

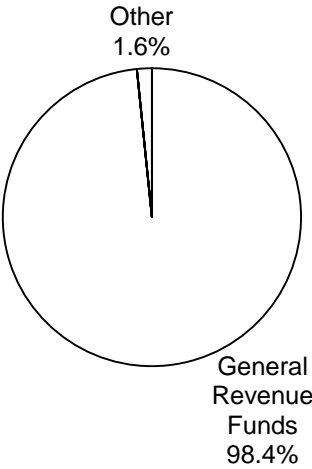
Section 1

Method of Financing	2012-13 Base	2014-15 Recommended	Biennial Change	% Change
General Revenue Funds	\$1,579,954	\$4,747,605	\$3,167,651	200.5%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$1,579,954	\$4,747,605	\$3,167,651	200.5%
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$83,997	\$78,000	(\$5,997)	(7.1%)
All Funds	\$1,663,951	\$4,825,605	\$3,161,654	190.0%

	FY 2013 Budgeted	FY 2015 Recommended	Biennial Change	% Change
FTEs	8.5	8.5	0.0	0.0%

The bill pattern for this agency (2014-15 Recommended) represents an estimated 5.6% of the agency's estimated total available funds for the 2014-15 biennium.

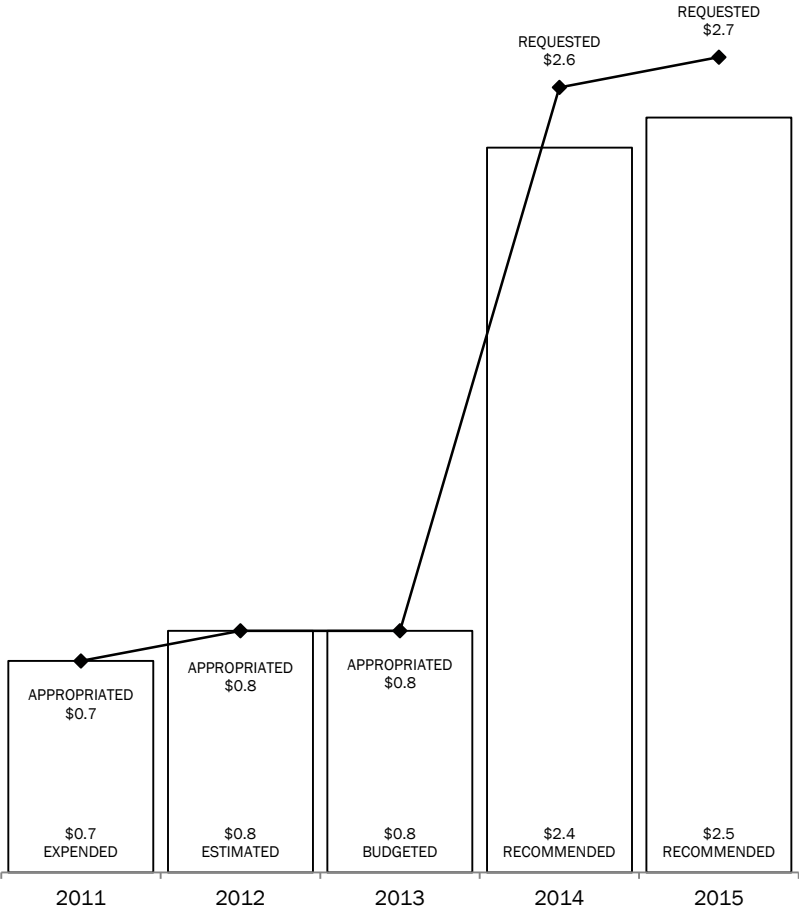
RECOMMENDED FUNDING
BY METHOD OF FINANCING



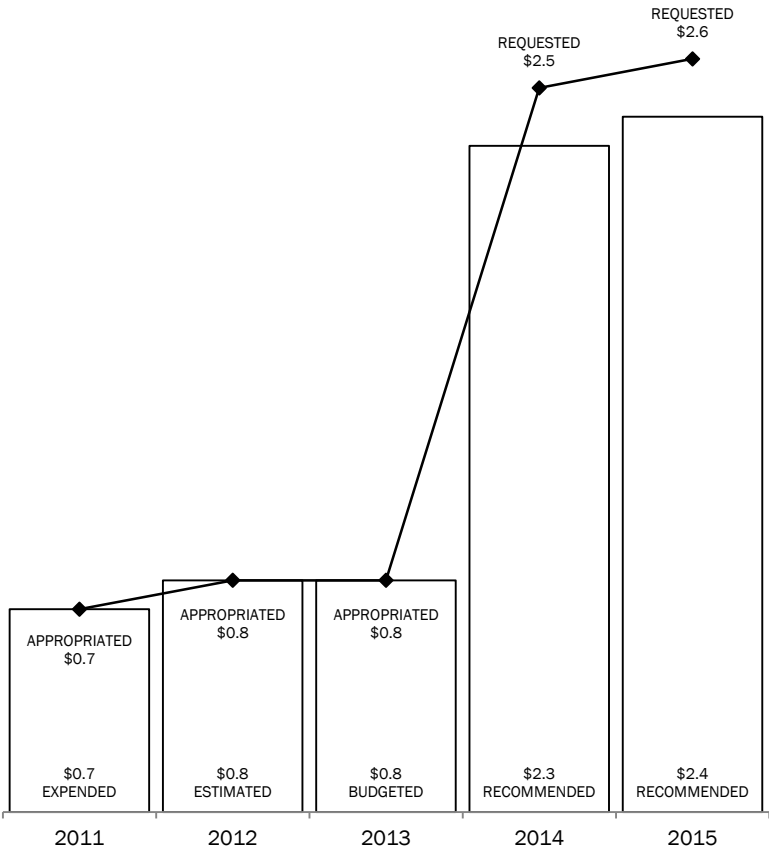
Section 1
Fire Fighters' Pension Commissioner
2014-2015 BIENNIUM
IN MILLIONS

TOTAL= \$4.9 MILLION

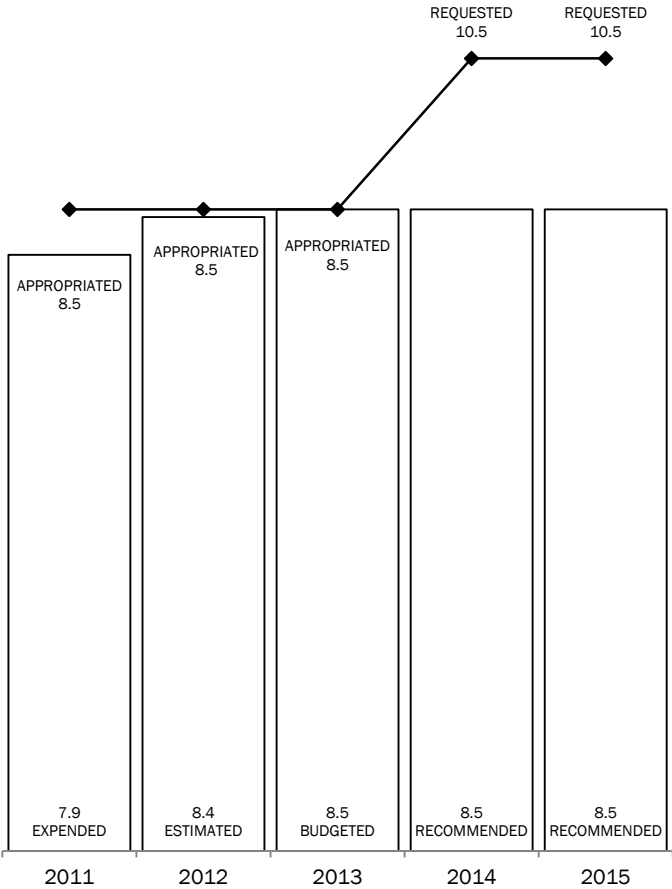
ALL FUNDS



GENERAL REVENUE AND
GENERAL REVENUE-DEDICATED FUNDS



FULL-TIME-EQUIVALENT POSITIONS



Section 2

Fire Fighters' Pension Commissioner
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
					Recommendations include an increase of \$3.2 million in General Revenue Funds to provide for a state contribution to the Texas Emergency Services Retirement System (TESRS). This amount reflects the estimated statutory maximum of one-third of all contributions to the TESRS fund.
ADMINISTER PENSION FUND A.1.1	\$1,234,690	\$4,402,341	\$3,167,651	256.6%	
ASSISTANCE & EDUCATION A.2.1	\$429,261	\$423,264	(\$5,997)	(1.4%)	
Total, Goal A, SOUND PENSION FUNDS	\$1,663,951	\$4,825,605	\$3,161,654	190.0%	
Grand Total, All Strategies	\$1,663,951	\$4,825,605	\$3,161,654	190.0%	

Section 3

Fire Fighters' Pension Commissioner Selected Fiscal and Policy Issues

1. **State Contribution to the Texas Emergency Services Retirement System (TESRS).** The recommendations include the agency's estimate of \$3.2 million in General Revenue for a state contribution to the TESRS fund. Government Code, Sec. 865.015, requires a state contribution each year necessary to make the system actuarially sound, not to exceed one-third of all contributions to the system. The agency calculation is based on its estimate of total contributions to the fund by participating entities for the 2014-15 biennium.
2. **Sunset Report.** The agency has been reviewed by the Sunset Commission. On November 13, 2012, the Commission adopted Sunset staff recommendations to discontinue the agency. Below are other recommendations by the Sunset Commission.
 - Abolish the Commissioner's position and make TESRS subject to Sunset review every 12 years.
 - Continue funding the administrative costs of TESRS out of General Revenue.
 - Continue funding the cost of appeal hearings related to TESRS and TLFFRA out of General Revenue.
 - Eliminate the Office's authority to collect reports from TLFFRA pension systems and its authority to conduct seminars or workshops.
 - Eliminate the Commissioner's authority to hear TLFFRA and TESRS appeals on benefit decisions, and direct the Office to cease issuing legal interpretations.
 - Require the TESRS Board to provide the Legislature with a range of options for meeting the state's contribution requirement should the TESRS fund experience significant losses or increased liabilities.
 - Require the TESRS actuarial valuation to include detailed information on the impact of assuming both a full state contribution and no state contribution.
 - Require the TESRS Board to regularly conduct actuarial audits and experience studies to ensure accurate pension assumptions and valuations.

Section 3

Fire Fighters' Pension Commission
FTE Highlights

Full-Time-Equivalent Positions	Expended 2011	Estimated 2012	Budgeted 2013	Recommended 2014	Recommended 2015
Cap	8.5	8.5	8.5	8.5	8.5
Actual/Budgeted	7.9	8.4	8.5	8.5	8.5
Schedule of Exempt Positions (Cap)					
Commissioner, Group 1	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000

The agency is requesting an increase in the Commissioner's exempt position from \$77,000 to \$150,000 and a change in the current Group 1 classification to Group 4.

State Auditor's Report 12-708, *Executive Compensation at State Agencies* , indicates a market average of \$110,893 for the Commissioner position.
The report recommends a change from the current Group 1 classification to Group 2.

Section 4

Fire Fighters' Pension Commissioner (FFPC)
Performance Review and Policy Report Highlights

Reports & Recommendations	Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

Section 5

**Fire Fighters' Pension Commissioner
Rider Highlights**

- 2. (new) **Sunset Contingency.** Add rider due to Sunset review.
- 2. (old) **Capital Budget.** Delete rider to reflect no capital budget projects.

Section 6

Fire Fighters' Pension Commissioner
Items not Included in Recommendations - Senate

Agency Exceptional Items - In Agency Priority Order

	2014-15 Biennial Total	
	GR & GR-Dedicated	All Funds
1. Additional funding and authority for exempt position Commissioner - Change salary cap from \$77,000 to \$150,000 (annual increase of \$73,000) and change Group classification from Group 1 to Group 4. The State Auditor's Office report, <i>Executive Compensation at State Agencies</i> (Report No. 12-708, August 2012), indicates the market average for the Executive Director position is \$110,893, and recommends a change from the current Group 1 to Group 2.	\$146,000	\$146,000
2. Additional funding and 1.0 FTE for a project manager to maintain the agency's informations systems.	\$170,000	\$170,000
3. Additional funding and 1.0 FTE for a data entry clerk.	\$68,000	\$68,000
Total, Items Not Included in the Recommendations	\$ 384,000	\$ 384,000