

ANNUAL FINANCIAL REPORT
LEGISLATIVE BUDGET BOARD

FISCAL YEAR ENDED AUGUST 31, 2017

Ursula Parks
Director

September 26, 2017

Honorable Greg Abbott
Governor of Texas

Honorable Glenn Hegar
Comptroller of Public Accounts

Lisa Collier, CPA
First Assistant State Auditor

We are pleased to submit the Annual Financial Report of the Legislative Budget Board for the year ended August 31, 2017, in compliance with TEX. GOVT. CODE ANN §2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to statewide requirements embedded in Governmental Accounting Standards Boards Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Paul Priest, Assistant Director, at 463-1906.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ursula Parks', with a large, sweeping flourish at the end.

Ursula Parks
Director

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(AGY)104 (ORG) (PRG) (NAC) (APP) (FND) (COB) (AOB) (GLA)
 (AGL) (GRT) (PRJ) (SS1) (SS2)

LEGISLATIVE BUDGET BOARD (104)
 STATEMENT OF NET POSITION - BALANCE SHEET FORMAT (GWFS)
 REPORT PERIOD= ADJUSTMENT FY= 17

PERCENT OF YEAR ELAPSED: 100%
 ***** PRODUCTION SYSTEM PAGE 1

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 01 GENERAL
 GAAP FUND 0001 GENERAL REVENUE (0001)-GENERAL

GL	GL	B/C	COMP	TITLE	AGY	CURRENT	PRIOR
CT	CLS	IND	GL		GL	YEAR	YEAR
	GL	CLS		001 CA CASH ON HAND		00	00
	GL	CLS		004 CA CASH IN STATE TREASURY		00	00
	GL	CLS		020 CA LEGISLATIVE APPROPRIATIONS		6,435,408.78	8,809,507.74
	GL	CLS		052 CA ACCOUNTS RECEIVABLES, NET		00	00
	GL	CLS		065 CA INTERFUND RECEIVABLE		00	00
	GL	CLS		070 CA DUE FROM OTHER FUNDS		00	00
	GL	CLS		072 CA DUE FROM OTHER AGENCIES		00	00
	GL	CLS		080 CA CONSUMABLE INVENTORIES		4,045.25	3,822.21
*	GLA	CAT		01 CURRENT ASSETS		6,439,454.03	8,813,329.95
	GL	CLS		151 FURNITURE AND EQUIPMENT, NET		00	00
*	GLA	CAT		06 NON-CURRENT ASSETS		00	00
**	TOTAL	ASSETS		AND OTHER DEBITS		6,439,454.03	8,813,329.95
	GL	CLS		200 CL ACCOUNTS PAYABLE		415,668.25-	271,090.91-
	GL	CLS		201 CL FEDERAL PAYABLES		01-	01-
	GL	CLS		203 CL PAYROLL PAYABLE		1,733,247.18-	1,569,020.04-
	GL	CLS		204 OTHER CURRENT LIABILITIES		00	00
	GL	CLS		205 CL INTERFUND PAYABLE		00	00
	GL	CLS		211 CL DUE TO OTHER AGENCIES		00	00
	GL	CLS		230 CL EMPLOYEE'S COMPENSABLE LEAVE		00	00

LEGISLATIVE BUDGET BOARD (104)
 STATEMENT OF NET POSITION - BALANCE SHEET FORMAT (GWFS)
 REPORT PERIOD= ADJUSTMENT FY= 17

PROD SYSTEM
 PAGE 2

PERCENT OF YEAR ELAPSED: 100%

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 01 GENERAL
 GAAP FUND 0001 GENERAL REVENUE (0001)-GENERAL

GL CT	GL CLS	B/C IND	COMP GL	TITLE	AGY GL	CURRENT YEAR	PRIOR YEAR
	GL CLS			300 CL FUNDS HELD FOR OTHERS		00	00
*	GLA CAT			21 CURRENT LIABILITIES		2,148,915.44-	1,840,110.96-
**	TOTAL LIABILITIES AND OTHER CREDITS					2,148,915.44-	1,840,110.96-
	GL CLS			362 FD BAL RESERVED FOR INVENTORIES		00	00
	GL CLS			510 FD BAL-NONSPENDABLE		4,045.25-	3,822.21-
	GL CLS			550 FD BAL-UNASSIGNED		4,286,493.34-	6,969,396.78-
	GL CLS			620 FUND BALANCE - UNRESERVED/UNDESIGNATED		00	00
	GL CLS			630 OBSOLETE FB ACCTS UNDER GASB 34		00	00
	GL CLS			950 SYSTEM ACCOUNTS		00	00
*	GLA CAT			51 FUND BALANCE (DEFICITS)		4,290,538.59-	6,973,218.99-
**	TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES					4,290,538.59-	6,973,218.99-
**	TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION					6,439,454.03-	8,813,329.95-
*	GAAP FUND			0001 GENERAL REVENUE (0001)-GENERAL		00	00
*	GAAP FUND TYPE			01 GENERAL		00	00

(AGY)104 (ORG) (PRG) (NAC) (APP) (FND) (COB) (AOB) (GLA)
 (AGL) (GRT) (PRJ) (SS1) (SS2)

LEGISLATIVE BUDGET BOARD (104)
 STATEMENT OF NET POSITION - BALANCE SHEET FORMAT (GWFS)
 REPORT PERIOD= ADJUSTMENT FY= 17

PERCENT OF YEAR ELAPSED: 100%
 ***** PRODUCTION SYSTEM *****
 ***** PAGE 3 *****

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 11 CAPITAL ASSET BASIS CONVERSION ADJUSTMTS
 GAAP FUND 9998 GEN FIXED ASSETS ACCT GROUP

GL CT	GLS IND	B/C COMP	TITLE	AGY GL	CURRENT YEAR	PRIOR YEAR
GL CLS	151		FURNITURE AND EQUIPMENT, NET		.00	.00
GL CLS	158		OTHER CAPITAL ASSETS, NET		.00	.00
* GLA CAT	06		NON-CURRENT ASSETS		.00	.00
**			TOTAL ASSETS AND OTHER DEBITS		.00	.00
GL CLS	410		INVESTED IN CAP ASSETS, NET RELATED DEBT		.00	.00
GL CLS	430		UNRESTRICTED NET POSITION		.00	.00
* GLA CAT	45		NET POSITION		.00	.00
GL CLS	620		FUND BALANCE - UNRESERVED/UNDESIGNATED		.00	.00
GL CLS	630		OBSOLETE FB ACCTS UNDER GASB 34		.00	.00
* GLA CAT	51		FUND BALANCE (DEFICITS)		.00	.00
**			TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES		.00	.00
**			TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION		.00	.00
* GAAP FUND	9998		GEN FIXED ASSETS ACCT GROUP		.00	.00
* GAAP FUND TYPE	11		CAPITAL ASSET BASIS CONVERSION ADJUSTMTS		.00	.00

{AGY}104 (ORG) (PRG) (NAC) (APP) (FND) (COB) (AOB) (GLA)
 (AGL) (GRT) (PRJ) (SS1) (SS2)

LEGISLATIVE BUDGET BOARD (104)
 STATEMENT OF NET POSITION - BALANCE SHEET FORMAT (GWFS)
 REPORT PERIOD= ADJUSTMENT FY= 17

PERCENT OF YEAR ELAPSED: 100%

 GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 12 LONG-TERM LIAB BASIS CONVERSION ADJUSTMT
 GAAP FUND 9997 LONG-TERM LIABILITIES BASIS CONVERSION

 PROD SYSTEM PAGE 4

GL	GL	B/C	COMP	TITLE	AGY	GL	CURRENT	PRIOR
CT	CLS	IND	GL		GL		YEAR	YEAR
	GL	CLS	190	RETIREMNT OF OTHR GENERAL LONG-TERM DEBT			00	00
*	GLA	CAT	11	OTHER DEBITS			00	00
**	TOTAL ASSETS AND OTHER DEBITS						00	00
	GL	CLS	230	CL EMPLOYEE'S COMPENSABLE LEAVE			2,497,428.30-	1,894,801.00-
*	GLA	CAT	21	CURRENT LIABILITIES			2,497,428.30-	1,894,801.00-
	GL	CLS	301	NC EMPLOYEE'S COMPENSABLE LEAVE			05	05
*	GLA	CAT	26	NON-CURRENT LIABILITIES			05	05
**	TOTAL LIABILITIES AND OTHER CREDITS						2,497,428.25-	1,894,800.95-
	GL	CLS	430	UNRESTRICTED NET POSITION			2,497,428.25	1,894,800.95
*	GLA	CAT	45	NET POSITION			2,497,428.25	1,894,800.95
	GL	CLS	620	FUND BALANCE - UNRESERVED/UNDESIGNATED			00	00
*	GLA	CAT	51	FUND BALANCE (DEFICITS)			00	00
**	TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES						2,497,428.25	1,894,800.95
**	TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION						00	00
*	GAAP	FUND	9997	LONG-TERM LIABILITIES BASIS CONVERSION			00	00
*	GAAP	FUND	TYPE	12 LONG-TERM LIAB BASIS CONVERSION ADJUSTMT			00	00
	GAAP	FUND	GROUP	01 GOVERNMENTAL			00	00
*	AGENCY		104				00	00

(AGY)104 (ORG) (PRG) (NAC) (APP) (FND) (COB) (AOB) (GLA)
 (AGL) (GRT) (PRJ) (SS1) (SS2)

LEGISLATIVE BUDGET BOARD (104)
 OPERATING STATEMENT - GOVERNMENTAL FUNDS
 REPORT PERIOD= ADJUSTMENT FY= 17

PERCENT OF YEAR ELAPSED: 100%

PROD SYSTEM
 PAGE 1

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 01 GENERAL

GAAP
 CATEGORY FUNC CLASS ACCT SRC/OBJ OBJ TITLE CURRENT YEAR

GAAP SRC/OBJ				0005		ORIGINAL APPROPRIATIONS	11,521,712.00
GAAP SRC/OBJ				0006		ADDITIONAL APPROPRIATIONS	3,867,358.18
GAAP SRC/OBJ				0007		UNEXPENDED BALANCE FORWARD	0.00
GAAP SRC/OBJ				0065		SALES OF GOODS AND SERVICES	90.00
GAAP SRC/OBJ				0080		OTHER	90.00--
* GAAP CATEGORY	01					REVENUES	15,389,070.18
TOTAL REVENUES							15,389,070.18
GAAP SRC/OBJ				0200		SALARIES AND WAGES	14,307,363.55
GAAP SRC/OBJ				0210		PAYROLL RELATED COSTS	3,781,816.06
GAAP SRC/OBJ				0220		PROFESSIONAL FEES AND SERVICES	470,687.41
GAAP SRC/OBJ				0230		TRAVEL	24,004.86
GAAP SRC/OBJ				0240		MATERIALS AND SUPPLIES	78,513.88
GAAP SRC/OBJ				0250		COMMUNICATION AND UTILITIES	148,624.39
GAAP SRC/OBJ				0270		RENTALS AND LEASES	76,843.73
GAAP SRC/OBJ				0280		PRINTING AND REPRODUCTION	62,443.89
GAAP SRC/OBJ				0340		OTHER EXPENDITURES	1,155,642.81
* GAAP CATEGORY	04					EXPENDITURES	20,105,940.58

LEGISLATIVE BUDGET BOARD (104)
 OPERATING STATEMENT - GOVERNMENTAL FUNDS
 REPORT PERIOD= ADJUSTMENT FY= 17

PROD SYSTEM
 PAGE 2

PERCENT OF YEAR ELAPSED: 100%

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 01 GENERAL

 GAAP
 GAAP GAAP GL ACCT GL GAAP COMPT
 CATEGORY FUNC CLASS ACCT SRC/OBJ OBJ TITLE CURRENT
 YEAR

TOTAL EXPENDITURES						20,105,940.58
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES						4,716,870.40-
GAAP SRC/OBJ	0578			LEGISLATIVE FINANCING SOURCES		2,308,142.79
GAAP SRC/OBJ	0591			LEGISLATIVE FINANCING USES		273,952.79-
* GAAP CATEGORY 05				OTHER FINANCING SOURCES (USES)		2,034,190.00
TOTAL OTHER FINANCING SOURCES (USES)						2,034,190.00
NET CHANGE IN FUND BALANCE						2,682,680.40-
FUND BALANCE - BEGINNING						6,973,218.99
FUND BALANCE - BEGINNING, AS RESTATED						6,973,218.99
FUND BALANCE - ENDING						4,290,538.59
* GAAP FUND TY 01				GENERAL		4,290,538.59

(AGY)104 (ORG) (PRG) (NAC) (APP) (FND) (COB) (AOB) (GLA)
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LEGISLATIVE BUDGET BOARD (104)
 OPERATING STATEMENT - GOVERNMENTAL FUNDS
 REPORT PERIOD= ADJUSTMENT FY= 17

PERCENT OF YEAR ELAPSED: 100%
 ***** PRODUCTION SYSTEM PAGE 3

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 11 CAPITAL ASSET BASIS CONVERSION ADJUSTMTS

 GAAP
 GAAP GAAP GL ACCT GL GAAP COMPT
 CATEGORY FUNC CLASS ACCT SRC/OBJ OBJ TITLE CURRENT YEAR

NET CHANGE IN FUND BALANCE	0.00
FUND BALANCE - BEGINNING	0.00
FUND BALANCE - BEGINNING, AS RESTATED	0.00
FUND BALANCE - ENDING	0.00
* GAAP FUND TY 11 CAPITAL ASSET BASIS CONVERSION ADJUSTMTS	0.00

(AGY)104 (ORG) (PRG) (NAC) (APP) (FND) (COB) (AOB) (GLA)
 (AGL) (GRT) (PRJ) (SS1) (SS2)

LEGISLATIVE BUDGET BOARD (104)
 OPERATING STATEMENT - GOVERNMENTAL FUNDS
 REPORT PERIOD= ADJUSTMENT FY= 17

PERCENT OF YEAR ELAPSED: 100%

PROD SYSTEM
 PAGE 4

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 12 LONG-TERM LIAB BASIS CONVERSION ADJUSTMT

 GAAP
 GAAP GL ACCT GL GAAP COMPT
 CATEGORY FUNC CLASS ACCT SRC/OBJ OBJ TITLE CURRENT YEAR

NET CHANGE IN FUND BALANCE									0.00
FUND BALANCE - BEGINNING									0.00
FUND BALANCE - BEGINNING, AS RESTATED									0.00
FUND BALANCE - ENDING									0.00
* GAAP FUND TY	12							LONG-TERM LIAB BASIS CONVERSION ADJUSTMT	0.00
* GAAP FD GRP	01							GOVERNMENTAL	4,290,538.59
* AGENCY	104								4,290,538.59

LEGISLATIVE BUDGET BOARD

EXHIBIT I
COMBINED BALANCE SHEET.
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUPS WITH COMPARATIVE TOTALS
AUGUST 31, 2017

	TOTALS (MEMORANDUM ONLY)			
	2017		2016	
ASSETS				
Legislative Appropriations	\$ 6,435,409	\$	\$ 6,435,409	\$ 8,809,508
Cash in State Treasury				
Consumable Inventories	4,045		4045	3,822
Accounts Receivable				
Fixed Assets: Furniture/Equipment				
Amounts to be Provided in Future Years			2,497,428	1,894,801
TOTAL ASSETS	<u>\$ 6,439,454</u>	<u>\$</u>	<u>\$ 2,497,428</u>	<u>\$ 10,708,131</u>
LIABILITIES				
Payables:	\$	\$	\$	\$
Accounts Payable	415,668		415,668	271,091
Payroll Payable	1,733,247		1,733,247	1,569,020
Other Liabilities (Interfund Payable)				
Employees Compensable Leave			2,497,428	1,894,801
Funds Held for Others				
TOTAL LIABILITIES	<u>\$ 2,148,915</u>	<u>\$</u>	<u>\$ 2,497,428</u>	<u>\$ 3,734,912</u>
FUND EQUITY				
Investment in General Fixed Assets	\$	\$	\$	\$
Fund Balances:				
Reserved for:				
Unencumbered Appropriations:				
Future Operations	4,286,493		4,286,493	6,969,397
Consumable Inventories	4,045		4,045	3,822
TOTAL FUND EQUITY (EXH. II)	<u>\$ 4,290,538</u>	<u>\$</u>	<u>\$ 4,290,538</u>	<u>\$ 6,973,219</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 6,439,454</u>	<u>\$</u>	<u>\$ 2,497,428</u>	<u>\$ 10,708,131</u>

"UNAUDITED"

EXHIBIT II

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE-GENERAL FUND
For the Year Ended August 31, 2017**

		Totals (Memorandum Only)	
		2017	2016
<u>REVENUES:</u>			
Legislative Appropriations (direct):	\$ 11,521,712	\$ 11,521,712	\$ 11,521,713
Additional Legislative Appropriations: *	3,867,358	3,867,358	3,833,977
Federal Pass-Through Revenue			
Other Revenue**			9,676
TOTAL REVENUES	\$ 15,389,070	\$ 15,389,070	\$ 13,707,579
<u>EXPENDITURES:</u>			
Salaries and Wages	\$ 14,307,364	\$ 14,307,364	\$ 14,306,715
Payroll Related Costs	3,781,816	3,781,816	3,706,364
Professional Fees and Services	470,687	470,687	377,088
Travel	24,005	24,005	71,688
Materials and Supplies	78,514	78,514	170,214
Communications and Utilities	148,624	148,624	127,767
Rentals and Leases	76,844	76,844	35,507
Printing and Reproductions	62,444	62,444	27,915
Other Expenditures	1,155,643	1,155,643	784,365
Repairs and Maintenance	0	0	0
TOTAL EXPENDITURES	\$ 20,105,941	\$ 20,105,941	\$ 19,607,543
EXCESS OF REVENUES OVER EXPENDITURES	\$ (4,716,871)	\$ (4,716,871)	\$ (4,242,177)

* The additional Legislative Appropriations line is made up of amounts paid on behalf of this agency for retirement contributions, insurance contributions and unemployment payments. It also includes transfers to this agency for social security, and benefit replacement pay.

**The Other Revenue line is made up of sale of publications to outside entities and registration fees for Texas Fiscal Officers Academy (2016)

"UNAUDITED"

EXHIBIT II

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE-GENERAL FUND
For the Year Ended August 31, 2017
(Continued)**

		Totals (Memorandum Only)	
		2017	2016
OTHER FINANCING SOURCES (USES):			
Transfer from Senate (Agency 101)	\$ 0	\$ 0	\$ 0
Transfer from House (Agency 102):	2,034,190	2,034,190	2,034,190
TOTAL OTHER FINANCING SOURCES (USES)	\$ 2,034,190	\$ 2,034,190	\$ 2,034,190
 EXCESS OF REVENUES AND OTHER FINANCING USES	 \$ (2,682,680)	 \$ (2,682,680)	 \$ (2,207,987)
 FUND BALANCE, September 1, 2016	 \$ 6,973,219	 \$ 6,973,219	 \$ 9,181,206
Restatements			
FUND BALANCE, AUGUST 31, 2017 (EXH. I)	4,290,539	4,290,539	6,973,219

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

"UNAUDITED"

NOTE 5: SUMMARY OF LONG-TERM LIABILITY

• **EMPLOYEES' COMPENSABLE LEAVE**

Under the provisions of Tex. Rev. Civ. Stat. Ann. art. 6252-8b, a state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal or separation from state employment, provided the employee has had continuous employment with the state for six months. Under a current General Appropriations Act rider, overtime pay and compensatory time off for employees of the House or Senate shall be determined by the presiding officer of the respective houses, and for all other employees shall be determined by the administrator of the agency or the employing officeholder.

The expenditure for accumulated annual and compensatory leave is recognized in governmental funds in the period taken or paid. The Board recognizes the liability for unpaid annual leave balances in the General Long-Term Obligations Account Group, since resources from the current fiscal year will not be used to liquidate it.

The Board's monetary liability for compensable future absences as computed by multiplying the ending balances times the year-end average hourly salary rate for all employees, was as follows:

Compensable leave balance 8/31/16	\$ 1,894,801
Additions:	1,768,386
Reductions:	<u>1,165,759</u>
Balance 8/31/17	\$ 2,497,428
Amount due within one year	<u>\$ 2,497,428</u>

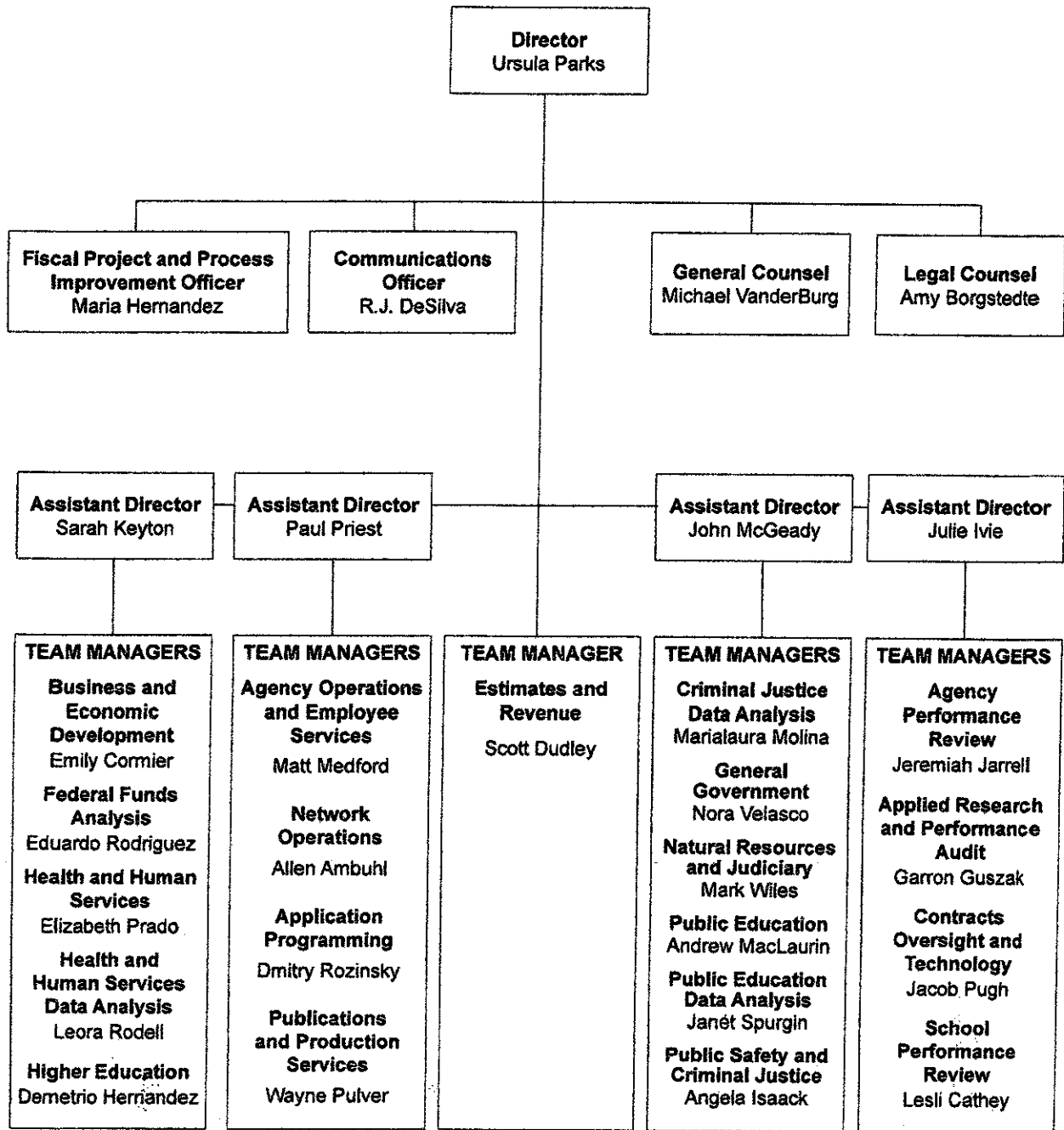
LEGISLATIVE BUDGET BOARD

NOTE 12: INTERFUND BALANCES / ACTIVITIES

At year-end, amounts to be received are paid or reported as Interfund Receivable or Interfund Payable, Advances From or Advances To, Due From or Due To Other Funds, Transfers In or Transfers Out. Individual balances and activity at August 31, 2017, were as follows:

NON-CURRENT PORTION	ADVANCES FROM	ADVANCES TO
Not Applicable	\$0	\$0
Total Interfund Receivable/Payable	\$0	\$0
OTHER INTERFUND TRANSACTIONS	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
Agency Funds		
Not Applicable	\$0	\$0
Total Due/From To (Exh. I)	\$0	\$0
LEGISLATIVE TRANSFERS IN/OUT	TRANSFERS OUT	TRANSFERS IN
Fund 0001:		
Agency 101, Fund 0001	\$0	\$0
Agency 102, Fund 0001	\$0	\$2,034,190
Total Legislative Transfers (Exh. II)	\$0	\$2,034,190

LEGISLATIVE BUDGET BOARD ORGANIZATION



AUGUST 2017