

**ANNUAL FINANCIAL REPORT
LEGISLATIVE BUDGET BOARD**

FISCAL YEAR ENDED AUGUST 31, 2019

**Sarah Keyton
Assistant Director**

**John McGeady
Assistant Director**

October 16, 2019

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, 2019, 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 Matt Medford, Agency Operations & Employee Services Manager, at 512-463-1200.

Sincerely,



Sarah Keyton
Assistant Director

John McGeady
Assistant Director

TABLE OF CONTENTS

	<u>Page</u>
I. USAS DAFR Reports	1
II. General Purpose Financial Statements	
1. Exhibit I - Combined Balance Sheet - Governmental Fund Type and Account Groups	9
2. Exhibit II - Combined Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund	10
III. Notes to the Financial Statements	
1. Note 5: Summary of Long-Term Liability	12
2. Note 12: Interfund Balances/Statement of Activities	13
IV. Organization Chart	14

(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)

PERCENT OF YEAR ELAPSED: 100% REPORT PERIOD= ADJUSTMENT FY= 19
 ***** 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 AGY CURRENT PRIOR
 CT CLS IND GL TITLE 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		1,966,266.64	2,342,347.68
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		3,316.75	3,316.75
* GLA CAT	01		CURRENT ASSETS		1,969,583.39	2,345,664.43
GL CLS	151		FURNITURE AND EQUIPMENT, NET		.00	.00
* GLA CAT	06		NON-CURRENT ASSETS		.00	.00
** TOTAL ASSETS AND OTHER DEBITS					1,969,583.39	2,345,664.43
GL CLS	200	CL	ACCOUNTS PAYABLE		213,553.88-	4,550.00-
GL CLS	201	CL	FEDERAL PAYABLES		.01-	.01-
GL CLS	203	CL	PAYROLL PAYABLE		1,223,553.30-	1,311,440.48-
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= 19

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		1,437,107.19-	1,315,990.49-
**	TOTAL LIABILITIES AND OTHER CREDITS					1,437,107.19-	1,315,990.49-
	GL CLS			362 FD BAL RESERVED FOR INVENTORIES		.00	.00
	GL CLS			510 FD BAL-NONSPENDABLE		4,045.25-	3,316.75-
	GL CLS			550 FD BAL-UNASSIGNED		528,430.95-	1,026,357.19-
	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)		532,476.20-	1,029,673.94-
**	TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES					532,476.20-	1,029,673.94-
**	TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION					1,969,583.39-	2,345,664.43-
*	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) (SS1) (SS2)

LEGISLATIVE BUDGET BOARD (104)
 STATEMENT OF NET POSITION - BALANCE SHEET FORMAT (GWFS)
 REPORT PERIOD= ADJUSTMENT FY= 19

PERCENT OF YEAR ELAPSED: 100% PROD 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	GL CLS	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= 19

PERCENT OF YEAR ELAPSED: 100%
 ***** PRODUCTION SYSTEM PAGE 4

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

 GL GL B/C COMP AGY CUREN PRIOR
 CT CLS IND GL TITLE 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	2,133,671.79-	87,803.65-
* GLA CAT	21	CURRENT LIABILITIES	2,133,671.79-	87,803.65-
GL CLS	301	NC EMPLOYEE'S COMPENSABLE LEAVE	233,092.55-	1,599,941.26-
* GLA CAT	26	NON-CURRENT LIABILITIES	233,092.55-	1,599,941.26-
** TOTAL LIABILITIES AND OTHER CREDITS			2,366,764.34-	1,687,744.91-
GL CLS	430	UNRESTRICTED NET POSITION	2,366,764.34	1,687,744.91
* GLA CAT	45	NET POSITION	2,366,764.34	1,687,744.91
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			2,366,764.34	1,687,744.91
** 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) (ES2)

LEGISLATIVE BUDGET BOARD (104)
 OPERATING STATEMENT - GOVERNMENTAL FUNDS
 REPORT PERIOD= ADJUSTMENT FY= 19

PERCENT OF YEAR ELAPSED: 100%

PROD SYSTEM

GAAP FUND GROUP 01 GOVERNMENTAL
 GAAP FUND TYPE 01 GENERAL
 ***** PAGE 1

GAAP					CURRENT	
GAAP	GAAP	GL ACCT GL	GAAP	COMPT	YEAR	
CATEGORY	FUNC	CLASS	ACCT SRC/OBJ	OBJ		
TITLE						
			0005		ORIGINAL APPROPRIATIONS	11,722,919.00
			0006		ADDITIONAL APPROPRIATIONS	3,041,349.68
			0007		UNEXPENDED BALANCE FORWARD	0.00
			0080		OTHER	0.00
* GAAP CATEGORY	01				REVENUES	14,764,268.68
TOTAL REVENUES						14,764,268.68
			0200		SALARIES AND WAGES	12,077,201.35
			0210		PAYROLL RELATED COSTS	3,228,640.01
			0220		PROFESSIONAL FEES AND SERVICES	302,759.70
			0230		TRAVEL	37,311.68
			0240		MATERIALS AND SUPPLIES	61,236.82
			0250		COMMUNICATION AND UTILITIES	68,738.41
			0260		REPAIRS AND MAINTENANCE	689.00
			0270		RENTALS AND LEASES	35,233.66
			0280		PRINTING AND REPRODUCTION	24,137.92
			0340		OTHER EXPENDITURES	65,017.87
* GAAP CATEGORY	04				EXPENDITURES	15,901,466.42

LEGISLATIVE BUDGET BOARD (104)
 OPERATING STATEMENT - GOVERNMENTAL FUNDS
 REPORT PERIOD= ADJUSTMENT FY= 19

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					15,901,466.42
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					1,137,197.74-
GAAP SRC/OBJ	0578		LEGISLATIVE FINANCING SOURCES		640,000.00
GAAP SRC/OBJ	0591		LEGISLATIVE FINANCING USES		0.00
* GAAP CATEGORY 05			OTHER FINANCING SOURCES (USES)		640,000.00
TOTAL OTHER FINANCING SOURCES (USES)					640,000.00
NET CHANGE IN FUND BALANCE					497,197.74-
FUND BALANCE - BEGINNING					1,029,673.94
FUND BALANCE - BEGINNING, AS RESTATED					1,029,673.94
FUND BALANCE - ENDING					532,476.20
* GAAP FUND TY 01			GENERAL		532,476.20

DAFR8590 104 SJSA 05 13 USAS RJE R104 2(ORG) () 2(OBJ) 2(FND) () 0(GLA) () () USAS
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(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= 19

PROD SYSTEM
 PAGE 3

PERCENT OF YEAR ELAPSED: 100%

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

GAAP

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

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= 19

PERCENT OF YEAR ELAPSED: 100%

***** PROD SYSTEM
 GAAP FUND GROUP 01 GOVERNMENTAL ***** PAGE 4

GAAP FUND TYPE 12 LONG-TERM LIAB BASIS CONVERSION ADJUSTMT

 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	12							LONG-TERM LIAB BASIS CONVERSION ADJUSTMT	0.00
* GAAP FD GRP	01							GOVERNMENTAL	532,476.20
* AGENCY	104								532,476.20

LEGISLATIVE BUDGET BOARD

EXHIBIT I
COMBINED BALANCE SHEET,
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUPS WITH COMPARATIVE TOTALS
AUGUST 31, 2019

	GOVERNMENTAL FUND TYPE GENERAL (FUND 001)	GENERAL FIXED ASSETS (FUND 998)	GENERAL LONG-TERM OBLIGATIONS (FUND 997)	TOTALS (MEMORANDUM ONLY)	
				2019	2018
<u>ASSETS</u>					
Legislative Appropriations	\$ 1,966,266	\$	\$	\$ 1,966,266	\$ 2,342,348
Cash in State Treasury					
Consumable Inventories	3,317			3,317	3,317
Accounts Receivable					
Fixed Assets: Furniture/Equipment					
Amounts to be Provided in Future Years			2,366,764	2,366,764	1,687,745
TOTAL ASSETS	\$ 1,969,583	\$	\$ 2,366,764	\$ 4,336,347	\$ 4,033,410
<u>LIABILITIES</u>					
Payables:	\$ 213,554	\$	\$	\$ 213,554	\$ 4,550
Accounts Payable					
Payroll Payable	1,223,553			1,223,553	1,311,440
Other Liabilities (Interfund Payable)					
Employees Compensable Leave			2,366,764	2,366,764	1,687,745
Funds Held for Others					
TOTAL LIABILITIES	\$ 1,437,107	\$	\$ 2,366,764	\$ 3,803,871	\$ 3,003,735
<u>FUND EQUITY</u>					
Investment in General Fixed Assets	\$	\$	\$	\$	\$
Fund Balances:					
Reserved for:					
Unencumbered Appropriations:					
Future Operations	528,431			528,431	1,026,357
Consumable Inventories	3317			3317	3,317
TOTAL FUND EQUITY (EXH. II)	\$ 531,748	\$	\$	\$ 531,748	\$ 1,029,854
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,968,855	\$	\$ 2,366,764	\$ 4,335,619	\$ 4,033,589

“UNAUDITED”

EXHIBIT II

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE-GENERAL FUND
For the Year Ended August 31, 2019**

	<u>Governmental General (001)</u>	<u>Totals (Memorandum Only)</u>	
		2019	2018
REVENUES:			
Legislative Appropriations (direct):	\$ 11,722,919	\$ 11,722,919	\$ 11,722,920
Additional Legislative Appropriations: *	3,041,350	3,041,350	3,078,469
Federal Pass-Through Revenue			
Other Revenue**			7,100
TOTAL REVENUES	\$ 14,764,269	\$ 14,764,269	\$ 14,808,489
EXPENDITURES:			
Salaries and Wages	\$ 12,077,201	\$ 12,077,201	\$ 12,320,716
Payroll Related Costs	3,228,640	3,228,640	3,248,415
Professional Fees and Services	302,760	302,760	8,126
Travel	37,812	37,812	20,291
Materials and Supplies	61,237	61,237	36,164
Communications and Utilities	68,738	68,738	69,910
Rentals and Leases	35,234	35,234	39,734
Printing and Reproductions	24,138	24,138	7,903
Other Expenditures	65,018	65,018	66,681
Repairs and Maintenance	689	689	613
TOTAL EXPENDITURES	\$ 15,901,466	\$ 15,901,466	\$ 15,818,552
EXCESS OF REVENUES OVER EXPENDITURES	\$ (1,134,197)	\$ (1,137,197)	\$ (1,010,063)

* 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 registration fees for Texas Fiscal Officers Academy (2018)

"UNAUDITED"

EXHIBIT II

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE-GENERAL FUND
For the Year Ended August 31, 2019
(Continued)**

	<u>Governmental General (001)</u>	<u>Totals (Memorandum Only)</u>	
		2019	2018
OTHER FINANCING SOURCES (USES):			
Transfer from Senate (Agency 101)	\$ 320,000	\$ 320,000	\$ 0
Transfer from House (Agency 102):	320,000	320,000	2,034,190
TOTAL OTHER FINANCING SOURCES (USES)	\$ 640,000	\$ 640,000	\$ 2,034,190
 EXCESS OF REVENUES AND OTHER FINANCING USES	 \$ (448,844)	 \$ (448,844)	 \$ (2,811,028)
 FUND BALANCE, September 1, 2017	 \$ 1,478,518	 \$ 1,478,518	 \$ 4,289,546
Restatements			
FUND BALANCE, AUGUST 31, 2018 (EXH. I)	<u>1,029,674</u>	<u>1,029,674</u>	<u>1,478,518</u>

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 8/31/18	\$ 1,687,745
Additions:	1,592,006
Reductions:	<u>912,987</u>
Balance 8/31/19	\$ 2,366,764
Amount due within one year	<u>\$ 2,133,672</u>

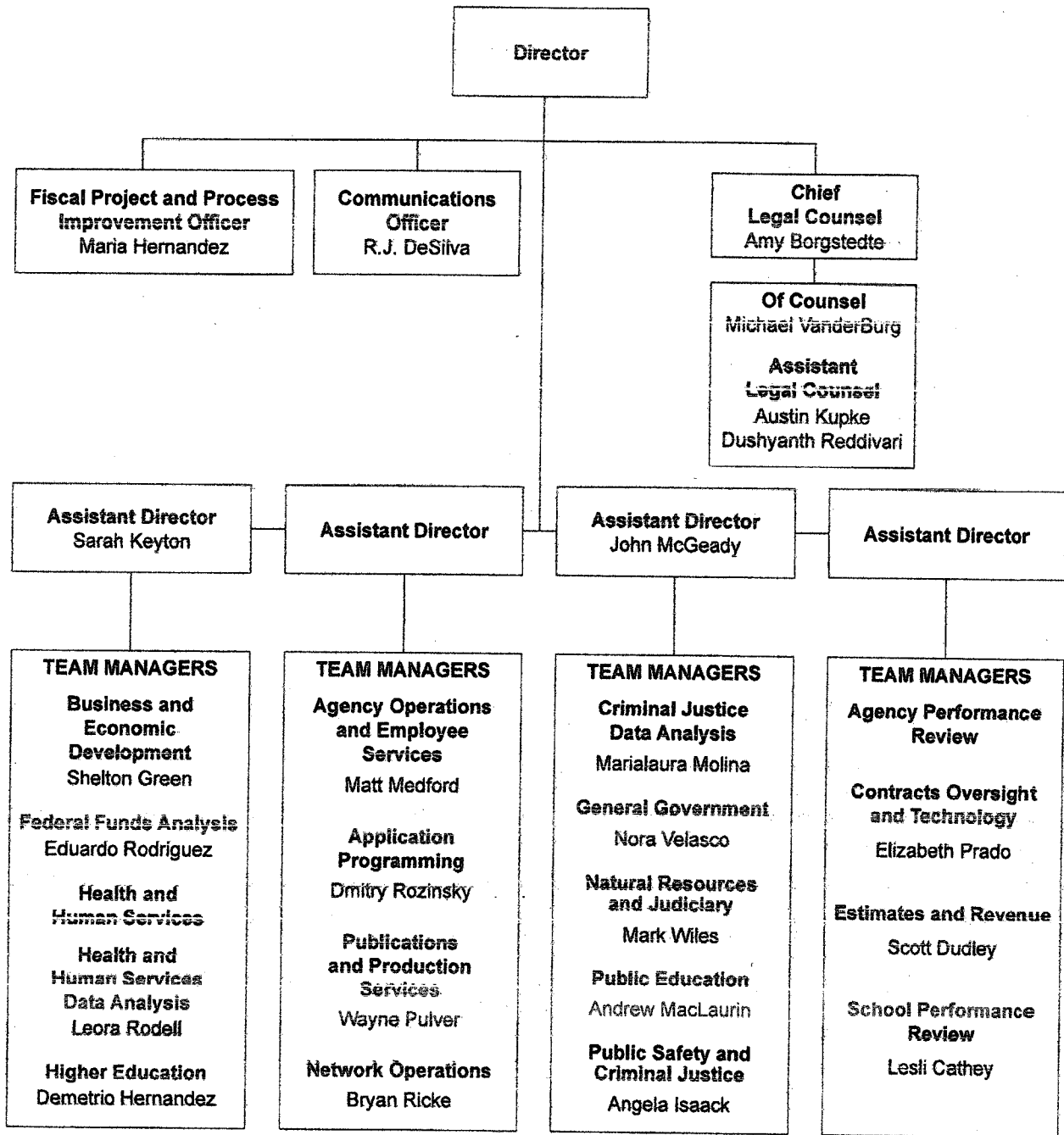
LEGISLATIVE BUDGET BOARD

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, 2019, 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	\$320,000
Agency 102, Fund 0001	\$0	\$320,000
Total Legislative Transfers (Exh. II)	\$0	\$640,000

LEGISLATIVE BUDGET BOARD ORGANIZATION



NOTE: Teams that report to the vacant Director and Assistant Director positions currently report to the Assistant Directors.

OCTOBER 2019

