

# LEGISLATIVE APPROPRIATIONS REQUEST

For Fiscal Years 2022 and 2023

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

by

## State Pension Review Board

| <i>Board Member</i>        | <i>Dates of Term</i> | <i>Hometown</i> |
|----------------------------|----------------------|-----------------|
| Stephanie Leibe, Chair     | (2015-2021)          | Austin          |
| Keith Brainard, Vice Chair | (2019-2025)          | Georgetown      |
| Marcia Dush                | (2019-2025)          | Austin          |
| Rossy Fariña-Strauss       | (2019-2023)          | Austin          |
| Ernest Richards            | (2015-2021)          | Irving          |
| Shari Shivers              | (2019-2023)          | Austin          |
| Christopher Zook           | (2019-2021)          | Houston         |

Date of Submission: September, 11 2020

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## Administrator's Statement

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87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

### 338 Pension Review Board

| BOARD MEMBER               | Term Expires January 31 | HOMETOWN   |
|----------------------------|-------------------------|------------|
| Stephanie Leibe, Chair     | 2021                    | Austin     |
| Keith Brainard, Vice Chair | 2025                    | Georgetown |
| Marcia Dush                | 2025                    | Austin     |
| Rosy Fariña-Strauss        | 2023                    | Austin     |
| Ernest Richards            | 2021                    | Irving     |
| Shari Shivers              | 2023                    | Austin     |
| Christopher Zook           | 2021                    | Houston    |

#### Mission

The Pension Review Board (PRB) is mandated to oversee all Texas public retirement systems, both state and local, in regard to their actuarial soundness and compliance with state law. Our mission is to provide the State of Texas with the necessary information and recommendations to ensure that our public retirement systems, whose combined assets total in the multi-billions, are actuarially sound, benefits are equitable, the systems are properly managed, tax expenditures for employee benefits are kept to a minimum while still providing for those employees, and to expand the knowledge and education of administrators, trustees, and members of Texas public pension funds.

#### 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 \$282 billion, and total membership is over 2.8 million members. The general duties of the PRB are to conduct a continuing review of all public retirement systems; conduct intensive studies of potential or existing problems that threaten actuarial soundness; provide educational services and technical assistance to public retirement systems; recommend policies, practices, and legislation to public retirement systems and appropriate governmental entities; and prepare actuarial impact studies on proposed legislation.

Through its limited resources, including its 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 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, public retirement systems, and their administrators, trustees, and members.

Appropriations to the PRB for fiscal years 2020-2021 totaled \$2,257,498. The funding source for the appropriations is the General Revenue Fund. Of the agency's FY 2020-2021 appropriations, nearly 91% is dedicated to staff salaries. The PRB is authorized for 13 total full-time equivalents (FTEs) and currently has 12 employees, including the executive director, and one vacant position. To comply with the 5% reduction of the agency's budget for the current biennium, the PRB will leave the 13th FTE position vacant. If the 5% reduction of the agency's baseline for the 2022-2023 biennium is instituted, the PRB will have to continue to function with 12 employees and would be unable to provide any merit-based salary increases to current staff. The PRB has made great strides in reducing employee turnover in recent years, largely due to the additional funding granted by the 86th Legislature that expanded the PRB's ability to offer merit-based salary increases to key staff and added a new FTE due to the increase in the agency's mandate. It is imperative that the PRB offer salary amounts comparable to other agencies of its size to retain qualified staff. The 5%

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baseline reduction would undo the progress made by the agency in recent years as the workload on current staff would increase and the agency could lose critical , highly technical staff. This would hamper the agency’s ability to fulfill its mission and provide exemplary service to the state .

To strengthen oversight and increase transparency, the 86th Legislature added new requirements through Senate Bill (SB) 2224 and SB 322. In the current biennium, the PRB has been working diligently to implement the new mandates. SB 2224 added Section 802.2011 to the Texas Government Code to require all public retirement systems to adopt a written funding policy. Since the bill’s passage, the PRB has accomplished the following: worked with systems to develop and issue guidance, which provided a summary of industry best practices, recommended elements, and examples; at the request of the systems, provided a sample funding policy; and encouraged systems to work with sponsors to craft the funding policies; and notified sponsors of the requirement.

SB 322 requires majority of systems to report enhanced investment expense information. To assist retirement systems to comply with this requirement, the PRB has: engaged with systems and addressed concerns regarding the format and timing of the first investment expense disclosures; published rules to assist with reporting investment expenses; and created a template and a guide as requested by systems for further assistance.

SB 322 also added Section 802.109 to the Texas Government Code to require systems with at least \$30 million in assets to select an independent firm to evaluate the appropriateness, adequacy, and effectiveness of the system's investment practices and performance and to provide recommendations for improvement. The PRB has adopted guidance detailing the elements of the evaluation and clarifying what may be considered an independent firm to assist plans with completing the evaluation. The PRB also created an Investment Committee to submit an investment performance report to the Governor and Legislature, which will summarize and compile the evaluations and provide potential legislative recommendations to improve the law.

The coronavirus pandemic has presented a unique set of funding challenges for retirement systems in Texas and across the country . In response to the pandemic, the agency is taking all the necessary steps to ensure the continuity of its operations, including holding board and committee meetings on a regular basis. The PRB meetings are fully accessible to the public and are broadcasted and recorded for complete transparency. Additionally, to help the systems navigate through these challenging times, the PRB has contacted systems to offer ongoing assistance with plan reports and has held a joint meeting of its Investment and Actuarial Committees to educate and inform plans of the potential short- and long-term financial and actuarial impact of market disruptions due to the pandemic.

One of PRB’s key mandates is to recommend policies and legislation to the retirement systems and the Legislature . Accordingly, the PRB tasked its Actuarial Committee to review the funding policy (FP) and funding soundness restoration plan (FSRP) statutes for opportunities for improvement that could result in recommendations to the Legislature. To accomplish this, the Actuarial Committee is holding public meetings to discuss potential changes to bring the FP and FSRP requirements in alignment to provide a clear path toward full funding (funding policy), and when negative experience impedes funding progress, provide a mechanism to get back on track (remediation/restoration plan). The Committee has outlined ten objectives and is currently soliciting stakeholder input to guide the discussion on how to accomplish the outlined objectives. The Committee intends to bring possible legislative recommendations to the full Board at its November 12th meeting.

The PRB has been continually providing technical assistance and information to the 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 five years. Although the current pandemic disrupted the PRB’s participation in this year’s conferences, the agency is updating the TLFFRA trustee training manual to assist with future trainings. Additionally, the PRB updated and distributed the TLFFRA statute (Article 6243e) and published the TLFFRA Report in March 2020, which provides general and comparative information for TLFFRA systems, including current financial, actuarial, and benefit data.

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**338 Pension Review Board**

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The PRB regularly issues memorandums to the systems updating them on meetings, program updates and reporting requirement changes, including the new funding policy, investment expense disclosure and investment practices and performance evaluation requirements.

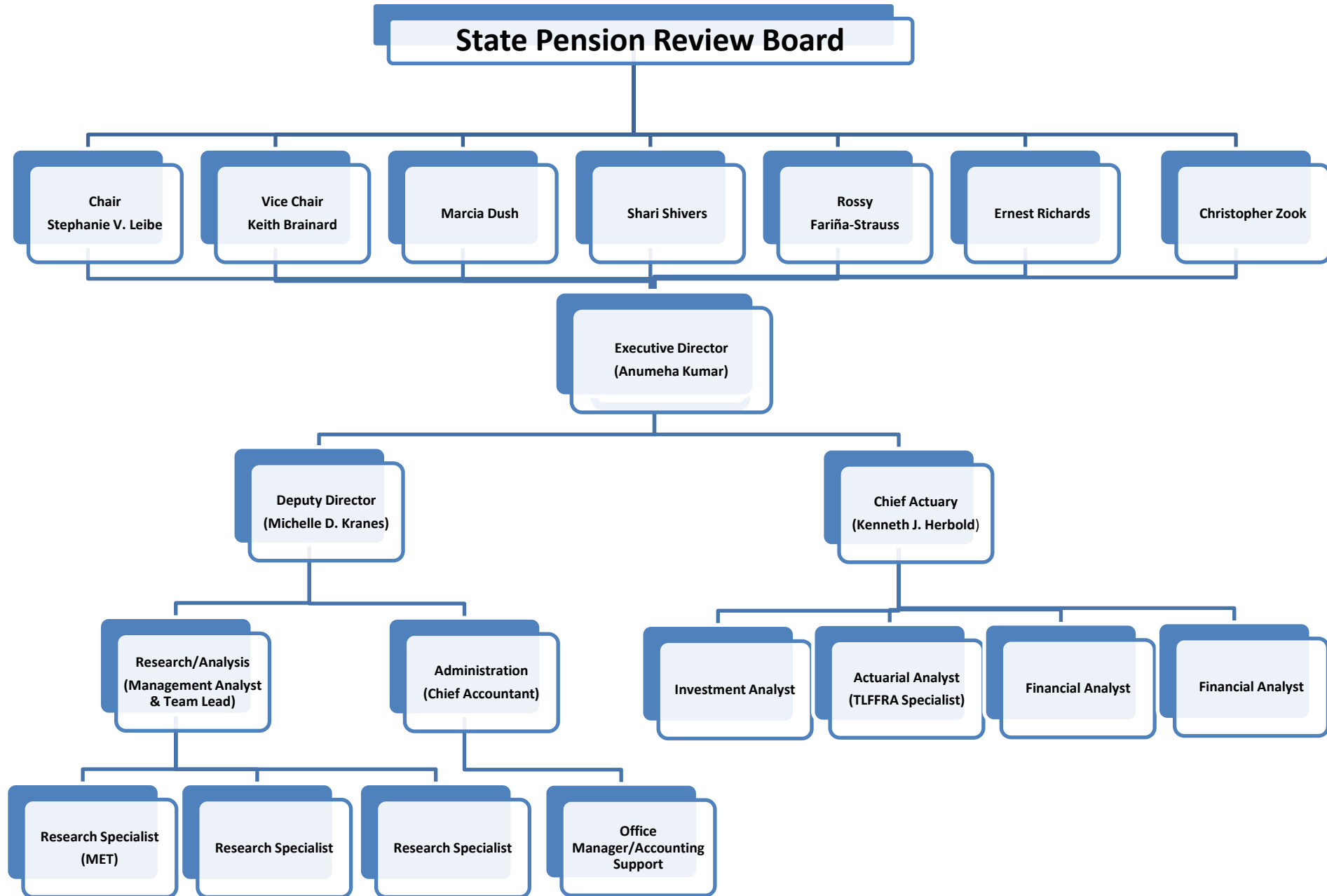
**Exceptional Item**

Considering the work of the agency, the PRB requests the following exceptional item concerning restoration of funds for the agency to fill its 13th FTE position. Given that 91% of the agency's budget is dedicated to salaries and wages, if the 5% reduction to the PRB's 2022-2023 baseline budget is instituted, the agency will not have sufficient funds to fill the 13th FTE position. The PRB already operates a heavy workload with very few staff, and with an additional vacancy, workload is spread across remaining staff. This impacts staff's ability to produce quality work and increases staff burnout. In the past, this increased workload on an already small staff has led to excessive agency turnover. Staff reduction impacts the efficiency and quality of its reviews and impairs the PRB's ability to maintain quality service to its stakeholders.

**Summary**

Restoration of the 5% reduction to the PRB's operating budget would allow the agency to maintain current service levels. Restoring these funds would safeguard the PRB's capability to accomplish its fundamental purpose of monitoring Texas public retirement systems on behalf of the Governor and Legislature, as their tool to assure the systems' financial viability and to help protect the retirements of millions of Texans who contribute to those systems. We believe the Pension Review Board has been a responsible model for pension oversight, and we hope to be able to continue as a leader in that field.

# Pension Review Board Organizational Chart





## 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 (2020-21 GAA).

#### Chief Executive Office or Presiding Judge

Anumeha Kumar  
Signature

Anumeha Kumar  
Printed Name

Executive Director  
Title

9/10/2020  
Date

#### Board or Commission Chair

Stephanie Leibe  
Signature

Stephanie Leibe  
Printed Name

PRB Chair  
Title

9/10/2020  
Date

#### Chief Financial Officer

Westley Allen  
Signature

Westley Allen  
Printed Name

Accountant  
Title

9/10/2020  
Date

**Budget Overview - Biennial Amounts**  
**87th Regular Session, Agency Submission, Version 1**  
Automated Budget and Evaluation System of Texas (ABEST)

338 Pension Review Board

Appropriation Years: 2022-23

|   | GENERAL REVENUE FUNDS |                  | GR DEDICATED |         | FEDERAL FUNDS |         | OTHER FUNDS |         | ALL FUNDS        |                  | EXCEPTIONAL<br>ITEM<br>FUNDS |
|---|-----------------------|------------------|--------------|---------|---------------|---------|-------------|---------|------------------|------------------|------------------------------|
|   | 2020-21               | 2022-23          | 2020-21      | 2022-23 | 2020-21       | 2022-23 | 2020-21     | 2022-23 | 2020-21          | 2022-23          | 2022-23                      |
| <b>Goal: 1. Provide Info to Help Ensure</b> |                       |                  |              |         |               |         |             |         |                  |                  |                              |
| <b>Actuarially Sound Retirement Systems</b> |                       |                  |              |         |               |         |             |         |                  |                  |                              |
| 1.1.1. Retirement System Reviews            | 965,803               | 965,803          |              |         |               |         |             |         | 965,803          | 965,803          | 56,437                       |
| 1.2.1. Technical Assistance And Education   | 1,178,820             | 1,178,820        |              |         |               |         |             |         | 1,178,820        | 1,178,820        | 56,438                       |
| <b>Total, Goal</b>                          | <b>2,144,623</b>      | <b>2,144,623</b> |              |         |               |         |             |         | <b>2,144,623</b> | <b>2,144,623</b> | <b>112,875</b>               |
| <b>Total, Agency</b>                        | <b>2,144,623</b>      | <b>2,144,623</b> |              |         |               |         |             |         | <b>2,144,623</b> | <b>2,144,623</b> | <b>112,875</b>               |
| <b>Total FTEs</b>                           |                       |                  |              |         |               |         |             |         | <b>13.0</b>      | <b>13.0</b>      | <b>0.0</b>                   |



## 338 Pension Review Board

| Goal / Objective / STRATEGY  | Exp 2019         | Est 2020           | Bud 2021           | Req 2022           | Req 2023           |
|--|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>1</b> Provide Info to Help Ensure Actuarially Sound Retirement Systems    |                  |                    |                    |                    |                    |
| <b>1</b> Determine Actuarial Condition of Defined Benefit Public Rmt Systems |                  |                    |                    |                    |                    |
| <b>1 RETIREMENT SYSTEM REVIEWS</b>   | 379,565          | 465,817            | 499,986            | 482,902            | 482,901            |
| <b>2</b> Respond to Requests From Legislature and Public Retirement Systems  |                  |                    |                    |                    |                    |
| <b>1 TECHNICAL ASSISTANCE AND EDUCATION</b>                                  | 552,952          | 635,932            | 542,888            | 589,410            | 589,410            |
| TOTAL, GOAL <b>1</b>   | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| TOTAL, AGENCY STRATEGY REQUEST   | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*                                  |                  |                    |                    | <b>\$0</b>         | <b>\$0</b>         |
| GRAND TOTAL, AGENCY REQUEST  | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <u>METHOD OF FINANCING:</u>  |                  |                    |                    |                    |                    |
| <b>General Revenue Funds:</b>  |                  |                    |                    |                    |                    |
| 1 General Revenue Fund   | 932,517          | 1,101,749          | 1,042,874          | 1,072,312          | 1,072,311          |
| SUBTOTAL   | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| TOTAL, METHOD OF FINANCING   | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |

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**338 Pension Review Board**

| <b>Goal / Objective / STRATEGY</b> | <b>Exp 2019</b> | <b>Est 2020</b> | <b>Bud 2021</b> | <b>Req 2022</b> | <b>Req 2023</b> |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|

\*Rider appropriations for the historical years are included in the strategy amounts.

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

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Automated Budget and Evaluation System of Texas (ABEST)

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|              |            |              |                             |  |  |  |
|--------------|------------|--------------|-----------------------------|--|--|--|
| Agency code: | <b>338</b> | Agency name: | <b>Pension Review Board</b> |  |  |  |
|--------------|------------|--------------|-----------------------------|--|--|--|

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| METHOD OF FINANCING | Exp 2019 | Est 2020 | Bud 2021 | Req 2022 | Req 2023 |
|---------------------|----------|----------|----------|----------|----------|
|---------------------|----------|----------|----------|----------|----------|

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**GENERAL REVENUE**

**1** General Revenue Fund

*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2018-19 GAA)

|           |     |     |     |     |
|-----------|-----|-----|-----|-----|
| \$933,769 | \$0 | \$0 | \$0 | \$0 |
|-----------|-----|-----|-----|-----|

Regular Appropriations from MOF Table (2020-21 GAA)

|     |             |             |     |     |
|-----|-------------|-------------|-----|-----|
| \$0 | \$1,053,749 | \$1,053,749 | \$0 | \$0 |
|-----|-------------|-------------|-----|-----|

Regular Appropriations from MOF Table (2022-23 GAA)

|     |     |     |             |             |
|-----|-----|-----|-------------|-------------|
| \$0 | \$0 | \$0 | \$1,072,312 | \$1,072,311 |
|-----|-----|-----|-------------|-------------|

*RIDER APPROPRIATION*

Art IX, Sec 18.82, Contingency and Other Provisions(2020-21 GAA)

|     |          |          |     |     |
|-----|----------|----------|-----|-----|
| \$0 | \$75,000 | \$75,000 | \$0 | \$0 |
|-----|----------|----------|-----|-----|

**Comments:** Contingent on enactment of Senate Bill 322, or similar legislation relating to the assessment of retirement systems' investment practices and performance, by the 86th Legislature, Regular Session, the Pension Review Board is appropriated \$75,000 and 1.0 FTE in each fiscal year of the 2020-21 biennium from General Revenue to implement the provisions of the legislation, and related benefits are appropriated elsewhere in this Act.

*LAPSED APPROPRIATIONS*

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

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Automated Budget and Evaluation System of Texas (ABEST)

|   |                             |  |                    |                    |                    |                    |
|---|-----------------------------|--|--------------------|--------------------|--------------------|--------------------|
| Agency code: <b>338</b>   |                             | Agency name: <b>Pension Review Board</b> |                    |                    |                    |                    |
| <b>METHOD OF FINANCING</b>  |                             | <b>Exp 2019</b>                          | <b>Est 2020</b>    | <b>Bud 2021</b>    | <b>Req 2022</b>    | <b>Req 2023</b>    |
| <b><u>GENERAL REVENUE</u></b>   |                             |  |                    |                    |                    |                    |
| Regular Appropriations from MOF Table (2018-19 GAA)   |                             |  |                    |                    |                    |                    |
|   |                             | \$(1,252)                                | \$0                | \$0                | \$0                | \$0                |
| Regular Appropriations from MOF Table (2020-21 GAA)   |                             |  |                    |                    |                    |                    |
|   |                             | \$0                                      | \$(27,000)         | \$(85,875)         | \$0                | \$0                |
| <b>Comments:</b> Estimated lapse to comply with the five percent reduction of the agency's 2020-2021 baseline budget. |                             |  |                    |                    |                    |                    |
| <b>TOTAL,</b>   | <b>General Revenue Fund</b> |  |                    |                    |                    |                    |
|   |                             | <b>\$932,517</b>                         | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <b>TOTAL, ALL</b>   | <b>GENERAL REVENUE</b>      |  |                    |                    |                    |                    |
|   |                             | <b>\$932,517</b>                         | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <b>GRAND TOTAL</b>  |                             | <b>\$932,517</b>                         | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |

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

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Automated Budget and Evaluation System of Texas (ABEST)

| Agency code: <b>338</b>   | Agency name: <b>Pension Review Board</b> |          |          |          |          |
|---|--|----------|----------|----------|----------|
| METHOD OF FINANCING   | Exp 2019                                 | Est 2020 | Bud 2021 | Req 2022 | Req 2023 |
| <b>FULL-TIME-EQUIVALENT POSITIONS</b>   |  |          |          |          |          |
| REGULAR APPROPRIATIONS  |  |          |          |          |          |
| Regular Appropriations from MOF Table<br>(2018-19 GAA)  | 14.0                                     | 0.0      | 0.0      | 0.0      | 0.0      |
| Regular Appropriations from MOF Table<br>(2020-21 GAA)  | 0.0                                      | 12.0     | 12.0     | 0.0      | 0.0      |
| Regular Appropriations from MOF Table<br>(2022-23 GAA)  | 0.0                                      | 0.0      | 0.0      | 13.0     | 13.0     |
| RIDER APPROPRIATION   |  |          |          |          |          |
| Art IX, Sec 18.82, Contingency and Other<br>Provisions(2020-21 GAA)   | 0.0                                      | 1.0      | 1.0      | 0.0      | 0.0      |
| <b>Comments:</b> Contingent on enactment of Senate Bill 322, or similar legislation relating to the assessment of retirement systems' investment practices and performance, by the 86th Legislature, Regular Session, the Pension Review Board is appropriated \$75,000 and 1.0 FTE in each fiscal year of the 2020-21 biennium from General Revenue to implement the provisions of the legislation, and related benefits are appropriated elsewhere in this Act. |  |          |          |          |          |
| UNAUTHORIZED NUMBER OVER (BELOW) CAP  |  |          |          |          |          |
| Regular Appropriations from MOF Table<br>(2018-19 GAA)  | (3.4)                                    | 0.0      | 0.0      | 0.0      | 0.0      |
| <b>Comments:</b> Unauthorized number below cap  |  |          |          |          |          |
| Regular Appropriations from MOF Table<br>(2020-21 GAA)  | 0.0                                      | (1.5)    | 0.0      | 0.0      | 0.0      |
| <b>Comments:</b> 2020 amount based on actual FTEs reported to SAO in first 2 quarters, and projected in the last 2 quarters.  |  |          |          |          |          |

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

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87th 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 2019 | Est 2020 | Bud 2021 | Req 2022 | Req 2023 |
|----------------------|----------|----------|----------|----------|----------|
| TOTAL, ADJUSTED FTES | 10.6     | 11.5     | 13.0     | 13.0     | 13.0     |

**NUMBER OF 100% FEDERALLY FUNDED  
FTEs**

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

9/22/2020 11:25:16AM

87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)**338 Pension Review Board**

| <b>OBJECT OF EXPENSE</b>            | <b>Exp 2019</b>  | <b>Est 2020</b>    | <b>Bud 2021</b>    | <b>BL 2022</b>     | <b>BL 2023</b>     |
|-------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| 1001 SALARIES AND WAGES             | \$752,293        | \$883,257          | \$940,083          | \$969,522          | \$969,521          |
| 1002 OTHER PERSONNEL COSTS          | \$25,060         | \$95,964           | \$19,600           | \$19,600           | \$19,600           |
| 2001 PROFESSIONAL FEES AND SERVICES | \$90,917         | \$62,290           | \$12,500           | \$12,500           | \$12,500           |
| 2003 CONSUMABLE SUPPLIES            | \$1,261          | \$1,073            | \$3,500            | \$3,500            | \$3,500            |
| 2005 TRAVEL                         | \$9,820          | \$5,208            | \$26,000           | \$26,000           | \$26,000           |
| 2006 RENT - BUILDING                | \$1,526          | \$1,348            | \$1,000            | \$1,000            | \$1,000            |
| 2007 RENT - MACHINE AND OTHER       | \$0              | \$7,000            | \$15,000           | \$15,000           | \$15,000           |
| 2009 OTHER OPERATING EXPENSE        | \$51,640         | \$45,609           | \$25,191           | \$25,190           | \$25,190           |
| <b>OOE Total (Excluding Riders)</b> | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <b>OOE Total (Riders)</b>           |                  |                    |                    |                    |                    |
| <b>Grand Total</b>                  | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |

**2.D. Summary of Base Request Objective Outcomes**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation system of Texas (ABEST)

9/22/2020 11:25:16AM

| <b>338 Pension Review Board</b>   |                 |                 |                 |                |                |
|---|-----------------|-----------------|-----------------|----------------|----------------|
| <b>Goal/ Objective / Outcome</b>  | <b>Exp 2019</b> | <b>Est 2020</b> | <b>Bud 2021</b> | <b>BL 2022</b> | <b>BL 2023</b> |
| 1 Provide Info to Help Ensure Actuarially Sound Retirement Systems            |                 |                 |                 |                |                |
| 1 Determine Actuarial Condition of Defined Benefit Public Rmt Systems         |                 |                 |                 |                |                |
| <b>KEY</b> <b>1 Percent of Systems That Are Actuarially Sound</b>             |                 |                 |                 |                |                |
|   | 97.85%          | 97.99%          | 98.00%          | 98.00%         | 98.00%         |
| <b>2 Percent of Systems in Compliance with Reporting Requirements</b>         |                 |                 |                 |                |                |
|   | 50.51%          | 40.00%          | 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%        |
| <b>2 % of Training Session Participants Satisfied</b>                         |                 |                 |                 |                |                |
|   | 77.00%          | 87.50%          | 95.00%          | 95.00%         | 95.00%         |
| <b>KEY</b> <b>3 % All Constituents Satisfied w/Educ Svcs</b>                  |                 |                 |                 |                |                |
|   | 90.24%          | 83.30%          | 98.00%          | 98.00%         | 98.00%         |
| <b>4 % Trustees, Administrators Complying W/Minimum Training Requirements</b> |                 |                 |                 |                |                |
|   | 66.62%          | 80.00%          | 80.00%          | 80.00%         | 80.00%         |



**2.E. Summary of Exceptional Items Request**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 9/22/2020  
TIME : 11:25:16AM

Agency code: 338

Agency name: Pension Review Board

| Priority                                | Item               | 2022                      |                 |      | 2023                   |                 |      | Biennium               |                  |
|---|--------------------|---------------------------|-----------------|------|------------------------|-----------------|------|------------------------|------------------|
|   |                    | GR and<br>GR/GR Dedicated | All Funds       | FTEs | GR and<br>GR Dedicated | All Funds       | FTEs | GR and<br>GR Dedicated | All Funds        |
| 1                                       | Budget Restoration | \$56,437                  | \$56,437        |      | \$56,438               | \$56,438        |      | \$112,875              | \$112,875        |
| <b>Total, Exceptional Items Request</b> |                    | <b>\$56,437</b>           | <b>\$56,437</b> |      | <b>\$56,438</b>        | <b>\$56,438</b> |      | <b>\$112,875</b>       | <b>\$112,875</b> |

**Method of Financing**

|                             |                 |                 |  |                 |                 |  |                  |                  |
|-----------------------------|-----------------|-----------------|--|-----------------|-----------------|--|------------------|------------------|
| General Revenue             | \$56,437        | \$56,437        |  | \$56,438        | \$56,438        |  | \$112,875        | \$112,875        |
| General Revenue - Dedicated |                 |                 |  |                 |                 |  |                  |                  |
| Federal Funds               |                 |                 |  |                 |                 |  |                  |                  |
| Other Funds                 |                 |                 |  |                 |                 |  |                  |                  |
|                             | <b>\$56,437</b> | <b>\$56,437</b> |  | <b>\$56,438</b> | <b>\$56,438</b> |  | <b>\$112,875</b> | <b>\$112,875</b> |

**Full Time Equivalent Positions**

**Number of 100% Federally Funded FTEs**

**2.F. Summary of Total Request by Strategy**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 9/22/2020  
TIME : 11:25:16AM

| Agency code: 338  | Agency name: Pension Review Board |             |             |             |               |               |
|---|-----------------------------------|-------------|-------------|-------------|---------------|---------------|
| Goal/Objective/STRATEGY   | Base                              | Base        | Exceptional | Exceptional | Total Request | Total Request |
| <b>1</b> Provide Info to Help Ensure Actuarially Sound Retirement Systems |                                   |             |             |             |               |               |
| 1 Determine Actuarial Condition of Defined Benefit Public Rmt System      |                                   |             |             |             |               |               |
| 1 RETIREMENT SYSTEM REVIEWS   | \$482,902                         | \$482,901   | \$28,218    | \$28,219    | \$511,120     | \$511,120     |
| 2 Respond to Requests From Legislature and Public Retirement System       |                                   |             |             |             |               |               |
| 1 TECHNICAL ASSISTANCE AND EDUCATION                                      | 589,410                           | 589,410     | 28,219      | 28,219      | 617,629       | 617,629       |
| TOTAL, GOAL 1   | \$1,072,312                       | \$1,072,311 | \$56,437    | \$56,438    | \$1,128,749   | \$1,128,749   |
| TOTAL, AGENCY STRATEGY REQUEST  | \$1,072,312                       | \$1,072,311 | \$56,437    | \$56,438    | \$1,128,749   | \$1,128,749   |
| TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST                                |                                   |             |             |             |               |               |
| GRAND TOTAL, AGENCY REQUEST   | \$1,072,312                       | \$1,072,311 | \$56,437    | \$56,438    | \$1,128,749   | \$1,128,749   |

**2.F. Summary of Total Request by Strategy**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 9/22/2020

TIME : 11:25:16AM

| Agency code: 338                      |                                   | Agency name: Pension Review Board |                    |                 |                 |                    |
|---------------------------------------|-----------------------------------|-----------------------------------|--------------------|-----------------|-----------------|--------------------|
| Goal/Objective/STRATEGY               |                                   | Base                              | Base               | Exceptional     | Exceptional     | Total Request      |
| <b>General Revenue Funds:</b>         |                                   |                                   |                    |                 |                 |                    |
| 1                                     | General Revenue Fund              | \$1,072,312                       | \$1,072,311        | \$56,437        | \$56,438        | \$1,128,749        |
|                                       |                                   | <b>\$1,072,312</b>                | <b>\$1,072,311</b> | <b>\$56,437</b> | <b>\$56,438</b> | <b>\$1,128,749</b> |
|                                       | <b>TOTAL, METHOD OF FINANCING</b> | <b>\$1,072,312</b>                | <b>\$1,072,311</b> | <b>\$56,437</b> | <b>\$56,438</b> | <b>\$1,128,749</b> |
| <b>FULL TIME EQUIVALENT POSITIONS</b> |                                   | <b>13.0</b>                       | <b>13.0</b>        | <b>0.0</b>      | <b>0.0</b>      | <b>13.0</b>        |

**2.G. Summary of Total Request Objective Outcomes**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation system of Texas (ABEST)

Date : 9/22/2020  
Time: 11:25:17AM

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

Goal/ Objective / Outcome

|            |   | <b>BL<br/>2022</b> | <b>BL<br/>2023</b> | <b>Excp<br/>2022</b> | <b>Excp<br/>2023</b> | <b>Total<br/>Request<br/>2022</b> | <b>Total<br/>Request<br/>2023</b> |
|------------|---|--------------------|--------------------|----------------------|----------------------|-----------------------------------|-----------------------------------|
| 1          | Provide Info to Help Ensure Actuarially Sound Retirement Systems              |                    |                    |                      |                      |                                   |                                   |
| 1          | <i>Determine Actuarial Condition of Defined Benefit Public Rmt Systems</i>    |                    |                    |                      |                      |                                   |                                   |
| <b>KEY</b> | <b>1 Percent of Systems That Are Actuarially Sound</b>                        |                    |                    |                      |                      |                                   |                                   |
|            |   | 98.00%             | 98.00%             |                      |                      | 98.00%                            | 98.00%                            |
|            | <b>2 Percent of Systems in Compliance with Reporting Requirements</b>         |                    |                    |                      |                      |                                   |                                   |
|            |   | 70.00%             | 70.00%             |                      |                      | 70.00%                            | 70.00%                            |
| 2          | <i>Respond to Requests From Legislature and Public Retirement Systems</i>     |                    |                    |                      |                      |                                   |                                   |
|            | <b>1 % of Legislative and System Requests Answered</b>                        |                    |                    |                      |                      |                                   |                                   |
|            |   | 100.00%            | 100.00%            |                      |                      | 100.00%                           | 100.00%                           |
|            | <b>2 % of Training Session Participants Satisfied</b>                         |                    |                    |                      |                      |                                   |                                   |
|            |   | 95.00%             | 95.00%             |                      |                      | 95.00%                            | 95.00%                            |
| <b>KEY</b> | <b>3 % All Constituents Satisfied w/Educ Svcs</b>                             |                    |                    |                      |                      |                                   |                                   |
|            |   | 98.00%             | 98.00%             |                      |                      | 98.00%                            | 98.00%                            |
|            | <b>4 % Trustees, Administrators Complying W/Minimum Training Requirements</b> |                    |                    |                      |                      |                                   |                                   |
|            |   | 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 2019  | Est 2020  | Bud 2021  | BL 2022   | BL 2023   |
|------------------------------------|---|-----------|-----------|-----------|-----------|-----------|
| <b>Output Measures:</b>            |   |           |           |           |           |           |
|                                    | 1 Number of Compliance Actions Initiated                                | 55.00     | 29.00     | 30.00     | 30.00     | 30.00     |
| KEY                                | 2 Number of Reviews Completed   | 348.00    | 311.00    | 300.00    | 400.00    | 450.00    |
| <b>Efficiency Measures:</b>        |   |           |           |           |           |           |
|                                    | 1 % Reports Filed within Time Frames After Non-compliance Notice        | 36.30 %   | 53.17 %   | 50.00 %   | 50.00 %   | 50.00 %   |
| <b>Explanatory/Input Measures:</b> |   |           |           |           |           |           |
|                                    | 1 # Systems Registered with SPRB  | 346.00    | 347.00    | 350.00    | 350.00    | 350.00    |
|                                    | 2 Est Value of Investments Owned by Texas Retirement Systems (Billions) | 279.00    | 293.00    | 300.00    | 300.00    | 300.00    |
| <b>Objects of Expense:</b>         |   |           |           |           |           |           |
| 1001                               | SALARIES AND WAGES  | \$335,605 | \$403,771 | \$454,990 | \$431,507 | \$431,506 |
| 1002                               | OTHER PERSONNEL COSTS   | \$13,200  | \$51,882  | \$9,800   | \$9,800   | \$9,800   |
| 2001                               | PROFESSIONAL FEES AND SERVICES  | \$26,000  | \$572     | \$5,288   | \$6,250   | \$6,250   |
| 2003                               | CONSUMABLE SUPPLIES   | \$0       | \$0       | \$1,481   | \$1,750   | \$1,750   |
| 2005                               | TRAVEL  | \$0       | \$0       | \$11,000  | \$13,000  | \$13,000  |
| 2006                               | RENT - BUILDING   | \$0       | \$266     | \$423     | \$500     | \$500     |
| 2007                               | RENT - MACHINE AND OTHER  | \$0       | \$0       | \$6,346   | \$7,500   | \$7,500   |

**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 2019         | Est 2020         | Bud 2021         | BL 2022          | BL 2023          |
|--|-------------------------|------------------|------------------|------------------|------------------|------------------|
| 2009   | OTHER OPERATING EXPENSE | \$4,760          | \$9,326          | \$10,658         | \$12,595         | \$12,595         |
| <b>TOTAL, OBJECT OF EXPENSE</b>                    |                         | <b>\$379,565</b> | <b>\$465,817</b> | <b>\$499,986</b> | <b>\$482,902</b> | <b>\$482,901</b> |
| <b>Method of Financing:</b>                        |                         |                  |                  |                  |                  |                  |
| 1  | General Revenue Fund    | \$379,565        | \$465,817        | \$499,986        | \$482,902        | \$482,901        |
| <b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>       |                         | <b>\$379,565</b> | <b>\$465,817</b> | <b>\$499,986</b> | <b>\$482,902</b> | <b>\$482,901</b> |
| <b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b> |                         |                  |                  |                  | <b>\$482,902</b> | <b>\$482,901</b> |
| <b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b> |                         | <b>\$379,565</b> | <b>\$465,817</b> | <b>\$499,986</b> | <b>\$482,902</b> | <b>\$482,901</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b>             |                         | <b>5.0</b>       | <b>5.0</b>       | <b>6.0</b>       | <b>6.0</b>       | <b>6.0</b>       |

**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 2019 | Est 2020 | Bud 2021 | BL 2022 | BL 2023 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

The 86th Legislature passed Senate Bill (SB) 322 and SB 2224, which added sections 802.109 and 802.2011 to the Texas Government Code. SB 322, among other things, requires systems with at least \$30 million in assets to select an independent firm to evaluate the appropriateness, adequacy, and effectiveness of the system's investment practices and performance and to provide recommendations for improvement. The PRB created an Investment Committee to prepare and submit an investment performance report to the Governor and Legislature, which will summarize and compile the evaluations and provide potential legislative recommendations to improve the law. SB 2224 requires public retirement systems to adopt a written funding policy. Since the bill's passage, the PRB has accomplished the following: worked with systems to develop and issue guidance, which provided a summary of industry best practices, recommended elements, and examples; at the request of the systems, provided a sample funding policy; and encouraged systems to work with sponsors to craft their funding policy and notified sponsors of the requirement.

The agency publishes an Actuarial Valuation(AV) Report (a compilation of pension data reported by retirement systems in their most recent AVs) every quarter. The AV Report uses the PRB's Pension Funding Guidelines as a guide when highlighting reported plan amortization periods.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> |                                      | <u>BIENNIAL</u> | <u>EXPLANATION OF BIENNIAL CHANGE</u> |   |
|--|--------------------------------------|-----------------|---------------------------------------|---|
| Base Spending (Est 2020 + Bud 2021)        | Baseline Request (BL 2022 + BL 2023) | CHANGE          | \$ Amount                             | Explanation(s) of Amount (must specify MOFs and FTEs) |
| \$965,803                                  | \$965,803                            | \$0             | <b>\$0</b>                            | <b>Total of Explanation of Biennial Change</b>        |

**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 2019         | Est 2020         | Bud 2021         | BL 2022          | BL 2023          |
|---------------------------------|--|------------------|------------------|------------------|------------------|------------------|
| <b>Output Measures:</b>         |  |                  |                  |                  |                  |                  |
|                                 | 1 Number of Impact Statements Issued                       | 43.00            | 0.00             | 40.00            | 0.00             | 50.00            |
|                                 | 2 Number of Persons Participating in Training Sessions     | 766.00           | 598.00           | 600.00           | 600.00           | 600.00           |
| KEY                             | 3 Number of Technical Assistance Reports Provided by Staff | 224.00           | 167.00           | 200.00           | 150.00           | 200.00           |
|                                 | 4 Number of Responses to Requests for Technical Assistance | 233.00           | 194.00           | 225.00           | 200.00           | 225.00           |
| KEY                             | 5 Number of Training Applications Reviewed                 | 0.00             | 0.00             | 0.00             | 20.00            | 20.00            |
| <b>Objects of Expense:</b>      |  |                  |                  |                  |                  |                  |
| 1001                            | SALARIES AND WAGES   | \$416,688        | \$479,486        | \$485,093        | \$538,015        | \$538,015        |
| 1002                            | OTHER PERSONNEL COSTS                                      | \$11,860         | \$44,082         | \$9,800          | \$9,800          | \$9,800          |
| 2001                            | PROFESSIONAL FEES AND SERVICES                             | \$64,917         | \$61,718         | \$7,212          | \$6,250          | \$6,250          |
| 2003                            | CONSUMABLE SUPPLIES  | \$1,261          | \$1,073          | \$2,019          | \$1,750          | \$1,750          |
| 2005                            | TRAVEL   | \$9,820          | \$5,208          | \$15,000         | \$13,000         | \$13,000         |
| 2006                            | RENT - BUILDING  | \$1,526          | \$1,082          | \$577            | \$500            | \$500            |
| 2007                            | RENT - MACHINE AND OTHER                                   | \$0              | \$7,000          | \$8,654          | \$7,500          | \$7,500          |
| 2009                            | OTHER OPERATING EXPENSE                                    | \$46,880         | \$36,283         | \$14,533         | \$12,595         | \$12,595         |
| <b>TOTAL, OBJECT OF EXPENSE</b> |  | <b>\$552,952</b> | <b>\$635,932</b> | <b>\$542,888</b> | <b>\$589,410</b> | <b>\$589,410</b> |

**Method of Financing:**



**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 2019         | Est 2020         | Bud 2021         | BL 2022          | BL 2023          |
|--|----------------------|------------------|------------------|------------------|------------------|------------------|
| 1  | General Revenue Fund | \$552,952        | \$635,932        | \$542,888        | \$589,410        | \$589,410        |
| <b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>       |                      | <b>\$552,952</b> | <b>\$635,932</b> | <b>\$542,888</b> | <b>\$589,410</b> | <b>\$589,410</b> |
| <b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b> |                      |                  |                  |                  | <b>\$589,410</b> | <b>\$589,410</b> |
| <b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b> |                      | <b>\$552,952</b> | <b>\$635,932</b> | <b>\$542,888</b> | <b>\$589,410</b> | <b>\$589,410</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b>             |                      | <b>5.6</b>       | <b>6.5</b>       | <b>7.0</b>       | <b>7.0</b>       | <b>7.0</b>       |

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Texas Government Code, Chapter 801, mandates the PRB to provide education, information and technical assistance on pension planning to public retirement systems, including retirement systems that are organized under 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 all pension legislation prior to committee 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.

**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 2019 | Est 2020 | Bud 2021 | BL 2022 | BL 2023 |
|------|-------------|----------|----------|----------|---------|---------|
|------|-------------|----------|----------|----------|---------|---------|

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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 actuarially unsound plans.

The PRB's Minimum Educational Training (MET) Program for public pension 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 2020, there were 19 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. In February 2018, the agency secured federal copyright on its MET courses. 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 the reporting requirements.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

| <u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u> |                                      | <u>BIENNIAL</u> | <u>EXPLANATION OF BIENNIAL CHANGE</u> |   |
|--|--------------------------------------|-----------------|---------------------------------------|---|
| Base Spending (Est 2020 + Bud 2021)        | Baseline Request (BL 2022 + BL 2023) | CHANGE          | \$ Amount                             | Explanation(s) of Amount (must specify MOFs and FTEs) |
| \$1,178,820                                | \$1,178,820                          | \$0             | \$0                                   | <b>Total of Explanation of Biennial Change</b>        |

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**SUMMARY TOTALS:**

|   |                  |                    |                    |                    |                    |
|---|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>OBJECTS OF EXPENSE:</b>                    | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <b>METHODS OF FINANCE (INCLUDING RIDERS):</b> |                  |                    |                    | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <b>METHODS OF FINANCE (EXCLUDING RIDERS):</b> | <b>\$932,517</b> | <b>\$1,101,749</b> | <b>\$1,042,874</b> | <b>\$1,072,312</b> | <b>\$1,072,311</b> |
| <b>FULL TIME EQUIVALENT POSITIONS:</b>        | <b>10.6</b>      | <b>11.5</b>        | <b>13.0</b>        | <b>13.0</b>        | <b>13.0</b>        |

**3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE**  
87th Regular Session, Agency Submission, Version 1

|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|------------------|--------------------------|------------------------------|--|------------------------------------|--------------------------------|----------------|----------------|------------------------|---------------------|------|
| Agency Code: 338 |                          | Agency: Pension Review Board |  |                                    | Prepared By: Westley Allen     |                |                |                        |                     |      |
| Date: 8/31/2020  |                          | Program Priority             | Program Name   | Legal Authority                    | 2020-21 Base With 5% Reduction | Requested 2022 | Requested 2023 | Biennial Total 2022-23 | Biennial Difference |      |
| Strategy         | Strategy Name            |                              |  |                                    |                                |                |                |                        | \$                  | %    |
| A.1.1.           | Actuarial Determinations | A.1.1.                       | Retirement System Reviews Baseline                               | Texas Government Code, Chapter 801 | \$965,803                      | \$482,902      | \$482,901      | \$965,803              | \$0                 | 0.0% |
|                  |                          | A.1.1.                       | E.I. # 1 - Restoration of agency's 5% baseline budget reduction. |                                    |                                | \$28,218       | \$28,219       | \$56,437               | \$56,437            |      |
| A.2.1.           | Assistance and Education | A.2.1.                       | Technical Assistance and Education Baseline                      | Texas Government Code, Chapter 801 | \$1,178,820                    | \$589,410      | \$589,410      | \$1,178,820            | \$0                 | 0.0% |
|                  |                          | A.2.1.                       | E.I. # 1 - Restoration of agency's 5% baseline budget reduction. |                                    |                                | \$28,219       | \$28,219       | \$56,438               | \$56,438            |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |
|                  |                          |                              |  |                                    |                                |                |                |                        |                     |      |

|   |  |  |  |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|--|--|--|
| <b>Program Prioritization:</b> <i>Indicate the methodology or approach taken by the agency, court, or institution to determine the ranking of each program by priority.</i> |  |  |  |  |  |  |  |  |  |  |
| The methodology used by the PRB to determine the priority of each program is by ranking their impact on retirement systems' actuarial soundness.                            |  |  |  |  |  |  |  |  |  |  |

### 3.B. Rider Revisions and Additions Request

|                         |   |                                      |                          |                                   |
|-------------------------|---|--------------------------------------|--------------------------|-----------------------------------|
| <b>Agency Code:</b> 338 | <b>Agency Name:</b><br>Pension Review Board | <b>Prepared By:</b><br>Westley Allen | <b>Date:</b><br>9/3/2020 | <b>Request Level:</b><br>Baseline |
|-------------------------|---|--------------------------------------|--------------------------|-----------------------------------|

| <b>Current Rider Number</b> | <b>Page Number in 2020-21 GAA</b> | <b>Proposed Rider Language</b> |
|-----------------------------|-----------------------------------|--------------------------------|
|-----------------------------|-----------------------------------|--------------------------------|

18.82

IX-105

~~Contingent on enactment of Senate Bill 322, or similar legislation relating to the assessment of retirement systems' investment practice and performance, by the 86<sup>th</sup> Legislature, Regular Session, The Pension Review Board is appropriated \$75,000 and 1.0 FTE in each fiscal year of the 2020-21 biennium from the General Revenue to implement the provisions of the legislation, and related benefits are appropriated elsewhere in this act.~~

**4.A. Exceptional Item Request Schedule**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 9/22/2020  
TIME: 11:25:18AM

Agency code: 338

Agency name:

**Pension Review Board**

| CODE | DESCRIPTION   | Excp 2022 | Excp 2023 |
|------|---|-----------|-----------|
|      | <b>Item Name:</b> Restoration of the Agency's 5% Baseline Budget Reduction. |           |           |
|      | <b>Item Priority:</b> 1   |           |           |
|      | <b>IT Component:</b> No   |           |           |
|      | <b>Anticipated Out-year Costs:</b> Yes                                      |           |           |
|      | <b>Involve Contracts &gt; \$50,000:</b> No                                  |           |           |
|      | <b>Includes Funding for the Following Strategy or Strategies:</b>           |           |           |
|      | 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 | 56,437          | 56,438          |
| <b>TOTAL, OBJECT OF EXPENSE</b> |                    | <b>\$56,437</b> | <b>\$56,438</b> |

**METHOD OF FINANCING:**

|                                   |                      |                 |                 |
|-----------------------------------|----------------------|-----------------|-----------------|
| 1                                 | General Revenue Fund | 56,437          | 56,438          |
| <b>TOTAL, METHOD OF FINANCING</b> |                      | <b>\$56,437</b> | <b>\$56,438</b> |

**DESCRIPTION / JUSTIFICATION:**

Given that 91% of the agency's budget is dedicated to salaries and wages, if the 5% reduction to the PRB's 2022-2023 baseline budget is instituted, the agency will not have sufficient funds to fill the 13th FTE position. The PRB already operates a heavy workload with very few staff, and with an additional vacancy, workload is spread across remaining staff. This impacts staff's ability to produce quality work and increases staff burnout. In the past, this increased workload on an already small staff has led to excessive agency turnover. Staff reduction impacts the efficiency and quality of its reviews and impairs the PRB's ability to maintain quality service to its stakeholders.

**EXTERNAL/INTERNAL FACTORS:**

The agency's 2022-2023 baseline budget was reduced by 5% from the previous biennium.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 9/22/2020  
TIME: 11:25:18AM

Agency code: 338

Agency name:

**Pension Review Board**

**CODE DESCRIPTION**

**Excp 2022**

**Excp 2023**

**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

There is an anticipated out-year cost for this item because it will be a permanent restoration to the agency's baseline budget.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

| 2024      | 2025      | 2026      |
|-----------|-----------|-----------|
| \$112,875 | \$112,875 | \$112,875 |

|                            |   |   |                      |           |           |
|----------------------------|---|---|----------------------|-----------|-----------|
| Agency code:               | 338   | Agency name:  | Pension Review Board |           |           |
| Code                       | Description   |   |                      | Excp 2022 | Excp 2023 |
| Item Name:                 | Restoration of the Agency's 5% Baseline Budget Reduction. |   |                      |           |           |
| Allocation to Strategy:    | 1-1-1   | Conduct Reviews of Texas Public Retirement Systems. |                      |           |           |
| OBJECTS OF EXPENSE:        |   |   |                      |           |           |
| 1001                       | SALARIES AND WAGES  |   |                      | 28,218    | 28,219    |
| TOTAL, OBJECT OF EXPENSE   |   |   |                      | \$28,218  | \$28,219  |
| METHOD OF FINANCING:       |   |   |                      |           |           |
| 1                          | General Revenue Fund                                      |   |                      | 28,218    | 28,219    |
| TOTAL, METHOD OF FINANCING |   |   |                      | \$28,218  | \$28,219  |



|                            |   |  |                      |
|----------------------------|---|--|----------------------|
| Agency code:               | 338   | Agency name:   | Pension Review Board |
| Code                       | Description   | Excp 2022  | Excp 2023            |
| Item Name:                 | Restoration of the Agency's 5% Baseline Budget Reduction. |  |                      |
| Allocation to Strategy:    | 1-2-1   | Provide Technical Assistance; Issue Impact Statements; Educate |                      |
| OBJECTS OF EXPENSE:        |   |  |                      |
| 1001                       | SALARIES AND WAGES  | 28,219   | 28,219               |
| TOTAL, OBJECT OF EXPENSE   |   | \$28,219   | \$28,219             |
| METHOD OF FINANCING:       |   |  |                      |
| 1                          | General Revenue Fund                                      | 28,219   | 28,219               |
| TOTAL, METHOD OF FINANCING |   | \$28,219   | \$28,219             |

**4.C. Exceptional Items Strategy Request**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**DATE:** 9/22/2020  
**TIME:** 11:25:19AM

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 2022 | Excp 2023 |
|------------------|-----------|-----------|
|------------------|-----------|-----------|

**OBJECTS OF EXPENSE:**

|                                  |                 |                 |
|----------------------------------|-----------------|-----------------|
| 1001 SALARIES AND WAGES          | 28,218          | 28,219          |
| <b>Total, Objects of Expense</b> | <b>\$28,218</b> | <b>\$28,219</b> |

**METHOD OF FINANCING:**

|                                 |                 |                 |
|---------------------------------|-----------------|-----------------|
| 1 General Revenue Fund          | 28,218          | 28,219          |
| <b>Total, Method of Finance</b> | <b>\$28,218</b> | <b>\$28,219</b> |

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Restoration of the Agency's 5% Baseline Budget Reduction.

**4.C. Exceptional Items Strategy Request**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**DATE:** 9/22/2020  
**TIME:** 11:25:19AM

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 2022 | Excp 2023 |
|------|-------------|-----------|-----------|
|------|-------------|-----------|-----------|

**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES

28,219

28,219

**Total, Objects of Expense**

**\$28,219**

**\$28,219**

**METHOD OF FINANCING:**

1 General Revenue Fund

28,219

28,219

**Total, Method of Finance**

**\$28,219**

**\$28,219**

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Restoration of the Agency's 5% Baseline Budget Reduction.

6.A. Historically Underutilized Business Supporting Schedule  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 9/22/2020  
Time: 11:25:19AM

Agency Code: 338 Agency: Pension Review Board

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

| Statewide<br>HUB Goals | Procurement<br>Category | % Goal | HUB Expenditures FY 2018 |       |           | Total<br>Expenditures |        | HUB Expenditures FY 2019 |       |           | Total<br>Expenditures |  |
|------------------------|-------------------------|--------|--------------------------|-------|-----------|-----------------------|--------|--------------------------|-------|-----------|-----------------------|--|
|                        |                         |        | % Actual                 | Diff  | Actual \$ | FY 2018               | % Goal | % Actual                 | Diff  | Actual \$ | FY 2019               |  |
| 26.0%                  | Other Services          | 26.0 % | 79.5%                    | 53.5% | \$80,148  | \$100,776             | 26.0 % | 89.2%                    | 63.2% | \$99,009  | \$110,968             |  |
| 21.1%                  | Commodities             | 21.1 % | 100.0%                   | 78.9% | \$16,044  | \$16,044              | 21.1 % | 69.3%                    | 48.2% | \$10,348  | \$14,923              |  |
|                        | Total Expenditures      |        | 82.3%                    |       | \$96,192  | \$116,820             |        | 86.9%                    |       | \$109,357 | \$125,891             |  |

B. Assessment of Fiscal Year - Efforts to Meet HUB Procurement Goals

Attainment:

The agency exceeded on all applicable agency HUB procurement goals in FY 2018 and in FY 2019.

Applicability:

The "Heavy Construction," "Building Construction," "Special Trade," and "Professional Services" categories are not applicable to agency operations in either fiscal year 2018 or fiscal year 2019.

Factors Affecting Attainment:

The PRB has limited purchasing power to obtain services or commodities since 91% of the agency's budget is dedicated to staff salaries.

"Good-Faith" Efforts:

The Agency makes a good faith effort to utilize HUBs in the procurement process of all goods and services whenever applicable for any dollar amount. PRB will always strive to achieve and exceed the HUB Statewide goals whenever possible.

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

87th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: 9/22/2020

TIME: 11:25:20AM

Agency code: 338

Agency name: Pension Review Board

|   |                      | Exp 2019   | Bud 2020 | Est 2021 | Est 2022 | Est 2023 |
|---|----------------------|--|----------|----------|----------|----------|
| <b>Expanded or New Initiative:</b>  |                      | 1.Assessment of Retirement Systems' Investment Practices and Performance |          |          |          |          |
| <b>Legal Authority for Item:</b>  |                      |  |          |          |          |          |
| Government Code, Chapter 802, Section 802.109   |                      |  |          |          |          |          |
| <b>Description/Key Assumptions (including start up/implementation costs and ongoing costs):</b>   |                      |  |          |          |          |          |
| Enactment of senate bill 322 of the 86th Legislature appropriates the PRB with \$75,000 and 1.0 FTE to implement the on-going assessment of retirement systems' investment practices and performance. |                      |  |          |          |          |          |
| <b>State Budget by Program:</b>   |                      | Retirement System Reviews  |          |          |          |          |
| <b>IT Component:</b>  |                      | No   |          |          |          |          |
| <b>Involve Contracts &gt; \$50,000:</b>   |                      | No   |          |          |          |          |
| <b>Objects of Expense</b>   |                      |  |          |          |          |          |
| Strategy: 1-1-1 RETIREMENT SYSTEM REVIEWS   |                      |  |          |          |          |          |
| 1001  | SALARIES AND WAGES   | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| SUBTOTAL, Strategy 1-1-1  |                      | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| TOTAL, Objects of Expense   |                      | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| <b>Method of Financing</b>  |                      |  |          |          |          |          |
| GENERAL REVENUE FUNDS   |                      |  |          |          |          |          |
| Strategy: 1-1-1 RETIREMENT SYSTEM REVIEWS   |                      |  |          |          |          |          |
| 1   | General Revenue Fund | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| SUBTOTAL, Strategy 1-1-1  |                      | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| SUBTOTAL, GENERAL REVENUE FUNDS   |                      | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| TOTAL, Method of Financing  |                      | \$0  | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| <b>FULL-TIME-EQUIVALENT POSITIONS (FTE)</b>   |                      |  |          |          |          |          |
| Strategy: 1-1-1 RETIREMENT SYSTEM REVIEWS   |                      | 0.0  | 1.0      | 1.0      | 1.0      | 1.0      |
| TOTAL FTES  |                      | 0.0  | 1.0      | 1.0      | 1.0      | 1.0      |

**6.K. Part B Summary of Costs Related to Recently Enacted State Legislation Schedule**  
87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 9/22/2020  
TIME: 11:25:20AM

Agency code: 338

Agency name: Pension Review Board

| ITEM   | EXPANDED OR NEW INITIATIVE   | Exp 2019 | Bud 2020 | Est 2021 | Est 2022 | Est 2023 |
|--|--|----------|----------|----------|----------|----------|
| 1  | Assessment of Retirement Systems' Investment Practices and Performance | \$0      | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Total, Cost Related to Expanded or New Initiatives |  | \$0      | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| METHOD OF FINANCING                                |  |          |          |          |          |          |
|  | GENERAL REVENUE FUNDS  | \$0      | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Total, Method of Financing                         |  | \$0      | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| FULL-TIME-EQUIVALENTS (FTES):                      |  | 0.0      | 1.0      | 1.0      | 1.0      | 1.0      |

## 6.L. Document Production Standards

### Summary of Savings Due to Improved Document Production Standards

|                     |                      |                     |
|---------------------|----------------------|---------------------|
| <b>Agency Code:</b> | <b>Agency Name:</b>  | <b>Prepared By:</b> |
| 338                 | Pension Review Board | Westley Allen       |

| <b>Documented Production Standards Strategies</b>    | <b>Estimated<br/>2020</b> | <b>Budgeted<br/>2021</b> |
|--|---------------------------|--------------------------|
| 1. Duplex printing                                   | \$75                      | \$75                     |
| 2. Electronic documents in lieu of printed hard copy | \$300                     | \$300                    |
| 3.   | \$0                       | \$0                      |
| 4.   | \$0                       | \$0                      |
| <b>Total, All Strategies</b>                         | <b>\$375</b>              | <b>\$375</b>             |
| <b>Total Estimated Paper Volume Reduced</b>          | <b>5%</b>                 | <b>5%</b>                |

#### **Description:**

The PRB has successfully realized savings by implementing the above document production strategies. The PRB strives to limit paper use whenever possible.

**7.A. Indirect Administrative and Support Costs**

9/22/2020 11:25:20AM

87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

| <b>338 Pension Review Board</b>       |  |                 |                 |                 |                 |                 |
|---------------------------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Strategy</b>                       |  | <b>Exp 2019</b> | <b>Est 2020</b> | <b>Bud 2021</b> | <b>BL 2022</b>  | <b>BL 2023</b>  |
| <b>1-1-1</b>                          | <b>Conduct Reviews of Texas Public Retirement Systems.</b> |                 |                 |                 |                 |                 |
| <b>OBJECTS OF EXPENSE:</b>            |  |                 |                 |                 |                 |                 |
| 1001                                  | SALARIES AND WAGES   | \$47,491        | \$ 55,060       | \$ 52,499       | \$ 49,790       | \$ 49,789       |
| 1002                                  | OTHER PERSONNEL COSTS                                      | 1,868           | 7,075           | 1,131           | 1,131           | 1,131           |
| 2001                                  | PROFESSIONAL FEES AND SERVICES                             | 3,679           | 78              | 610             | 721             | 721             |
| 2003                                  | CONSUMABLE SUPPLIES  | 0               | 0               | 171             | 202             | 202             |
| 2005                                  | TRAVEL   | 0               | 0               | 1,269           | 1,500           | 1,500           |
| 2006                                  | RENT - BUILDING  | 0               | 36              | 49              | 58              | 58              |
| 2007                                  | RENT - MACHINE AND OTHER                                   | 0               | 0               | 732             | 865             | 865             |
| 2009                                  | OTHER OPERATING EXPENSE                                    | 674             | 1,271           | 1,230           | 1,453           | 1,453           |
| <b>Total, Objects of Expense</b>      |  | <b>\$53,712</b> | <b>\$63,520</b> | <b>\$57,691</b> | <b>\$55,720</b> | <b>\$55,719</b> |
| <b>METHOD OF FINANCING:</b>           |  |                 |                 |                 |                 |                 |
| 1                                     | General Revenue Fund                                       | 53,712          | 63,520          | 57,691          | 55,720          | 55,719          |
| <b>Total, Method of Financing</b>     |  | <b>\$53,712</b> | <b>\$63,520</b> | <b>\$57,691</b> | <b>\$55,720</b> | <b>\$55,719</b> |
| <b>FULL TIME EQUIVALENT POSITIONS</b> |  | <b>0.7</b>      | <b>0.7</b>      | <b>0.7</b>      | <b>0.7</b>      | <b>0.7</b>      |
| <b>Method of Allocation</b>           |  |                 |                 |                 |                 |                 |

Method of allocation is based on a percentage across the agency's budget.



**7.A. Indirect Administrative and Support Costs**

9/22/2020 11:25:20AM

87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

| 338 Pension Review Board       |  |          |           |           |           |           |
|--------------------------------|--|----------|-----------|-----------|-----------|-----------|
| Strategy                       |  | Exp 2019 | Est 2020  | Bud 2021  | BL 2022   | BL 2023   |
| 1-2-1                          | Provide Technical Assistance; Issue Impact Statements; Educate |          |           |           |           |           |
| OBJECTS OF EXPENSE:            |  |          |           |           |           |           |
| 1001                           | SALARIES AND WAGES   | \$58,965 | \$ 65,384 | \$ 55,972 | \$ 62,079 | \$ 62,079 |
| 1002                           | OTHER PERSONNEL COSTS  | 1,678    | 6,011     | 1,131     | 1,131     | 1,131     |
| 2001                           | PROFESSIONAL FEES AND SERVICES                                 | 9,186    | 8,416     | 832       | 721       | 721       |
| 2003                           | CONSUMABLE SUPPLIES  | 179      | 146       | 233       | 202       | 202       |
| 2005                           | TRAVEL   | 1,390    | 710       | 1,731     | 1,500     | 1,500     |
| 2006                           | RENT - BUILDING  | 216      | 148       | 67        | 58        | 58        |
| 2007                           | RENT - MACHINE AND OTHER                                       | 0        | 955       | 999       | 865       | 865       |
| 2009                           | OTHER OPERATING EXPENSE  | 6,634    | 4,948     | 1,676     | 1,453     | 1,453     |
| Total, Objects of Expense      |  | \$78,248 | \$86,718  | \$62,641  | \$68,009  | \$68,009  |
| METHOD OF FINANCING:           |  |          |           |           |           |           |
| 1                              | General Revenue Fund   | 78,248   | 86,718    | 62,641    | 68,009    | 68,009    |
| Total, Method of Financing     |  | \$78,248 | \$86,718  | \$62,641  | \$68,009  | \$68,009  |
| FULL TIME EQUIVALENT POSITIONS |  | 0.8      | 0.8       | 0.8       | 0.8       | 0.8       |
| Method of Allocation           |  |          |           |           |           |           |

Method of allocation is based on a percentage across the agency's budget.

**7.A. Indirect Administrative and Support Costs**

9/22/2020 11:25:20AM

87th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

| <b>338 Pension Review Board</b>             |                                |                  |                  |                  |                  |                  |
|---|--------------------------------|------------------|------------------|------------------|------------------|------------------|
|   |                                | <b>Exp 2019</b>  | <b>Est 2020</b>  | <b>Bud 2021</b>  | <b>BL 2022</b>   | <b>BL 2023</b>   |
| <b>GRAND TOTALS</b>                         |                                |                  |                  |                  |                  |                  |
| <b>Objects of Expense</b>                   |                                |                  |                  |                  |                  |                  |
| 1001  | SALARIES AND WAGES             | \$106,456        | \$120,444        | \$108,471        | \$111,869        | \$111,868        |
| 1002  | OTHER PERSONNEL COSTS          | \$3,546          | \$13,086         | \$2,262          | \$2,262          | \$2,262          |
| 2001  | PROFESSIONAL FEES AND SERVICES | \$12,865         | \$8,494          | \$1,442          | \$1,442          | \$1,442          |
| 2003  | CONSUMABLE SUPPLIES            | \$179            | \$146            | \$404            | \$404            | \$404            |
| 2005  | TRAVEL                         | \$1,390          | \$710            | \$3,000          | \$3,000          | \$3,000          |
| 2006  | RENT - BUILDING                | \$216            | \$184            | \$116            | \$116            | \$116            |
| 2007  | RENT - MACHINE AND OTHER       | \$0              | \$955            | \$1,731          | \$1,730          | \$1,730          |
| 2009  | OTHER OPERATING EXPENSE        | \$7,308          | \$6,219          | \$2,906          | \$2,906          | \$2,906          |
| <b>Total, Objects of Expense</b>            |                                | <b>\$131,960</b> | <b>\$150,238</b> | <b>\$120,332</b> | <b>\$123,729</b> | <b>\$123,728</b> |
| <b>Method of Financing</b>                  |                                |                  |                  |                  |                  |                  |
| 1   | General Revenue Fund           | \$131,960        | \$150,238        | \$120,332        | \$123,729        | \$123,728        |
| <b>Total, Method of Financing</b>           |                                | <b>\$131,960</b> | <b>\$150,238</b> | <b>\$120,332</b> | <b>\$123,729</b> | <b>\$123,728</b> |
| <b>Full-Time-Equivalent Positions (FTE)</b> |                                | <b>1.5</b>       | <b>1.5</b>       | <b>1.5</b>       | <b>1.5</b>       | <b>1.5</b>       |

Agency code: **338**

Agency name: **Pension Review Board**

| Strategy   | Exp 2019         | Est 2020         | Bud 2021         | BL 2022          | BL 2023          |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>1-1-1 Conduct Reviews of Texas Public Retirement Systems.</b> |                  |                  |                  |                  |                  |
| <b>OBJECTS OF EXPENSE:</b>                                       |                  |                  |                  |                  |                  |
| 1001 SALARIES AND WAGES  | \$288,113        | \$348,711        | \$402,491        | \$381,718        | \$381,717        |
| 1002 OTHER PERSONNEL COSTS                                       | 11,332           | 44,807           | 8,669            | 8,669            | 8,669            |
| 2001 PROFESSIONAL FEES AND SERVICES                              | 22,321           | 494              | 4,678            | 5,529            | 5,529            |
| 2003 CONSUMABLE SUPPLIES   | 0                | 0                | 1,310            | 1,548            | 1,548            |
| 2005 TRAVEL  | 0                | 0                | 9,731            | 11,500           | 11,500           |
| 2006 RENT - BUILDING   | 0                | 230              | 374              | 442              | 442              |
| 2007 RENT - MACHINE AND OTHER                                    | 0                | 0                | 5,614            | 6,635            | 6,635            |
| 2009 OTHER OPERATING EXPENSE                                     | 4,087            | 8,054            | 9,428            | 11,142           | 11,142           |
| <b>Total, Objects of Expense</b>                                 | <b>\$325,853</b> | <b>\$402,296</b> | <b>\$442,295</b> | <b>\$427,183</b> | <b>\$427,182</b> |
| <b>METHOD OF FINANCING:</b>                                      |                  |                  |                  |                  |                  |
| 1 General Revenue Fund   | 325,853          | 402,296          | 442,295          | 427,183          | 427,182          |
| <b>Total, Method of Financing</b>                                | <b>\$325,853</b> | <b>\$402,296</b> | <b>\$442,295</b> | <b>\$427,183</b> | <b>\$427,182</b> |
| <b>FULL-TIME-EQUIVALENT POSITIONS (FTE):</b>                     | <b>4.0</b>       | <b>4.0</b>       | <b>5.5</b>       | <b>5.5</b>       | <b>5.5</b>       |

**DESCRIPTION**

Method of allocation is based on a percentage across the agency's budget.

Agency code: **338**

Agency name: **Pension Review Board**

| Strategy                              |                                | Exp 2019   | Est 2020  | Bud 2021  | BL 2022   | BL 2023   |
|---------------------------------------|--------------------------------|--|-----------|-----------|-----------|-----------|
| 1-2-1                                 |                                | Provide Technical Assistance; Issue Impact Statements; Educate |           |           |           |           |
| OBJECTS OF EXPENSE:                   |                                |  |           |           |           |           |
| 1001                                  | SALARIES AND WAGES             | \$357,723  | \$414,101 | \$429,121 | \$475,936 | \$475,936 |
| 1002                                  | OTHER PERSONNEL COSTS          | 10,182   | 38,072    | 8,670     | 8,670     | 8,670     |
| 2001                                  | PROFESSIONAL FEES AND SERVICES | 55,731   | 53,302    | 6,380     | 5,529     | 5,529     |
| 2003                                  | CONSUMABLE SUPPLIES            | 1,083  | 927       | 1,786     | 1,548     | 1,548     |
| 2005                                  | TRAVEL                         | 8,430  | 4,498     | 13,269    | 11,500    | 11,500    |
| 2006                                  | RENT - BUILDING                | 1,310  | 934       | 510       | 442       | 442       |
| 2007                                  | RENT - MACHINE AND OTHER       | 0  | 6,045     | 7,655     | 6,635     | 6,635     |
| 2009                                  | OTHER OPERATING EXPENSE        | 40,245   | 31,335    | 12,856    | 11,142    | 11,142    |
| Total, Objects of Expense             |                                | \$474,704  | \$549,214 | \$480,247 | \$521,402 | \$521,402 |
| METHOD OF FINANCING:                  |                                |  |           |           |           |           |
| 1                                     | General Revenue Fund           | 474,704  | 549,214   | 480,247   | 521,402   | 521,402   |
| Total, Method of Financing            |                                | \$474,704  | \$549,214 | \$480,247 | \$521,402 | \$521,402 |
| FULL-TIME-EQUIVALENT POSITIONS (FTE): |                                | 5.1  | 6.0       | 6.0       | 6.0       | 6.0       |

**DESCRIPTION**

Method of allocation is based on a percentage across the agency's budget.

Agency code: **338**

Agency name: **Pension Review Board**

|   | <b>Exp 2019</b>  | <b>Est 2020</b>  | <b>Bud 2021</b>  | <b>BL 2022</b>   | <b>BL 2023</b>   |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>GRAND TOTALS</b>                         |                  |                  |                  |                  |                  |
| <b>Objects of Expense</b>                   |                  |                  |                  |                  |                  |
| 1001 SALARIES AND WAGES                     | \$645,836        | \$762,812        | \$831,612        | \$857,654        | \$857,653        |
| 1002 OTHER PERSONNEL COSTS                  | \$21,514         | \$82,879         | \$17,339         | \$17,339         | \$17,339         |
| 2001 PROFESSIONAL FEES AND SERVICES         | \$78,052         | \$53,796         | \$11,058         | \$11,058         | \$11,058         |
| 2003 CONSUMABLE SUPPLIES                    | \$1,083          | \$927            | \$3,096          | \$3,096          | \$3,096          |
| 2005 TRAVEL                                 | \$8,430          | \$4,498          | \$23,000         | \$23,000         | \$23,000         |
| 2006 RENT - BUILDING                        | \$1,310          | \$1,164          | \$884            | \$884            | \$884            |
| 2007 RENT - MACHINE AND OTHER               | \$0              | \$6,045          | \$13,269         | \$13,270         | \$13,270         |
| 2009 OTHER OPERATING EXPENSE                | \$44,332         | \$39,389         | \$22,284         | \$22,284         | \$22,284         |
| <b>Total, Objects of Expense</b>            | <b>\$800,557</b> | <b>\$951,510</b> | <b>\$922,542</b> | <b>\$948,585</b> | <b>\$948,584</b> |
| <b>Method of Financing</b>                  |                  |                  |                  |                  |                  |
| 1 General Revenue Fund                      | \$800,557        | \$951,510        | \$922,542        | \$948,585        | \$948,584        |
| <b>Total, Method of Financing</b>           | <b>\$800,557</b> | <b>\$951,510</b> | <b>\$922,542</b> | <b>\$948,585</b> | <b>\$948,584</b> |
| <b>Full-Time-Equivalent Positions (FTE)</b> | <b>9.1</b>       | <b>10.0</b>      | <b>11.5</b>      | <b>11.5</b>      | <b>11.5</b>      |