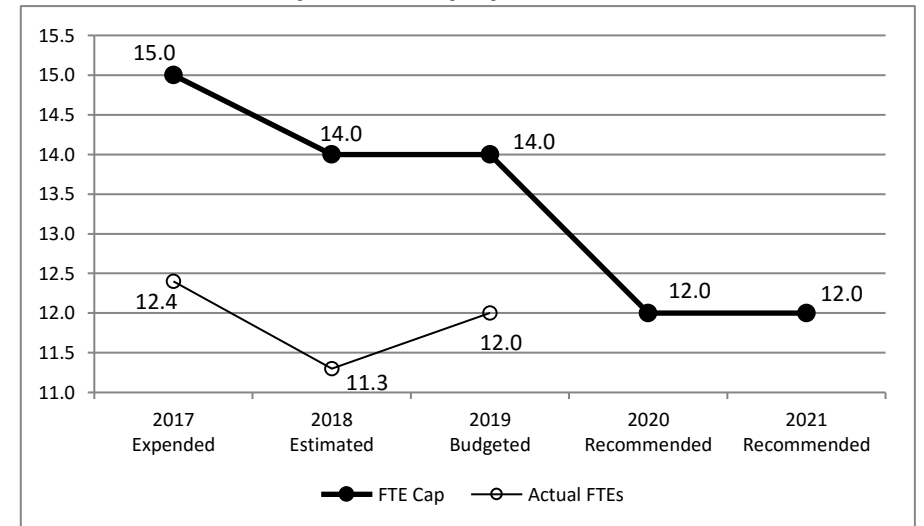
Method of Financing	2018-19 Base	2020-21 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$1,957,538	\$1,867,538	(\$90,000)	(4.6%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$1,957,538</i>	<i>\$1,867,538</i>	<i>(\$90,000)</i>	<i>(4.6%)</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$0	\$0	\$0	0.0%
All Funds	\$1,957,538	\$1,867,538	(\$90,000)	(4.6%)

	FY 2019 Budgeted	FY 2021 Recommended	Biennial Change	Percent Change
FTEs	12.0	12.0	0.0	0.0%

Historical Funding Levels



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2020-21 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2020-21 biennium.

Pension Review Board
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2020-21 Biennium compared to the 2018-19 Base Spending Level	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>						
A) Online Database Portal onetime funding is removed.	(\$90,000)	\$0	\$0	\$0	(\$90,000)	A.2.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations	(\$90,000)	\$0	\$0	\$0	(\$90,000)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>	\$0	\$0	\$0	\$0	\$0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>	(\$90,000)	\$0	\$0	\$0	(\$90,000)	As Listed

NOTE: Totals may not sum due to rounding.

**Pension Review Board
Selected Fiscal and Policy Issues - House**

1. **Online Dashboard for Public Pension Data.** The agency was appropriated \$90,000 in General Revenue in fiscal year 2018 in order to develop an online database portal allowing the most recent data from pension system reports to be posted online in compliance with Government Code Section 801.209. The portal is intended to provide lawmakers, taxpayers, pension systems, and other stakeholders with online access to the agency's searchable, downloadable database of public pension information, while significantly streamlining the staff's labor-intensive process for completing data requests. Upon advice of the Department of Information Resources, the agency extended its hourly-rate contract with its existing IT provider to develop the data dashboard in-house.

The database is expected to be complete by the end of January 2019. The \$90,000 in General Revenue was removed in the 2020-21 recommendations because it was onetime funding.

**Pension Review Board
Rider Highlights - House**

Deleted Riders

2. **Contingency for Senate Bill 509.** Recommendations delete this rider because the bill did not pass in Eighty-Fifth Legislature and funding was not appropriated.

**Pension Review Board
Items Not Included in Recommendations - House**

	2020-21 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2022-23
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	Funding for Critical Staff Positions. Agency is requesting salary increases for nine staff members.	\$200,000	\$200,000	0.0	No	No	\$200,000
2)	Funding for CAPPs Implementation. Agency is requesting one-time merit payments for accounting staff while implementing CAPPs.	\$12,000	\$12,000	0.0	No	No	\$0
3)	Funding to Increase Executive Director Salary. Agency is also requesting an authority increase from \$112,750 to \$125,000 and group change from 2 to 3.	\$24,500	\$24,500	0.0	No	No	\$24,500

TOTAL Items Not Included in Recommendations		\$236,500	\$236,500	0.0			\$224,500
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**Pension Review Board
Appendices - House**

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* Appendix is not included - no significant information to report

Pension Review Board
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Strategy/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
RETIREMENT SYSTEM REVIEWS A.1.1	\$760,240	\$760,240	\$0	0.0%	
TECHNICAL ASSISTANCE AND EDUCATION A.2.1	\$1,197,298	\$1,107,298	(\$90,000)	(7.5%)	Recommendations remove onetime funding of \$90,000 in General Revenue for the online database portal. Project will be completed on-budget by the end of January 2019.
Total, Goal A, SOUND RETIREMENT SYSTEMS	\$1,957,538	\$1,867,538	(\$90,000)	(4.6%)	
Grand Total, All Strategies	\$1,957,538	\$1,867,538	(\$90,000)	(4.6%)	

**Pension Review Board
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2017	Estimated 2018	Budgeted 2019	Recommended 2020	Recommended 2021
Cap	15.0	14.0	14.0	12.0	12.0
Actual/Budgeted	12.4	11.3	12.0	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 2	\$112,750	\$112,750	\$112,750	\$112,750	\$112,750

Notes:

- a) The agency's FTE cap has historically been higher than the actual number of employees due to funding restraints. In alignment with the agency's request, recommendations for the 2020-21 biennium lower the FTE cap to the amount the agency can employ.
- b) The State Auditor's Office Report, *Executive Compensation at State Agencies* (Report 18-705, August 2018), indicates a market average salary of \$126,730 for the Executive Director position at the Pension Review Board. The report also recommends changing the salary classification group from 2 to 3. The agency is requesting to increase the salary cap for the Executive Director from \$112,750 to \$125,000 and change the group from 2 to 3.

**Pension Review Board
Summary of Ten Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs				
1)	Baseline Reduction of Four 2.5% Increments	In order to achieve the 10 percent savings target, the PRB would do across-the-board reductions that would eliminate 2.0 FTEs. Each 2.5 percent increment would be 0.5 FTEs and \$48,939. PRB indicates that this would reduce its ability to conduct timely analysis of the state's public retirement systems and erode the educational services provided by the agency.	\$195,754	\$195,754	2.0	\$0	10.0%	\$1,957,538	No
TOTAL, 10% Reduction Options			\$195,754	\$195,754	2.0	\$0			