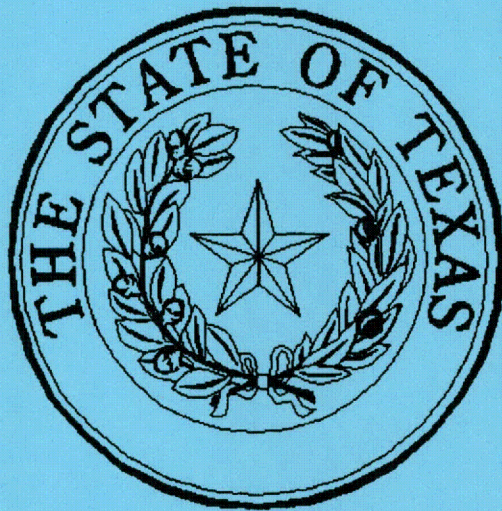


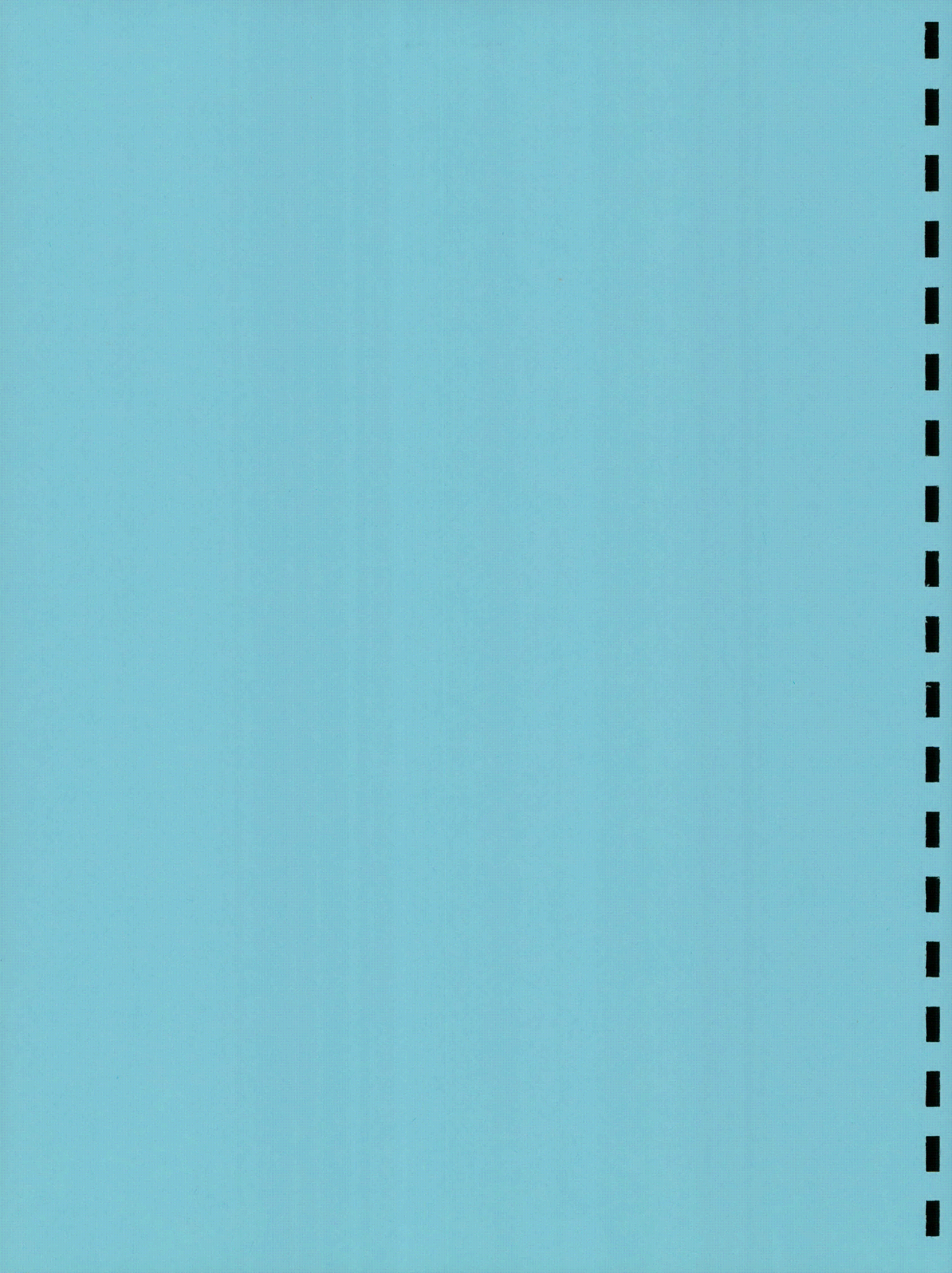
# **Sunset Advisory Commission**

**Annual Financial Report  
(Unaudited)**

**For the Year Ended August 31, 2015**



**Ken Levine  
Director**





# SUNSET ADVISORY COMMISSION

P.O. Box 13066 ♦ Austin, Texas 78711-3066

**Director**

Ken Levine

November 20, 2015

Honorable Greg Abbott, Governor  
Honorable Glenn Hegar, Texas Comptroller  
Ursula Parks, Director, Legislative Budget Board  
John Keel, CPA, State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Sunset Advisory Commission for the year ended August 31, 2015, in compliance with the Texas Government Code Annotated, Section 2101.01, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, 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* (CAFR); 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 Cindy Womack at (512) 463-1296.

Sincerely,

A handwritten signature in cursive script that reads "Ken Levine".

Ken Levine  
Director

## TABLE OF CONTENTS

I.	Letter of Transmittal	1
II.	Table of Contents	2
III.	Combined Financial Statements	
	A. Exhibit I - Combined Balance Sheet/Statement of Net Assets - Governmental Funds	3
	B. Exhibit II - Combined Statement of Revenues, Expenditures & Changes in Fund Balances/Statement of Activities - Governmental Funds	4
IV.	Notes to the Financial Statements	5

Combined  
Financial  
Statements

**TEXAS SUNSET COMMISSION**

**Exhibit I - Combined Balance Sheet/Statement of Net Assets -**

**Governmental Funds**

For the Fiscal Year Ended August 31, 2015

	<u>General Funds</u>	<u>Governmental Funds Total</u>
<b>ASSETS</b>		
Current Assets:		
Legislative Appropriations	1,340,770.73	1,340,770.73
Consumable Inventories	3,350.00	3,350.00
<b>Total Current Assets</b>	<b>\$ 1,344,120.73</b>	<b>\$ 1,344,120.73</b>
Noncurrent Assets:		
Capital Assets:		
Non-Depreciable		
Depreciable		
Furniture and Equipment		
Accumulated Depreciation		
Other Assets		
Accumulated Depreciation		
<b>Total Noncurrent Assets</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Assets</b>	<b>\$ 1,344,120.73</b>	<b>\$ 1,344,120.73</b>
<b>LIABILITIES AND FUND BALANCES</b>		
Current Liabilities:		
Payables from		
Accounts Payable	8,069.35	8,069.35
Payroll Payable	197,350.07	197,350.07
Employees Compensable Leave	-	-
<b>Total Current Liabilities</b>	<b>\$ 205,419.42</b>	<b>\$ 205,419.42</b>
Noncurrent Liabilities:		
Interfund Payable		
Employees Compensable Leave		
<b>Total Noncurrent Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Liabilities</b>	<b>\$ 205,419.42</b>	<b>\$ 205,419.42</b>
Fund Financial Statement-Fund Balances		
Fund Balances (Deficits):		
Nonspendable for:		
Inventories	\$ 3,350.00	3,350.00
Unassigned	1,135,351.31	1,135,351.31
<b>Total fund balances</b>	<b>\$ 1,138,701.31</b>	<b>\$ 1,138,701.31</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,344,120.73</b>	<b>\$ 1,344,120.73</b>

**TEXAS SUNSET COMMISSION**

**Exhibit II - Combined Statement of Revenues, Expenditures, and Changes in  
Fund Balances/Statement of Activities - Governmental Funds**

For the Fiscal Year Ended August 31, 2015

	<u>General Funds</u>	<u>Governmental Funds Total</u>
<b>REVENUES</b>		
Legislative Appropriations:		
Original Appropriations	\$ 212,313.00	\$ 212,313.00
Additional Appropriations	541,387.92	541,387.92
Other	17,248.00	17,248.00
Total Revenues	<u>\$ 770,948.92</u>	<u>\$ 770,948.92</u>
<b>EXPENDITURES</b>		
Salaries and Wages	\$ 2,079,165.56	\$ 2,079,165.56
Payroll Related Costs	510,079.86	510,079.86
Professional Fees and Services	5,538.75	5,538.75
Travel	15,281.44	15,281.44
Materials and Supplies	21,515.14	21,515.14
Communication and Utilities	12,153.68	12,153.68
Repairs and Maintenance	-	-
Rentals & Leases	19,510.62	19,510.62
Printing and Reproduction	505.65	505.65
Claims and Judgements	-	-
Other Expenditures	17,571.62	17,571.62
Capital Outlay	-	-
Depreciation Expense	-	-
Total Expenditures/Expenses	<u>\$ 2,681,322.32</u>	<u>\$ 2,681,322.32</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (1,910,373.40)</u>	<u>\$ (1,910,373.40)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Legislative Transfers In	2,073,860.00	2,073,860.00
Legislative Transfers Out	-	-
Total other financing sources and uses	<u>\$ 2,073,860.00</u>	<u>\$ 2,073,860.00</u>
Net change in fund balances/net assets.	<u>\$ 163,486.60</u>	<u>\$ 163,486.60</u>
<b>Fund Financial Statement-Fund Balances</b>		
Fund Balances--Beginning, Sept. 1, 2014	\$ 975,214.71	\$ 975,214.71
Restatements	-	-
Fund Balances, September 1, 2014, as Restated	<u>975,214.71</u>	<u>975,214.71</u>
Appropriations Lapsed	-	-
Fund Balances--August 31, 2015	<u>\$ 1,138,701.31</u>	<u>\$ 1,138,701.31</u>

Notes  
to the  
Financial  
Statements



**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Not Required)

**NOTE 2: CAPITAL ASSETS**

A summary of changes in General Fixed Assets for the year ended August 31, 2015, is presented below.

<b>PRIMARY GOVERNMENT</b>						
	<u>Balance 9/1/2014</u>	<u>Adjustments</u>	<u>Reclassi- fication</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 08/31/15</u>
<b>Governmental Activities:</b>						
Non-Depreciable Assets						
Other Assets	301.81	(301.81)	-	-	-	-
<b>Total Non-depreciable assets</b>						
At historical cost:	301.81	(301.81)	-	-	-	-
Depreciable Assets						
Furniture & Equipment	-	-	-	-	-	-
<b>Total Depreciable assets</b>						
at historical cost:	-	-	-	-	-	-
Less accumulated depreciation for:						
Furniture & Equipment	-	-	-	-	-	-
Other Assets						
Total accumulated Depreciation	-	-	-	-	-	-
<b>Depreciable assets, net</b>						
Governmental activities						
Capital assets, net:	\$ 301.81	(301.81)	-	-	-	\$ -

**NOTE 3: DEPOSITS, INVESTMENTS, & REPURCHASE AGREEMENTS**

(Non-Applicable)

**NOTE 4: SHORT-TERM DEBT**  
(Non-Applicable)

**NOTE 5: SUMMARY OF LONG TERM LIABILITIES**

**Changes in Long-Term Liabilities**

During the year ended August 31, 2015, the following changes occurred in liabilities.

<b>Governmental Activities</b>	<b>Balance <u>09/01/14</u></b>	<b><u>Additions</u></b>	<b><u>(Reductions)</u></b>	<b>Balance <u>08/31/15</u></b>	<b>Amounts Due Within <u>One Year</u></b>
Compensable Leave	<u>\$782,872.26</u>	<u>\$420,831.41</u>	<u>(\$598,695.44)</u>	<u>\$605,008.23</u>	<u>\$274,224.97</u>
Total Governmental Activities	<u>\$782,872.26</u>	<u>\$420,831.41</u>	<u>(\$598,695.44)</u>	<u>\$605,008.23</u>	<u>\$274,224.97</u>

Employees' Compensable Leave

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. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary fund types are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**NOTE 6: BONDED INDEBTEDNESS**  
(Non-Applicable)

**NOTE 7: CAPITAL LEASES**  
(Non-Applicable)

**NOTE 8: OPERATING LEASE OBLIGATIONS**  
(Non-Applicable)



**NOTE 9: EMPLOYEES RETIREMENT PLANS**  
(Not Required)

**NOTE 10: DEFERRED COMPENSATION**  
(Not Required)

**NOTE 11: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**  
(Not Required)

**NOTE 12: INTERFUND BALANCES**

Individual balances and activity at August 31, 2014, follows:

Total Legislative Transfers (Exh II)    Legislative Transfers-In    Legislative Transfers-Out

**General Revenue Fund 0001**

Agency 101, Fund 0001	\$ 1,036,930.00
Agency 102, Fund 0001	<u>\$ 1,036,930.00</u>
Total	<u>\$ 2,073,860.00</u>

**NOTE 13: CONTINUANCE SUBJECT TO REVIEW**  
(Non-Applicable)

**NOTE 14: ADJUSTMENT OF FUND BALANCES/NET ASSETS**  
(Non-Applicable)

**Balance of**

<b>General Fixed Assets</b>	<b><u>09/01/14</u></b>
Beginning Balance	<u>\$301.81</u>
Restatement	<u>(301.81)</u>
Ending Balance as Restated	<u>\$0.00</u>

Restatement due to determination that the single item of capital assets had been misclassified and was not a capital asset.

**NOTE 15: CONTINGENT LIABILITIES**  
(Non-Applicable)

**NOTE 16: SUBSEQUENT EVENTS**  
(Non-Applicable)



**NOTE 17: RISK MANAGEMENT**  
(Non-Applicable)

**NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS**  
(Non-Applicable)

**NOTE 19: THE FINANCIAL REPORTING ENTITY & JOINT VENTURE**  
(Non-Applicable)

**NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**  
(Non-Applicable)

**NOTE 22: DONOR-RESTRICTED ENDOWMMENTS**  
(Not Required)

**NOTE 23: SPECIAL OR EXTRAORDINARY ITEMS**  
(Non-Applicable)

**NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**  
(Non-Applicable)

**NOTE 25: TERMINATION BENEFITS**  
(Not Required)



**NOTE 26: SEGMENT INFORMATION**

(Not Required)

