Legislative Appropriations Request

For Fiscal Years 2014 and 2015

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

by

Texas Bond Review Board

Board Members

Governor Rick Perry
Lieutenant Governor David Dewhurst
Speaker Joe Straus
Comptroller Susan Combs

Submitted August 9, 2012

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Submitted by: _____
Robert C. Kline
Executive Director

Approved by: _____
Ed Robertson, Alternate for
Governor Rick Perry, Chair

Texas Bond Review Board

Legislative Appropriations Request

For Fiscal Years 2014 and 2015

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Administrator's Statement
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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Overview

In 1987, the 70th Legislature established the Texas Bond Review Board. Statutory authority is found in Chapter 1231, Texas Government Code. The Board is comprised of the Governor as Chairman, the Lieutenant Governor, the Speaker of the House of Representatives and the Comptroller of Public Accounts. The Board has the responsibility and authority to approve the issuance of all state bonds and lease-purchase agreements with a principal amount greater than $250,000 or a term longer than five years. Bonds backed by the Permanent University Fund, Tax and Revenue Anticipation Notes, certain lease-purchase transactions and debt issued by higher education institutions with a credit rating of AA- or higher do not require BRB approval.

Mission

The mission of the Bond Review Board covers three distinct aspects of state finance: (1) to ensure that state debt financing is used prudently to meet Texas' infrastructure needs and other public purposes; (2) to support and enhance the debt issuance and debt management functions of state and local entities by gathering, analyzing and reporting state and local debt information; and (3) to administer the state's Private Activity Bond Allocation Program (PAB). Although each of the agency's goals is independent, each shares in its administration of expenses.

Factors Affecting State and Local Debt Issuance in Texas

Long-term demographic trends for Texas will impact infrastructure needs and directly affect state debt financing. The Comptroller of Public Accounts' long-term demographic outlook for Texas suggests continued population growth. The state's population is expected to be approximately 33.3 million in 2030, an increase of 29.6% from the population of 25.7 million as of July 1, 2011.

By age group, some major patterns emerge. The United States Census Bureau projects that Texas' school age population (ages 5-17) will grow by 35.4% from 2010-2030, but during that time the state's population of those over 65 will increase from 10.5% to 15.6% of the total population as that demographic doubles in size with the aging of baby boomers. Should these long-term demographic patterns materialize, the BRB expects the following effects on state and local debt issuance:

- Public school construction will increase, especially in high growth areas; and repair, renovation and replacement of temporary facilities with permanent facilities will become the focus of school construction;
- Continued high growth in many suburban areas will result in continued new infrastructure needs in those locations;
- Construction and debt financing for water and sewer, transportation and general-purpose government facilities will continue unabated;
- Public support will continue to be needed for low-cost student loans, affordable housing and economic development;
- The rapidly increasing number of senior citizens, especially retiring baby boomers will dictate the need for new and expanded facilities for both health care and leisure-time activities.

State and Local Financing Update

The nation's total municipal debt issuance reached a record of $430.5 billion in calendar 2010 but declined to $287.2 billion in 2011, a level last seen in 2001. Through the first quarter of 2012, national long-term municipal issuance totaled $78.2 billion, a 15.1 percent decline from the prior quarter ($92.1 billion) but an increase of 66.6 percent from the first quarter of 2011 ($46.9 billion). Municipal debt issuance at the national level for 2012 is expected to increase to $347 billion according to the SIFMA Municipal Survey. Taxable debt issuance remained above historical trends as municipal issuers contained to capitalize on remaining authority in federal taxable

bond programs.

State Debt

During FY 2011 state issuers completed $4.62 billion in new-money financings including:

- $2.11 billion (45.6%) to finance projects for various agencies through the Texas Public Finance Authority;
- $977.8 million (21.2%) for the Texas Transportation Commission for voter-approved general obligation bonds to construct and expand state highways and other public transportation projects;
- $644.1 million (13.9%) for The University of Texas System;
- $161.9 million (3.5%) for the Texas Water Development Board water assistance programs;
- $150.0 million (3.2%) for housing and home improvement loans for eligible Texas veterans;
- $149.0 million (3.2%) for Texas Department of Housing and Community Affairs single family and multifamily housing programs;
- $118.7 million (2.6%) for the Texas Higher Education Coordinating Board student loan programs;
- $104.7 million (2.3%) Texas A&M University System;
- $104.5 (2.3%) for Texas State Affordable Housing Corporation single family and multifamily housing programs;
- $86.8 million (1.9%) for Texas State University System; and
- $18.9 million (0.4%) for the Texas Public Finance Authority Charter School Finance Corporation.

During FY 2011 the low interest rate climate also contributed to the issuance of $785.3 million in refundings of existing state debt to reduce interest costs, restructure existing debt and convert short-term maturities to long-term.

Through ten months of FY 2012 state issuers have closed approximately $1.56 billion in new-money transactions and approximately $200.6 million in refunding bonds.

As of August 31, 2011 the state had a total of $40.50 billion in debt outstanding of which $36.36 billion (89.8%) was self-supporting and $4.15 billion (10.2%) was not self-supporting.

Local Debt

During FY 2011 local entities in Texas issued $14.82 billion in new-money financings including:

- $5.65 billion (38.1%) for education purposes;
- $3.07 billion (20.7%) for transportation (including airport, bridge, road, toll road and public transportation projects);
- $2.70 billion (18.3%) for general purpose infrastructure projects, including parks and recreation; electric utilities; municipal building construction and renovation projects; fire and police department vehicles and equipment and for other capital equipment including computer technology. Projects related to commerce (ports and waterways navigation) and bonds issued for pension obligations are also included in this latter total.
- $2.19 billion (14.7%) for water supply, water-quality enhancements and sewer systems;
- $403.6 million (2.7%) for combined municipal utility systems;
- $375.0 million (2.5%) for solid waste facilities;
- $348.9 million (2.4%) for health-related facilities;
- $60.6 million (0.4%) for economic development projects (convention, conference, cultural, sports and tourism centers);

- $16.4 million (0.1%) for constructing prison/detention center facilities.

Local governments issued $9.92 billion in refunding bonds during FY 2011.

As of August 31, 2011 local entities had total debt outstanding of $192.74 billion of which $116.9 billion was tax-supported and $75.8 billion was revenue supported.

PAB Update

For calendar year 2011 the state received approximately $2.39 billion in authority for the Private Activity Bond Allocation Program. Requests totaled $2.35 billion in calendar 2011, 64.9% of which were received after the August 15th collapse date. Although market volatility and economic uncertainty experienced during the past several years have made it difficult for some issuers to close their bond transactions, overall demand for tax-exempt private activity bonds is expected to grow in calendar year 2012 and beyond.

S.B. 2064 passed during the 81st Legislature amended the PAB program by:
- adding emergency provisions that would make certain private activity bonding authority more accessible in times of emergencies;
- increasing caps for selected issuers to permit a broader range of projects eligible for private activity bonding authority;
- redefining the last day to apply for a reservation during the program year;
- adding a fee for issuers that request carryforward;
- allowing unencumbered volume cap to be granted at the end of the program year to any state issuer that requests it; and
- amending set-aside restrictions to make more PAB allocation available earlier in the year.

Also as a result of the legislation, the BRB now administers a number of federal bond programs for the state including the Hurricane Ike Program which expires on December 31, 2012.

Bond Finance Office

Current Perspective

To respond to legislative mandates, the Bond Finance Office is divided into three functional strategies, each associated with the agency's mission: state debt, local debt and private activity bond allocation. A member of the professional staff leads each strategic area.

During FY 2011 the BFO reviewed 33 state debt issues. Although staff had estimated that 55 issues would be reviewed in FY 2012, the actual number of state debt transactions reviewed was lower than expected due reductions in appropriations for debt service, and, to a lesser extent statute changes enacted during the 82nd Legislature that exempted transactions for certain higher education institutions from BRB review.

In addition to reviewing and providing recommendations to the BRB on the applications submitted by state issuers, BFO staff maintains issuance data submitted in final reports for each transaction. The agency's state debt reports summarize and analyze this activity and identify trends and developments for evaluation by state and local leadership.

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During FY 2011 the BFO analyzed 1,302 local debt issues. Staff had estimated that it would process approximately 1,000 issues during FY 2012, but by mid-July the agency had already received 1,300 local debt issues. Staff maintains current and historical data and reports on thousands of local debt issues, and, as with the state data, the agency's local debt report summarizes and analyzes this activity and identifies trends and developments for evaluation by state and local leadership.

Including carryforward, the private activity bond staff will administer nearly $5.39 billion in private activity bonding authority in calendar 2012, an increase of 95.2% over calendar 2008 ($2.76 billion). Carryforward over the past three years accounts for $2.95 billion (54.7%) of the total 2012 volume cap. Demand for current year volume cap will not exceed supply.

Internal Agency Concerns

Budget Reductions

The BRB's current number of approved positions is 8.0, and the agency currently is staffed with 6.5 FTEs including the Executive Director, four Financial Analysts, Accountant VII and one part-time Accounting Technician. The agency has 1.5 positions currently vacant due to budget reductions.
The agency's appropriation is highly personnel-sensitive with approximately 93% of its budget allocated for salaries. A reduction in appropriations for the 2014-2015 biennium would force a reduction in staff. Additional staff reductions would compromise agency efficiency, the quality of its analyses and delay reports as well as the agency's ability to maintain exemplary service to its customers (Legislature, state and local leadership and general public).

As the agency's FTE count has declined, its workload has increased as a result of recent legislative mandates. S.B. 1332 (80th Legislature) mandates the agency to assume responsibility for the state's Debt Affordability Study and the ongoing analyses of cost of issuance data as well as state issuers' use of derivatives, particularly swaps. SB 2064 (81st Legislature) mandates the agency to administer miscellaneous federal bonding authority programs such as the Hurricane Ike disaster area bond program and future federal bonding programs that require state administration.

Additionally, in May, 2012 the agency completed its first local debt report that was developed in response to increased requests for information from agency customers to provide greater detail and transparency on local debt levels. The local debt report is not required by statute.

The agency's workload has also significantly increased as a result of increases in the number and complexity of local debt transactions processed. Requests for detailed local debt information have increased as a result of stresses in that sector with the economic downturn.

Turnover

Because of the years of experience necessary to become trained in the agency's work, turnover is particularly problematic for the BRB. The State Auditor's Office reported that turnover for state employees was 16.8 percent in 2011, the highest rate the state has experienced since FY 2008. By comparison, the BRB experienced an average turnover of 30 percent over the past five years, from a low of 12 percent during FY 2006 to a high of 50 percent during the third quarter of FY 2008. As a result of turnover, the agency's financial analyst staff, comprising 54% of the total staff has an average longevity of approximately 4 years.

Strategic merit initiatives have been implemented to slow this trend, but salary limitations and the lack of opportunities for career growth though internal advancement, inherent in a small agency are expected to continue to limit the agency's ability to attract and retain the most qualified employees, particularly at program administration and executive staff levels. As staff members gain experience, they become more marketable and often advance their careers by obtaining employment elsewhere.

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Fiscal Aspects

Agency appropriations for fiscal years 2010 and 2011 totaled $612,540 and $612,541, respectively. Budget reductions for the fiscal 2010-2011 biennium totaled $76,568. Agency appropriations for fiscal years 2012 and 2013 totaled $486,967 for each year, a decrease of 20.5% from the previous biennium. Although the agency is funded solely from the state's general revenue fund, it generates revenue through the receipt of application fees associated with the Private Activity Bond Allocation Program (PAB). During fiscal years 2010 and 2011 the state received as unappropriated general revenue $548,985 and $507,076, respectively in application fees associated with the PAB. As of June, 2012 the program had provided a total of $349,686 in unappropriated general revenue, and application fees for fiscal 2012 and 2013 are not anticipated to exceed prior levels.

During calendar year 2004, the 78th Legislature mandated the BRB to increase its fees associated with PAB multifamily housing applications. The larger fee is to be allocated with a $1-$4 split between the BRB and the Texas Department of Housing and Community Affairs (TDHCA), respectively. The BRB's portion is to be swept into general revenue while TDHCA's portion is to be used to fund a study on affordable housing. To date no funds have been appropriated for the study.

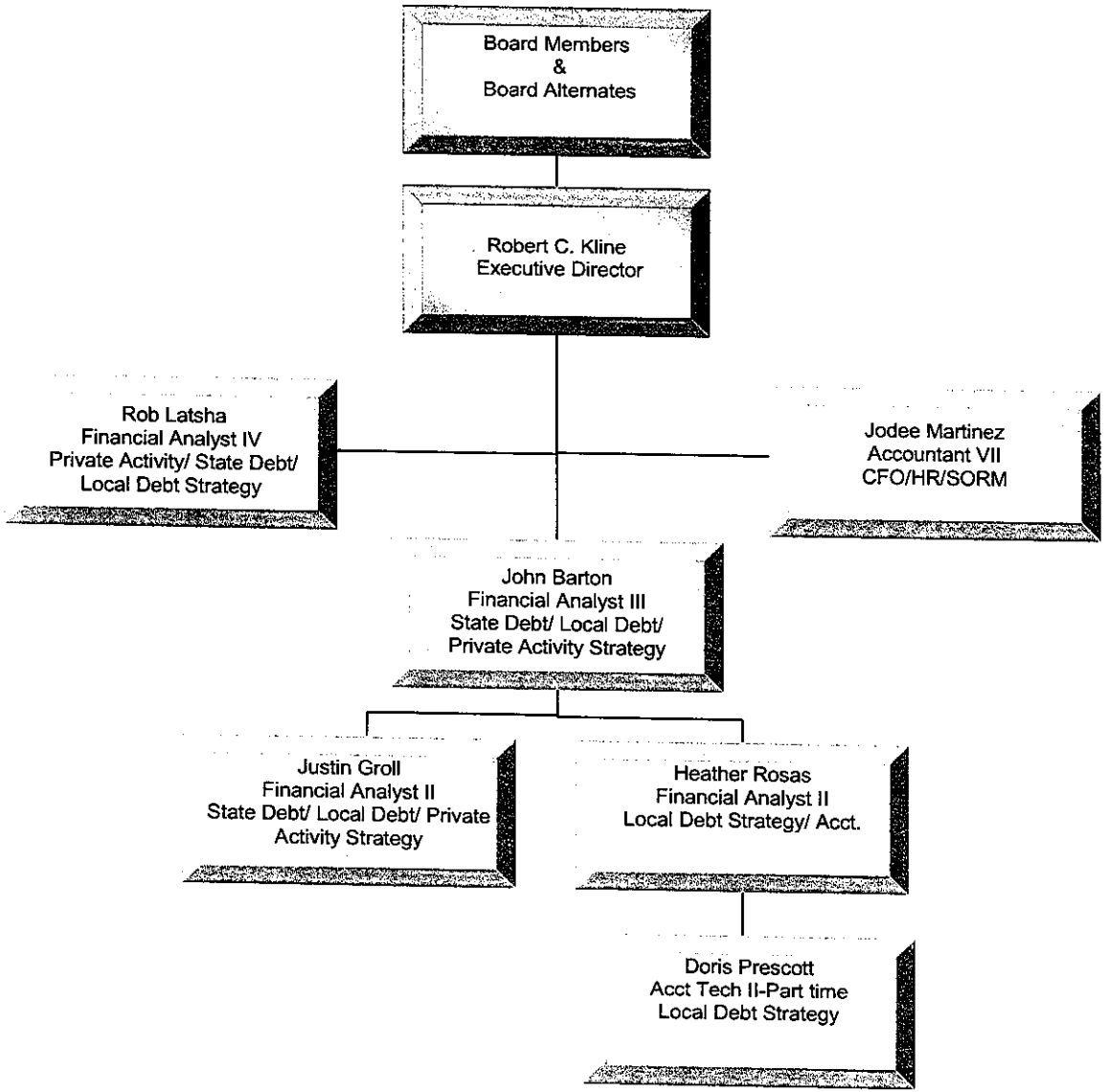
The agency's appropriation is highly personnel sensitive with approximately 93% of its budget allocated for salaries. Cost reductions have been achieved by reducing staff, not filling authorized positions, disseminating the agency's information on the web to reduce printing and mailing costs, scaling back training and travel costs and reducing general operating costs wherever possible.

Although the BRB strives to work as efficiently as possible, the impact of possible limitations on funding for training, travel and professional fees must be analyzed in terms of staff turnover, customer service and internal efficiencies. Appendix E of the agency's Strategic Plan includes a discussion about salary requirements for a responsive workforce. Recovery of risk-management costs due other agencies, the statewide cost allocation plan and e-procurement costs all raise additional budgetary concerns.

Bob Kline
Executive Director

Texas Bond Review Board

Organizational Chart



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Goal / *Objective* / STRATEGY	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies					
1 *Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing*					
1 **REVIEW BOND ISSUES**	159,416	164,457	162,937	112,178	112,178
2 **STATE BOND DEBT**	117,212	83,575	83,576	107,300	107,300
TOTAL, GOAL 1	**$276,628**	**$248,032**	**$246,513**	**$219,478**	**$219,478**
2 Ensure That Public Officials Have Current Info on Debt Management					
1 *Inform State and Local Officials on Debt Planning/Management*					
1 **ANALYZE LOCAL BOND DEBT**	129,328	94,978	94,978	146,318	146,318
TOTAL, GOAL 2	**$129,328**	**$94,978**	**$94,978**	**$146,318**	**$146,318**
3 Equitably Administer the Private Activity Bond Allocation for Texas					
1 *Maximize the Public and Geographic Benefit from Private Activity Bonds*					
1 **ADMINISTER PRIVATE ACTIVITY BONDS**	152,461	145,478	145,477	121,932	121,932
TOTAL, GOAL 3	**$152,461**	**$145,478**	**$145,477**	**$121,932**	**$121,932**

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Goal / *Objective* / STRATEGY	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
TOTAL, AGENCY STRATEGY REQUEST	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				**$0**	**$0**
GRAND TOTAL, AGENCY REQUEST	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	558,417	488,488	486,968	487,728	487,728
SUBTOTAL	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
TOTAL, METHOD OF FINANCING	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**

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

Agency code: **352** Agency name: **Bond Review Board**

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	$0	$486,967	$486,968	$487,728	$487,728
Regular Appropriations from MOF Table (2010-11 GAA)	$612,541	$0	$0	$0	$0
RIDER APPROPRIATION					
ART IX, SEC18.15, DIR REFUNDS (2012-2013 GAA)	$0	$1,521	$0	$0	$0
Comments: FY2011 DIR REBATE RECEIVED IN 2012					
SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS					
HB 4, 82nd Leg, Regular Session, Sec 1(a) General Revenue Reductions.	$(52,066)	$0	$0	$0	$0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2010-11 GAA)	$(2,058)	$0	$0	$0	$0

2.B. Summary of Base Request by Method of Finance
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **352** Agency name: **Bond Review Board**

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
GENERAL REVENUE					
TOTAL, General Revenue Fund	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
TOTAL, ALL GENERAL REVENUE	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
GRAND TOTAL	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2010-11 GAA)	9.5	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2012-13 GAA)	0.0	8.0	8.0	8.0	8.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over(Below) Cap	(0.7)	(0.1)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	**8.8**	**7.9**	**8.0**	**8.0**	**8.0**
NUMBER OF 100% FEDERALLY FUNDED FTEs	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

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OBJECT OF EXPENSE	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1001 SALARIES AND WAGES	$495,930	$452,000	$442,613	$442,614	$442,614
1002 OTHER PERSONNEL COSTS	$22,008	$14,330	$11,700	$11,700	$11,700
2001 PROFESSIONAL FEES AND SERVICES	$6,422	$3,328	$5,000	$5,000	$5,000
2003 CONSUMABLE SUPPLIES	$3,155	$868	$1,000	$1,000	$1,000
2005 TRAVEL	$1,184	$800	$500	$500	$500
2006 RENT - BUILDING	$188	$236	$0	$0	$0
2007 RENT - MACHINE AND OTHER	$4,190	$3,340	$4,000	$4,000	$4,000
2009 OTHER OPERATING EXPENSE	$25,340	$13,586	$22,155	$22,914	$22,914
OOE Total (Excluding Riders)	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
OOE Total (Riders)					
Grand Total	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**

2.D. Summary of Base Request Objective Outcomes

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

352 Bond Review Board

Goal/ *Objective* / **Outcome**	**Exp 2011**	**Est 2012**	**Bud 2013**	**BL 2014**	**BL 2015**
1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies					
1 Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing					
1 Percent of Agencies Complying with Capital Plan	0.00%	98.00%	0.00%	98.00%	0.00 %
2 Ensure That Public Officials Have Current Info on Debt Management					
1 Inform State and Local Officials on Debt Planning/Management					
1 % of Local Government Info Provided Electronically through Web Access	96.40%	98.00%	98.00%	98.00%	98.00 %

2.E. Summary of Exceptional Items Request

DATE: **8/7/2012**
TIME : **6:26:59AM**

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **352** Agency name:

Priority	Item	Biennium GR and GR/GR Dedicated	Biennium All Funds	Biennium FTEs	2014 GR and GR Dedicated	2014 All Funds	2014 FTEs	2015 GR and GR Dedicated	2015 All Funds
Total, Exceptional Items Request									
Method of Financing									
	General Revenue								
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		$0			**$0**			**$0**	
Full Time Equivalent Positions									
Number of 100% Federally Funded FTEs				**0.0**			**0.0**		

2.F. Summary of Total Request by Strategy
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : **8/7/2012**
TIME : **6:26:59AM**

Agency code: **352** Agency name: **Bond Review Board**

Goal/*Objective*/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policie						
1 *Meet Highest Financial Feasibility Stds and Minimize Totl Borrowin*						
1 REVIEW BOND ISSUES	$112,178	$112,178	$0	$0	$112,178	$112,178
2 STATE BOND DEBT	107,300	107,300	0	0	107,300	107,300
TOTAL, GOAL 1	**$219,478**	**$219,478**	**$0**	**$0**	**$219,478**	**$219,478**
2 Ensure That Public Officials Have Current Info on Debt Management						
1 *Inform State and Local Officials on Debt Planning/Management*						
1 ANALYZE LOCAL BOND DEBT	146,318	146,318	0	0	146,318	146,318
TOTAL, GOAL 2	**$146,318**	**$146,318**	**$0**	**$0**	**$146,318**	**$146,318**
3 Equitably Administer the Private Activity Bond Allocation for Texas						
1 *Maximize the Public and Geographic Benefit from Private Activity B*						
1 ADMINISTER PRIVATE ACTIVITY BONDS	121,932	121,932	0	0	121,932	121,932
TOTAL, GOAL 3	**$121,932**	**$121,932**	**$0**	**$0**	**$121,932**	**$121,932**
TOTAL, AGENCY STRATEGY REQUEST	**$487,728**	**$487,728**	**$0**	**$0**	**$487,728**	**$487,728**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$487,728**	**$487,728**	**$0**	**$0**	**$487,728**	**$487,728**

2.F. Summary of Total Request by Strategy
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/7/2012**
TIME: **6:26:59AM**

Agency code: **352** Agency name: **Bond Review Board**

Goal/*Objective*/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
General Revenue Funds:						
1 General Revenue Fund	$487,728	$487,728	$0	$0	$487,728	$487,728
	$487,728	**$487,728**	**$0**	**$0**	**$487,728**	**$487,728**
TOTAL, METHOD OF FINANCING	**$487,728**	**$487,728**	**$0**	**$0**	**$487,728**	**$487,728**
FULL TIME EQUIVALENT POSITIONS	**8.0**	**8.0**	**0.0**	**0.0**	**8.0**	**8.0**

Agency code: **352** Agency name: **Bond Review Board**

Goal/ *Objective* / **Outcome**

		BL 2014	BL 2015	Excp 2014	Excp 2015	Total Request 2014	Total Request 2015
1	Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies						
1	*Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing*						
	1 Percent of Agencies Complying with Capital Plan						
		98.00%	0.00%			98.00%	0.00 %
2	Ensure That Public Officials Have Current Info on Debt Management						
1	*Inform State and Local Officials on Debt Planning/Management*						
	1 % of Local Government Info Provided Electronically through Web Access						
		98.00%	98.00%			98.00%	98.00 %

352 Bond Review Board

GOAL: 1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies — Statewide Goal/Benchmark: 8 10

OBJECTIVE: 1 Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing — Service Categories:

STRATEGY: 1 Review Bond Issues to Assure Legality and Other Provisions — Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Number Bond Issues and Leases Reviewed	33.00	55.00	60.00	35.00	35.00
Objects of Expense:						
1001	SALARIES AND WAGES	$131,996	$151,396	$148,300	$101,802	$101,802
1002	OTHER PERSONNEL COSTS	$17,928	$4,729	$3,861	$2,691	$2,691
2001	PROFESSIONAL FEES AND SERVICES	$1,991	$396	$1,650	$1,150	$1,150
2003	CONSUMABLE SUPPLIES	$1,505	$264	$330	$230	$230
2005	TRAVEL	$0	$264	$165	$115	$115
2006	RENT - BUILDING	$0	$40	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$1,582	$1,320	$1,320	$920	$920
2009	OTHER OPERATING EXPENSE	$4,414	$6,048	$7,311	$5,270	$5,270
TOTAL, OBJECT OF EXPENSE		**$159,416**	**$164,457**	**$162,937**	**$112,178**	**$112,178**
Method of Financing:						
1	General Revenue Fund	$159,416	$164,457	$162,937	$112,178	$112,178
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$159,416**	**$164,457**	**$162,937**	**$112,178**	**$112,178**

352 Bond Review Board

GOAL: 1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies — Statewide Goal/Benchmark: 8 10

OBJECTIVE: 1 Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing — Service Categories:

STRATEGY: 1 Review Bond Issues to Assure Legality and Other Provisions — Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$112,178**	**$112,178**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$159,416**	**$164,457**	**$162,937**	**$112,178**	**$112,178**
FULL TIME EQUIVALENT POSITIONS:		**2.0**	**2.0**	**2.0**	**2.0**	**2.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Board is mandated by statute (Chapter 1231, Texas Government Code) to review state bond issues. This strategy provides for the continuation of the Board's ongoing review procedures, including an analysis of the structuring and pricing of state bonds. The strategy will help the state achieve more cost-effective borrowing and wise use of public tax dollars. This strategy and strategy 01-01-02 contribute to the Board's objective to protect the states credit rating and to ensure that bonds are issued in the most cost-effective manner possible using sound debt-management policies.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

In August 2009, Standard & Poor's upgraded the state's general obligation debt from AA to AA+. S&P cited the state's strong and diverse economy coupled with its projected surplus in the state's Rainy Day Fund of $9.0 billion. In March 2010, Fitch and Moody's recalibrated their municipal ratings that resulted in Texas receiving an upgrade to AAA from AA+ from Fitch and an upgrade to Aaa from Aa1 from Moody's. No subsequent ratings changes have been made.

352 Bond Review Board

GOAL: 1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies — Statewide Goal/Benchmark: 8 11

OBJECTIVE: 1 Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing — Service Categories:

STRATEGY: 2 Report to the Legislature on Debt Obligation and Policy Alternatives — Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Number of Responses to Debt Information Requests	210.00	100.00	150.00	125.00	175.00
2	Number of Capital Expenditure Plan Projects Reviewed	0.00	975.00	0.00	975.00	0.00
Explanatory/Input Measures:						
1	Issuance Cost/$1000 GO Debt	5.66	6.50	6.50	6.50	6.50
2	Percent of General Revenue for GO and Revenue Debt	1.26%	1.79 %	1.79 %	1.79 %	1.79 %
3	Texas' GO Bond Rating	1.33	1.33	1.33	1.33	1.33
Objects of Expense:						
1001	SALARIES AND WAGES	$110,536	$77,631	$75,591	$97,375	$97,375
1002	OTHER PERSONNEL COSTS	$720	$2,436	$2,106	$2,574	$2,574
2001	PROFESSIONAL FEES AND SERVICES	$4,118	$2,332	$900	$1,100	$1,100
2003	CONSUMABLE SUPPLIES	$62	$204	$180	$220	$220
2005	TRAVEL	$661	$136	$90	$110	$110
2006	RENT - BUILDING	$0	$136	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$0	$20	$720	$880	$880
2009	OTHER OPERATING EXPENSE	$1,115	$680	$3,989	$5,041	$5,041
TOTAL, OBJECT OF EXPENSE		**$117,212**	**$83,575**	**$83,576**	**$107,300**	**$107,300**

352 Bond Review Board

GOAL: 1 Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies — Statewide Goal/Benchmark: 8 11

OBJECTIVE: 1 Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing — Service Categories:

STRATEGY: 2 Report to the Legislature on Debt Obligation and Policy Alternatives — Service: 05 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Method of Financing:						
1	General Revenue Fund	$117,212	$83,575	$83,576	$107,300	$107,300
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$117,212**	**$83,575**	**$83,576**	**$107,300**	**$107,300**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$107,300**	**$107,300**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$117,212**	**$83,575**	**$83,576**	**$107,300**	**$107,300**
FULL TIME EQUIVALENT POSITIONS:		**2.0**	**2.0**	**2.0**	**2.0**	**2.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Board's reporting responsibilities in this strategy are mandated by Texas Government Code, Chapter 1371. This strategy provides the analysis and reporting of the state's debt obligations, capital expenditure plan and creditworthiness to the Legislature and rating agencies. This strategy and strategy 01-01-01 contribute to the Board's objective to attain the highest possible bond rating for the state and to ensure that bonds are issued in the most cost-effective manner using sound debt-management policies.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

352 Bond Review Board

GOAL:	1	Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies	Statewide Goal/Benchmark:	8	11	
OBJECTIVE:	1	Meet Highest Financial Feasibility Stds and Minimize Totl Borrowing	Service Categories:			
STRATEGY:	2	Report to the Legislature on Debt Obligation and Policy Alternatives	Service: 05	Income: A.2		Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015

While the state currently has a relatively low debt burden, the growth in state debt has increased significantly since 1986. If the state were to issue all authorized bonds, the state debt burden would increase considerably. Local governments in the state are faced with relatively high debt burdens and high tax burdens. These factors make it critical for the state to evaluate and implement means to lower borrowing costs and effectively manage the state's debt. Rating agencies have expressed concerns about budgetary pressures the state is experiencing related to its growth and funding sources. As mandated by the 76th Legislature, the statewide capital expenditure plan was implemented and a report is prepared biennially to assist the state's policymakers' efforts to effectively manage the state debt and positively impact the state's credit rating. The state's borrowing costs and credit rating are also affected by external factors such as the state's economy and finances that the Board cannot control.

352 Bond Review Board

GOAL: 2 Ensure That Public Officials Have Current Info on Debt Management — Statewide Goal/Benchmark: 8 4

OBJECTIVE: 1 Inform State and Local Officials on Debt Planning/Management — Service Categories:

STRATEGY: 1 Analyze Data on Local Government Finance and Debt Management — Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Number of Local Government Financings Analyzed	1,302.00	1,000.00	1,000.00	1,000.00	1,000.00
Efficiency Measures:						
1	Average Issuance Cost Per $1,000 Debt Issued by Locals	15.57	14.50	14.50	14.75	14.75
Explanatory/Input Measures:						
1	Number of Local Governments Issuing Debt	945.00	750.00	750.00	800.00	800.00
Objects of Expense:						
1001	SALARIES AND WAGES	$111,446	$87,985	$86,107	$132,784	$132,784
1002	OTHER PERSONNEL COSTS	$520	$2,866	$2,340	$3,510	$3,510
2001	PROFESSIONAL FEES AND SERVICES	$245	$240	$1,000	$1,500	$1,500
2003	CONSUMABLE SUPPLIES	$916	$160	$200	$300	$300
2005	TRAVEL	$188	$160	$100	$150	$150
2006	RENT - BUILDING	$68	$24	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$1,359	$800	$800	$1,200	$1,200
2009	OTHER OPERATING EXPENSE	$14,586	$2,743	$4,431	$6,874	$6,874
TOTAL, OBJECT OF EXPENSE		**$129,328**	**$94,978**	**$94,978**	**$146,318**	**$146,318**

Method of Financing:

352 Bond Review Board

GOAL: 2 Ensure That Public Officials Have Current Info on Debt Management — Statewide Goal/Benchmark: 8 4

OBJECTIVE: 1 Inform State and Local Officials on Debt Planning/Management — Service Categories:

STRATEGY: 1 Analyze Data on Local Government Finance and Debt Management — Service: 07 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1	General Revenue Fund	$129,328	$94,978	$94,978	$146,318	$146,318
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$129,328**	**$94,978**	**$94,978**	**$146,318**	**$146,318**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$146,318**	**$146,318**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$129,328**	**$94,978**	**$94,978**	**$146,318**	**$146,318**
FULL TIME EQUIVALENT POSITIONS:		**2.8**	**1.9**	**2.0**	**2.0**	**2.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy for ensuring that public officials have access to current information regarding local government debt issuance, finance and debt management is to: collect, maintain, and analyze data on the current status of, and improvements to, local government debt issuance, finance and debt management; and to report findings to the Legislature, other state officials, and local policy makers. Chapter 1202, Texas Government Code, has greatly facilitated BRB data collection efforts. This statute authorizes the Attorney General to collect information on bonds issued by political subdivisions of the state and to forward such information to the BRB.

Reports of findings, including the outstanding debt of local governments, costs of issuance, volume of debt issued each fiscal year, and the results of bond refinancings will be distributed to state and local officials, rating agencies, and the public. The agency streamlined the local government debt databases with a simplified review and data entry process that enables staff to focus on improved analysis and communication efforts. Staff posts the searchable databases on the agency's website and updates them annually as well as provides expanded local government debt information giving website visitors the ability to download spreadsheets that contain debt outstanding, debt ratio and population data by government type at fiscal year end.

352 Bond Review Board

GOAL:	2	Ensure That Public Officials Have Current Info on Debt Management	Statewide Goal/Benchmark:	8	4	
OBJECTIVE:	1	Inform State and Local Officials on Debt Planning/Management	Service Categories:			
STRATEGY:	1	Analyze Data on Local Government Finance and Debt Management	Service: 07	Income: A.2		Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

There are over 4,400 local governments that have authority to issue debt in Texas. Tracking the outstanding debt, assessed values and tax rates on all of these entities requires that BRB staff allocate its time and resources efficiently. External factors that affect the workload of the Local Government Services staff include interest rate fluctuations. When interest rates are low, the number of bond refundings and workload of LGS will normally increase.

352 Bond Review Board

GOAL: 3 Equitably Administer the Private Activity Bond Allocation for Texas — Statewide Goal/Benchmark: 8 0

OBJECTIVE: 1 Maximize the Public and Geographic Benefit from Private Activity Bonds — Service Categories:

STRATEGY: 1 Effectively Administer the Private Activity Bond Allocation Program — Service: 13 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Number of Applications Reviewed	55.00	100.00	110.00	60.00	60.00
2	Number of Allocations Issued	30.00	51.00	55.00	40.00	40.00
3	Amount of Allocation Issued	1,230,900,000.00	1,050,000,000.00	1,300,000,000.00	1,133,000,000.00	1,133,000,000.00
Explanatory/Input Measures:						
1	Amount of Demand for Private Activity Bonds	2,050,600,000.00	3,000,000,000.00	3,300,000,000.00	2,000,000,000.00	2,000,000,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$141,952	$134,988	$132,615	$110,653	$110,653
1002	OTHER PERSONNEL COSTS	$2,840	$4,299	$3,393	$2,925	$2,925
2001	PROFESSIONAL FEES AND SERVICES	$68	$360	$1,450	$1,250	$1,250
2003	CONSUMABLE SUPPLIES	$672	$240	$290	$250	$250
2005	TRAVEL	$335	$240	$145	$125	$125
2006	RENT - BUILDING	$120	$36	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$1,249	$1,200	$1,160	$1,000	$1,000
2009	OTHER OPERATING EXPENSE	$5,225	$4,115	$6,424	$5,729	$5,729
TOTAL, OBJECT OF EXPENSE		**$152,461**	**$145,478**	**$145,477**	**$121,932**	**$121,932**

Method of Financing:

352 Bond Review Board

GOAL: 3 Equitably Administer the Private Activity Bond Allocation for Texas — Statewide Goal/Benchmark: 8 0

OBJECTIVE: 1 Maximize the Public and Geographic Benefit from Private Activity Bonds — Service Categories:

STRATEGY: 1 Effectively Administer the Private Activity Bond Allocation Program — Service: 13 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1	General Revenue Fund	$152,461	$145,478	$145,477	$121,932	$121,932
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$152,461**	**$145,478**	**$145,477**	**$121,932**	**$121,932**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$121,932**	**$121,932**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$152,461**	**$145,478**	**$145,477**	**$121,932**	**$121,932**
FULL TIME EQUIVALENT POSITIONS:		**2.0**	**2.0**	**2.0**	**2.0**	**2.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Administer the private activity bond allocation program efficiently and effectively to ensure the total utilization of the state's annual private activity bond allocation according to federal regulations and compile and analyze the results of each allocation in an annual report, including recommendations for statutory and/or rule changes to ensure that the program effectively addresses the needs of the state. (Statutory authorization for the Board's administration of the private activity bond allocation is found in Chapter 1372 of the Texas Government Code.)

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

352 Bond Review Board

GOAL:	3	Equitably Administer the Private Activity Bond Allocation for Texas	Statewide Goal/Benchmark:	8	0
OBJECTIVE:	1	Maximize the Public and Geographic Benefit from Private Activity Bonds	Service Categories:		
STRATEGY:	1	Effectively Administer the Private Activity Bond Allocation Program	Service: 13	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015

Federal Legislation determines the projects that qualify under the allocation program. Neither the Board nor agency staff has control over sunset provisions and tax laws. Additional increases in demand are expected due to the needs of private activity bond issuers and the effects of inflation.

Beginning in 2003, the private activity volume cap is $75 per capita and indexed to an inflationary factor for future years. Volume cap is currently $95 per capita. Demand for the private activity is steady but is expected to be depressed for the short term due to difficulty in the single and multi-family housing programs, but also the restructuring of the student loan paradigm by federal legislation. Program receipts (unappropriated) totaled $1.2 million for the 2008-2009 biennium and $1.06 million for the 2010-2011 biennium. Receipts are expected to slightly decrease for the 2012-2013 biennium and begin increasing as the economy recovers.

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
METHODS OF FINANCE (INCLUDING RIDERS):				**$487,728**	**$487,728**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$558,417**	**$488,488**	**$486,968**	**$487,728**	**$487,728**
FULL TIME EQUIVALENT POSITIONS:	**8.8**	**7.9**	**8.0**	**8.0**	**8.0**

Agency code: Agency name:

CODE DESCRIPTION

Item Name:
Item Priority:

DESCRIPTION / JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS:

Agency code: Agency name:

Code Description

Item Name:

Allocation to Strategy: --

Agency Code: Agency name:

GOAL: Statewide Goal/Benchmark: -

OBJECTIVE: Service Categories:

STRATEGY: Service: Income: Age:

CODE DESCRIPTION

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/7/2012**
TIME: **6:27:01AM**

Agency code: Agency name: **Bond Review Board**

GR Baseline Request Limit = $975,456

GR-D Baseline Request Limit = $0

Strategy/Strategy Option/Rider	2014 Funds			2015 Funds				Biennial	Biennial	
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Cumulative GR	Cumulative Ded	Page #
Strategy: 1 - 1 - 1	**Review Bond Issues to Assure Legality and Other Provisions**									
2.0	112,178	112,178	0	2.0	112,178	112,178	0	224,356	0	
Strategy: 1 - 1 - 2	**Report to the Legislature on Debt Obligation and Policy Alternatives**									
2.0	107,300	107,300	0	2.0	107,300	107,300	0	438,956	0	
Strategy: 2 - 1 - 1	**Analyze Data on Local Government Finance and Debt Management**									
2.0	146,318	146,318	0	2.0	146,318	146,318	0	731,592	0	
Strategy: 3 - 1 - 1	**Effectively Administer the Private Activity Bond Allocation Program**									
2.0	121,932	121,932	0	2.0	121,932	121,932	0	975,456	0	
8.0	**$487,728**	**$487,728**	**$0**	**8.0**	**$487,728**	**$487,728**	**0**			

Agency Code: **352** Agency: **Bond Review Board**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2010 - 2011 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2010 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2010	HUB Expenditures FY 2011 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2011
33.0%	Other Services	33.0 %	98.1%	65.1%	$6,099	$6,217	33.0 %	69.9%	36.9%	$4,721	$6,756
12.6%	Commodities	12.6 %	35.6%	23.0%	$2,274	$6,384	12.6 %	40.7%	28.1%	$3,465	$8,522
	Total Expenditures		**66.4%**		**$8,373**	**$12,601**		**53.6%**		**$8,186**	**$15,278**

B. Assessment of Fiscal Year 2010 - 2011 Efforts to Meet HUB Procurement Goals

Attainment:

The BRB has set an objective to include underutilized businesses (HUB)'s in at least 30% of the total value of purchases and contracts awarded. The BRB achieved this objective in FY2010 and FY2011.

Applicability:

The "Heavy Construction", and "Special Trade Construction" categories are applicable with agency operations.

Factors Affecting Attainment:

Discretionary acquistions are extremely limited. Expenditures are primarily made directly with or through other agencies. Consumable items are normally obtained at TIBH's Supply Store and/or HUB vendor. Standard equipment items are obtained through CPA's automated purchasing program. The ultimate source for the acquistions is often a HUB vendor. The BRB has no imput in award of contracts.

FY10-98.1% of Other Services were HUB vendors. 35.6% Commodities were HUB vendors.
FY11-69.9% of Other Services were HUB vendors. 40.7% Commodities were HUB vendors.

"Good-Faith" Efforts:

The BRB's "Good Faith" efforts included: inclusion of HUB vendors for four out of five contact bids (formal of informal): clear and concise requests/specifications; and firect selection of HUB's from the CPA vendor list for spot purchasing.

Agency code: **352** Agency name: **Bond Review Board**

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2014**	**2015**	**Biennial Total**	**2014**	**2015**	**Biennial Total**	
1 PROGRAM SERVICE REDUCTION							
Category: Programs - Service Reductions (FTEs-Layoffs)							

Item Comment: Item Comment: A 10% reduction of $97,546 in the agency's appropriation for the 2014-2015 biennium would force staff reductions. Over the past 24 months, the agency has lost 3.0 FTEs out of a total of 8.0 or approximately one-third of its staff. One FTE retired after 21 years of service and was not replaced due to budget constraints, one was laid off due to budget cuts and one left the agency for a 30% salary increase. The agency is currently operating with 6.5 FTEs while its workload has significantly increased with recent mandates including responsibility for the state's Debt Affordability Study and administration of additional federal bonding authority. During this fiscal year the agency published its first report on local debt, a report not required by statute.

The agency's workload has also significantly increased as a result of increases in the number and complexity of local debt transactions processed. Requests for detailed information in the local strategy have increased as a result of stresses in that sector with the economic downturn. Due to understaffing, the agency has undertaken a program of cross-training that has created additional workload. Staff reductions will impair the agency's effectiveness in executing its strategies and result in workflow delays and overdue reports.

Over the past five fiscal years the agency has experienced an average turnover rate of 30%. Additional staff reductions will result in heavier training and workloads for remaining staff and thus encourage further turnover that would compromise agency efficiency, the quality of its analyses and reports as well as its ability to maintain exemplary service to its customers.

Strategy: 1-1-1 Review Bond Issues to Assure Legality and Other Provisions						
General Revenue Funds						
1 General Revenue Fund	$0	$0	$0	$12,193	$12,193	$24,386
General Revenue Funds Total	**$0**	**$0**	**$0**	**$12,193**	**$12,193**	**$24,386**
Strategy: 1-1-2 Report to the Legislature on Debt Obligation and Policy Alternatives						
General Revenue Funds						
1 General Revenue Fund	$0	$0	$0	$12,193	$12,193	$24,386
General Revenue Funds Total	**$0**	**$0**	**$0**	**$12,193**	**$12,193**	**$24,386**
Strategy: 2-1-1 Analyze Data on Local Government Finance and Debt Management						
General Revenue Funds						

Agency code: **352** Agency name: **Bond Review Board**

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2014**	**2015**	**Biennial Total**	**2014**	**2015**	**Biennial Total**	
1 General Revenue Fund	$0	$0	$0	$12,193	$12,193	$24,386	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$12,193**	**$12,193**	**$24,386**	
Strategy: 3-1-1 Effectively Administer the Private Activity Bond Allocation Program							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$12,194	$12,194	$24,388	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$12,194**	**$12,194**	**$24,388**	
Item Total	**$0**	**$0**	**$0**	**$48,773**	**$48,773**	**$97,546**	
FTE Reductions (From FY 2014 and FY 2015 Base Request)				**1.5**	**1.5**		
AGENCY TOTALS							
General Revenue Total				**$48,773**	**$48,773**	**$97,546**	**$97,546**
Agency Grand Total	**$0**	**$0**	**$0**	**$48,773**	**$48,773**	**$97,546**	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2014 and FY 2015 Base Request)				**1.5**	**1.5**		

Agency code: **352** Agency name: **Bond Review Board**

Strategy		Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1-1-1	**Review Bond Issues to Assure Legality and Other Provisions**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$6,599	$ 7,570	$ 7,415	$ 5,090	$ 5,090
1002	OTHER PERSONNEL COSTS	896	236	193	134	134
2001	PROFESSIONAL FEES AND SERVICES	100	20	82	58	58
2003	CONSUMABLE SUPPLIES	75	13	16	11	11
2005	TRAVEL	0	13	8	6	6
2006	RENT - BUILDING	0	2	0	0	0
2007	RENT - MACHINE AND OTHER	79	66	66	46	46
2009	OTHER OPERATING EXPENSE	221	302	366	264	264
	Total, Objects of Expense	**$7,970**	**$8,222**	**$8,146**	**$5,609**	**$5,609**
METHOD OF FINANCING:						
1	General Revenue Fund	7,970	8,222	8,146	5,609	5,609
	Total, Method of Financing	**$7,970**	**$8,222**	**$8,146**	**$5,609**	**$5,609**
FULL TIME EQUIVALENT POSITIONS		**0.1**	**0.1**	**0.1**	**0.1**	**0.1**

Method of Allocation

This agency does not have an indirect administrative goal. In general, indirect administrative and support costs are allocated proportionally among the four strategies on the basis of the actual budget size for each fiscal year. The percentage that applies to A.1.1. is 5% for FY2011-FY2015. This method was selected because this agency is general government and the administrative demands are closely related to budget size.

Agency code: **352** Agency name: **Bond Review Board**

Strategy		Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1-1-2	**Report to the Legislature on Debt Obligation and Policy Alternatives**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$5,527	$ 3,882	$ 3,779	$ 4,869	$ 4,869
1002	OTHER PERSONNEL COSTS	36	121	105	129	129
2001	PROFESSIONAL FEES AND SERVICES	206	117	45	55	55
2003	CONSUMABLE SUPPLIES	3	10	9	11	11
2005	TRAVEL	33	7	5	5	5
2006	RENT - BUILDING	0	7	0	0	0
2007	RENT - MACHINE AND OTHER	0	1	36	44	44
2009	OTHER OPERATING EXPENSE	56	34	199	252	252
	Total, Objects of Expense	**$5,861**	**$4,179**	**$4,178**	**$5,365**	**$5,365**
METHOD OF FINANCING:						
1	General Revenue Fund	5,861	4,179	4,178	5,365	5,365
	Total, Method of Financing	**$5,861**	**$4,179**	**$4,178**	**$5,365**	**$5,365**
FULL TIME EQUIVALENT POSITIONS		**0.1**	**0.1**	**0.1**	**0.1**	**0.1**

Method of Allocation

This agency does not have an indirect administrative goal. In general, indirect administrative and support costs are allocated proportionally among the four strategies on the basis of the actual budget size for each fiscal year. The percentage that applies to A.1.2. is 5% for FY2011-FY2015. This method was selected because this agency is general government and the administrative demands are closely related to budget size.

Agency code: **352** Agency name: **Bond Review Board**

Strategy		Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
2-1-1	**Analyze Data on Local Government Finance and Debt Management**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$5,572	$ 4,400	$ 4,305	$ 6,639	$ 6,639
1002	OTHER PERSONNEL COSTS	26	143	117	176	176
2001	PROFESSIONAL FEES AND SERVICES	12	12	50	75	75
2003	CONSUMABLE SUPPLIES	46	8	10	15	15
2005	TRAVEL	9	8	5	7	7
2006	RENT - BUILDING	3	1	0	0	0
2007	RENT - MACHINE AND OTHER	68	40	40	60	60
2009	OTHER OPERATING EXPENSE	730	137	221	344	344
	Total, Objects of Expense	**$6,466**	**$4,749**	**$4,748**	**$7,316**	**$7,316**
METHOD OF FINANCING:						
1	General Revenue Fund	6,466	4,749	4,748	7,316	7,316
	Total, Method of Financing	**$6,466**	**$4,749**	**$4,748**	**$7,316**	**$7,316**
FULL TIME EQUIVALENT POSITIONS		**0.1**	**0.1**	**0.1**	**0.1**	**0.1**

Method of Allocation

This agency does not have an indirect administrative goal. In general, indirect administrative and support costs are allocated proportionally among the four strategies on the basis of the actual budget size for each fiscal year. The percentage that applies to B.1.1. is 5% for FY2011-FY2015. This method was selected because this agency is general government and the administrative demands are closely related to budget size.

Agency code: **352** Agency name: **Bond Review Board**

Strategy		Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
3-1-1	**Effectively Administer the Private Activity Bond Allocation Program**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$7,098	$ 6,749	$ 6,631	$ 5,533	$ 5,533
1002	OTHER PERSONNEL COSTS	142	215	170	146	146
2001	PROFESSIONAL FEES AND SERVICES	3	18	73	63	63
2003	CONSUMABLE SUPPLIES	34	12	14	12	12
2005	TRAVEL	17	12	7	6	6
2006	RENT - BUILDING	6	2	0	0	0
2007	RENT - MACHINE AND OTHER	62	60	58	50	50
2009	OTHER OPERATING EXPENSE	261	206	321	286	286
	Total, Objects of Expense	**$7,623**	**$7,274**	**$7,274**	**$6,096**	**$6,096**
METHOD OF FINANCING:						
1	General Revenue Fund	7,623	7,274	7,274	6,096	6,096
	Total, Method of Financing	**$7,623**	**$7,274**	**$7,274**	**$6,096**	**$6,096**
FULL TIME EQUIVALENT POSITIONS		**0.1**	**0.1**	**0.1**	**0.1**	**0.1**

Method of Allocation

This agency does not have an indirect administrative goal. In general, indirect administrative and support costs are allocated proportionally among the four strategies on the basis of the actual budget size for each fiscal year. The percentage that applies to C.1.1. is 5% for FY2011-FY2015. This method was selected because this agency is general government and the administrative demands are closely related to budget size.

Agency code: **352** Agency name: **Bond Review Board**

	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
GRAND TOTALS					
Objects of Expense					
1001 SALARIES AND WAGES	$24,796	$22,601	$22,130	$22,131	$22,131
1002 OTHER PERSONNEL COSTS	$1,100	$715	$585	$585	$585
2001 PROFESSIONAL FEES AND SERVICES	$321	$167	$250	$251	$251
2003 CONSUMABLE SUPPLIES	$158	$43	$49	$49	$49
2005 TRAVEL	$59	$40	$25	$24	$24
2006 RENT - BUILDING	$9	$12	$0	$0	$0
2007 RENT - MACHINE AND OTHER	$209	$167	$200	$200	$200
2009 OTHER OPERATING EXPENSE	$1,268	$679	$1,107	$1,146	$1,146
Total, Objects of Expense	**$27,920**	**$24,424**	**$24,346**	**$24,386**	**$24,386**
Method of Financing					
1 General Revenue Fund	$27,920	$24,424	$24,346	$24,386	$24,386
Total, Method of Financing	**$27,920**	**$24,424**	**$24,346**	**$24,386**	**$24,386**
Full-Time-Equivalent Positions (FTE)	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**