

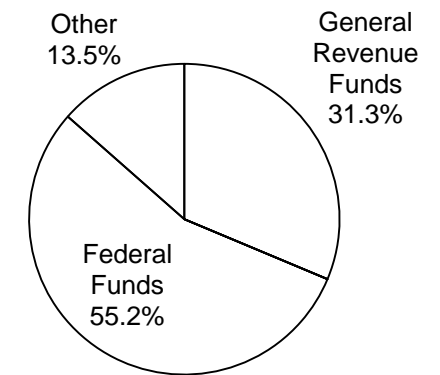
**Water Development Board  
Summary of Recommendations - Senate**

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RECOMMENDED FUNDING  
BY METHOD OF FINANCING

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$58,042,524	\$55,800,681	\$38,848,260	(\$16,952,421)	(30.4%)
GR Dedicated Funds	\$0	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$58,042,524</i>	<i>\$55,800,681</i>	<i>\$38,848,260</i>	<i>(\$16,952,421)</i>	<i>(30.4%)</i>
Federal Funds	\$18,357,393	\$69,778,892	\$68,464,806	(\$1,314,086)	(1.9%)
Other	\$21,330,799	\$21,905,356	\$16,755,362	(\$5,149,994)	(23.5%)
<b>All Funds</b>	<b>\$97,730,716</b>	<b>\$147,484,929</b>	<b>\$124,068,428</b>	<b>(\$23,416,501)</b>	<b>(15.9%)</b>



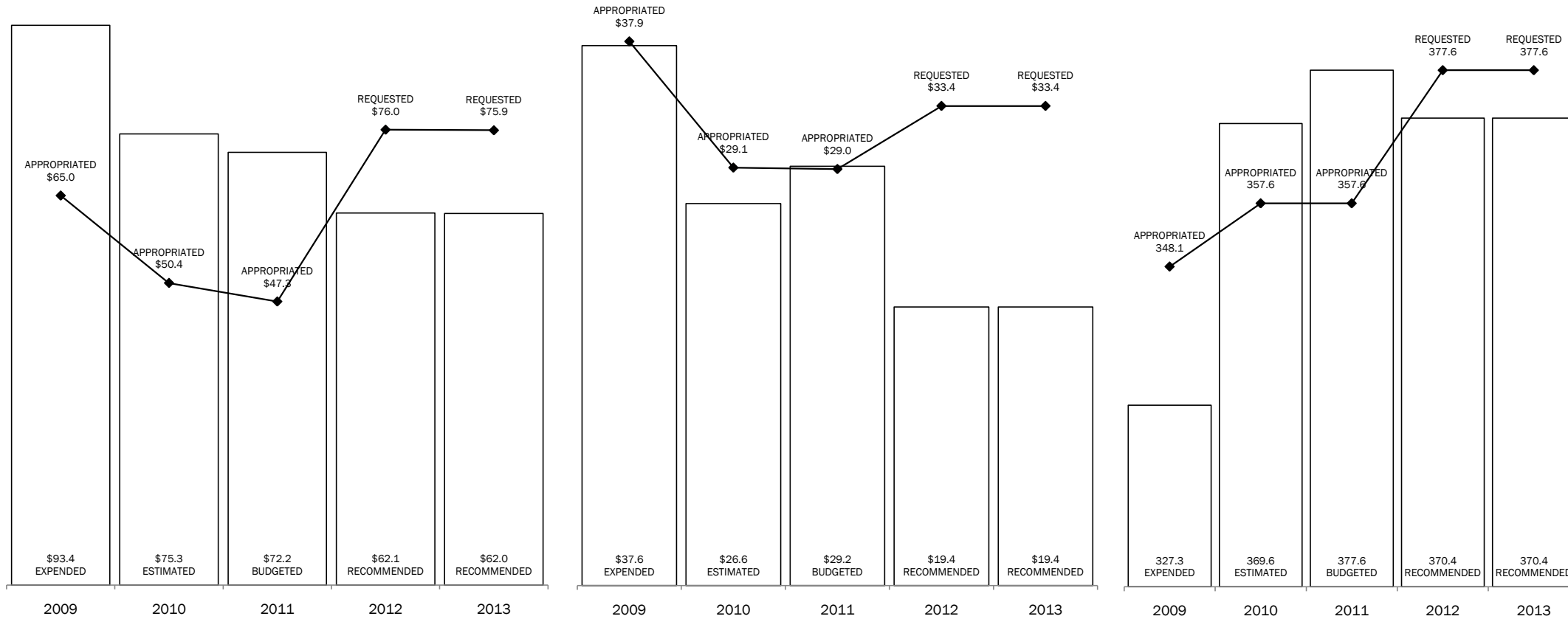
	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
FTEs	357.6	377.6	370.4	(7.2)	(1.9%)

The bill pattern for this agency (2012-13 Recommended) represents an estimated 5.8% of the agency's estimated total available funds for the 2012-13 biennium.

**ALL FUNDS**

**GENERAL REVENUE AND  
 GENERAL REVENUE-DEDICATED FUNDS**

**FULL-TIME-EQUIVALENT POSITIONS**



Note: The expenditures exceeded the appropriations in fiscal years 2009 through 2011, due to federal funds, primarily federal stimulus or ARRA funds, received in excess of anticipated amounts. The estimated and budgeted full-time-equivalent (FTE) positions in fiscal years 2010 and 2011 exceeded the FTE cap by 12.0 and 20.0 FTEs respectively due to the addition of 100 percent federally funded FTEs related to ARRA funds received for the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund programs.

**Water Development Board**  
**Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS**

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
ENVIRONMENTAL IMPACT INFORMATION A.1.1	\$4,402,785	\$3,172,398	(\$1,230,387)	(27.9%)	The introduced bill includes decreases of \$1.0 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds) and \$0.2 million in Other Funds.
WATER RESOURCES DATA A.1.2	\$8,038,334	\$6,482,072	(\$1,556,262)	(19.4%)	The introduced bill includes decreases of \$0.7 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds), \$0.5 million in Federal Funds in alignment with the agency's estimate, and \$0.4 million in Other Funds.
AUTO INFO COLLECT., MAINT. & DISSEM A.1.3	\$6,886,193	\$3,708,798	(\$3,177,395)	(46.1%)	The introduced bill includes decreases of \$2.3 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds), \$0.2 million in Federal Funds in alignment with the agency's estimate, and \$0.1 million in Other Funds.
TECHNICAL ASSISTANCE & MODELING A.2.1	\$9,198,126	\$4,961,674	(\$4,236,452)	(46.1%)	The introduced bill includes decreases of \$3.8 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds), \$0.1 million in Federal Funds in alignment with the agency's estimate, and \$0.4 million in Other Funds.
WATER RESOURCES PLANNING A.2.2	\$33,171,266	\$15,785,898	(\$17,385,368)	(52.4%)	The introduced bill includes decreases of \$2.3 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds), \$12.3 million in Federal Funds in alignment with the agency's estimate, and \$2.7 million in Other Funds.
WATER CONSERVATION EDUCATION & ASST A.3.1	\$3,353,998	\$3,117,684	(\$236,314)	(7.0%)	The introduced bill includes a decrease of \$0.2 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds).
PERFORM COMM ASSIST RELATED TO NFIP A.4.1	\$36,321,453	\$44,978,282	\$8,656,829	23.8%	The introduced bill includes a decrease of \$0.1 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds) and an increase of \$12.3 million in Federal Funds in alignment with the agency's estimate.
<b>Total, Goal A, WATER RESOURCE PLANNING</b>	<b>\$101,372,155</b>	<b>\$82,206,806</b>	<b>(\$19,165,349)</b>	<b>(18.9%)</b>	

**Water Development Board**  
**Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS**

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
STATE & FEDERAL FIN ASSIST PROGRAM B.1.1	\$26,446,887	\$24,219,974	(\$2,226,913)	(8.4%)	The introduced bill includes decreases of \$0.7 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds), \$0.2 million in Federal Funds in alignment with the agency's estimate, and \$1.3 million in Other Funds.
ECONOMICALLY DISTRESSED AREAS B.1.2	\$3,497,791	\$2,557,162	(\$940,629)	(26.9%)	The introduced bill includes decreases of \$0.7 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds) and \$0.2 million in Federal Funds in alignment with the agency's estimate.
<b>Total, Goal B, WATER PROJECT FINANCING</b>	<b>\$29,944,678</b>	<b>\$26,777,136</b>	<b>(\$3,167,542)</b>	<b>(10.6%)</b>	
CENTRAL ADMINISTRATION C.1.1	\$7,729,627	\$7,308,840	(\$420,787)	(5.4%)	The introduced bill includes decreases of \$0.4 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds) and \$0.1 million in Federal Funds in alignment with the agency's estimate.
INFORMATION RESOURCES C.1.2	\$6,818,731	\$6,258,812	(\$559,919)	(8.2%)	The introduced bill includes a decrease of \$0.6 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds).
OTHER SUPPORT SERVICES C.1.3	\$1,619,738	\$1,516,834	(\$102,904)	(6.4%)	The introduced bill includes a decrease of \$0.1 million in General Revenue funds (see Summary of Recommendations for GR & GR-Dedicated Funds).
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$16,168,096</b>	<b>\$15,084,486</b>	<b>(\$1,083,610)</b>	<b>(6.7%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$147,484,929</b>	<b>\$124,068,428</b>	<b>(\$23,416,501)</b>	<b>(15.9%)</b>	

**Water Development Board**  
**Summary of Recommendations - Senate, By Method of Finance -- GR & GR DEDICATED FUNDS**

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
ENVIRONMENTAL IMPACT INFORMATION A.1.1	\$2,689,904	\$1,671,552	(\$1,018,352)	(37.9%)	The introduced bill decreases funding by \$1.0 million to 2008-09 levels.
WATER RESOURCES DATA A.1.2	\$4,871,573	\$4,218,486	(\$653,087)	(13.4%)	The introduced bill decreases funding for the Instream Flows program by \$0.4 million to 2008-09 levels and the Groundwater Monitoring Program by \$0.3 million to 2008-09 levels.
AUTO INFO COLLECT., MAINT. & DISSEM A.1.3	\$3,604,708	\$720,154	(\$2,884,554)	(80.0%)	The introduced bill reduces funding for the Strategic Mapping program by \$2.0 million, additional capital budget items by \$0.7 million, and \$0.3 million for salary reductions identified in the agency's 10 percent reductions option schedule.
TECHNICAL ASSISTANCE & MODELING A.2.1	\$7,507,230	\$3,714,226	(\$3,793,004)	(50.5%)	The introduced bill decreases funding by \$3.8 million to 2008-09 levels.
WATER RESOURCES PLANNING A.2.2	\$9,977,667	\$7,667,932	(\$2,309,735)	(23.1%)	The introduced bill includes decreases of \$1.1 million related to a reduction in brackish desalination grants as identified in the agency's 10 percent reductions option schedule, a reduction in funding of \$0.2 million for regional water planning to 2008-09 levels, and a 25 percent reduction in funding of \$1.0 million for the regional water and wastewater facility planning grants.
WATER CONSERVATION EDUCATION & ASST A.3.1	\$913,079	\$684,810	(\$228,269)	(25.0%)	The introduced bill includes a decrease of \$0.2 million related to a 25 percent reduction in funding for water conservation education and assistance.
PERFORM COMM ASSIST RELATED TO NFIP A.4.1	\$5,217,292	\$1,612,312	(\$3,604,980)	(69.1%)	The introduced bill includes decreases of \$0.4 million in National Flood Insurance Program training, and a decrease of \$0.3 million for salary reductions in alignment with the agency's 10 percent reductions option schedule, a decrease of \$0.1 million for the FEMA Flood Mitigation program in alignment with the agency's baseline request, and a \$3.0 million for a reduction in requested capital budget funding for PC and server replacements and the Strategic Mapping Pool.
<b>Total, Goal A, WATER RESOURCE PLANNING</b>	<b>\$34,781,453</b>	<b>\$20,289,472</b>	<b>(\$14,491,981)</b>	<b>(41.7%)</b>	

**Water Development Board**  
**Summary of Recommendations - Senate, By Method of Finance -- GR & GR DEDICATED FUNDS**

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
STATE & FEDERAL FIN ASSIST PROGRAM B.1.1	\$8,457,147	\$7,719,162	(\$737,985)	(8.7%)	The introduced bill includes decreases of \$0.5 million for the Drinking Water State Revolving Fund in alignment with the agency's 10 percent reductions option schedule, \$0.1 million in alignment with the agency's baseline request for State Financial Assistance, \$0.1 million for a reduction in requested capital budget funding for PC and server replacements, and \$0.1 million related to salary reductions identified in the agency's 10 percent reductions option schedule.
ECONOMICALLY DISTRESSED AREAS B.1.2	\$2,655,879	\$1,924,044	(\$731,835)	(27.6%)	The introduced bill includes decreases of \$0.2 million for the Economically Distressed Areas Program to 2008-09 levels and \$0.5 million for the elimination of the Colonia Self Help Program as identified in the agency's 10 percent reductions option schedule.
<b>Total, Goal B, WATER PROJECT FINANCING</b>	<b>\$11,113,026</b>	<b>\$9,643,206</b>	<b>(\$1,469,820)</b>	<b>(13.2%)</b>	
CENTRAL ADMINISTRATION C.1.1	\$3,513,792	\$3,162,412	(\$351,380)	(10.0%)	The introduced bill reduces funding for administration by 10 percent.
INFORMATION RESOURCES C.1.2	\$5,587,797	\$5,029,018	(\$558,779)	(10.0%)	The introduced bill reduces funding for administration by 10 percent.
OTHER SUPPORT SERVICES C.1.3	\$804,613	\$724,152	(\$80,461)	(10.0%)	The introduced bill reduces funding for administration by 10 percent.
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$9,906,202</b>	<b>\$8,915,582</b>	<b>(\$990,620)</b>	<b>(10.0%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$55,800,681</b>	<b>\$38,848,260</b>	<b>(\$16,952,421)</b>	<b>(30.4%)</b>	

## Section 3

### Water Development Board Selected Fiscal and Policy Issues

1. The introduced bill begins with the agency's 2010-11 estimated and budgeted amounts and incorporate the following adjustments:
  - A. Decrease General Revenue by \$16,952,421, which includes:
    - A decrease of \$8,640,981 related to a reduction to 2008-09 levels for various programs (see attached worksheet, Recommended Program Funding Changes);
    - A decrease of \$2,151,786 related to reductions identified by the agency in the 10 percent reductions option schedule;
    - A decrease of \$3,748,605 related to not funding agency requested capital budget items;
    - A decrease of \$127,753 in the funding of various programs in alignment with the agency's baseline request;
    - A decrease of \$990,620 related to a 10 percent across-the-board reduction for administration; and
    - A decrease of \$1,064,407 related to zero-funding brackish seawater desalination grants.
    - A decrease of \$228,269 related to a 25 percent reduction for water conservation education and assistance.
  - B. Decrease Federal Funds by \$1,314,086 in alignment with the agency's estimate.
  - C. Decrease Other Funds by \$5,149,994 in alignment with the agency's request.
2. **Sunset:** The agency is currently undergoing Sunset review. Included in the Sunset Staff report were six identified issues with twelve related recommendations. Of these recommendations, only two are expected to have a significant fiscal impact, including:
  - Recommendation 1, provide the agency with "evergreen" bond authority in amounts such that the aggregate principal amount outstanding at any time does not exceed \$6 billion for the Texas Water Development Fund II (DFund); and
  - Recommendation 7, exempt the Texas Natural Resources Information System (TNRIS) from the data center services contract at the Department of Information Resources. This would impact the agency's third exceptional item, Data Center Services (see Items Not Included in Recommendations).The Sunset Staff report did not address the continuation of the agency because TWDB is not subject to abolishment under the Sunset Act.
3. TWDB administers three funds held outside the appropriations process: the DFund; the Clean Water State Revolving Fund; and, the Drinking Water State Revolving Fund. The estimated grand total of agency funds outside the 2012-13 bill pattern is \$2.0 billion; and the amount in the agency's bill pattern represents 5.8 percent of TWDB's estimated total available funds for the biennium. The DFund is constitutionally dedicated by Article III, Section 49-c(c), and only the debt service for the non-self supporting programs under the DFund appear in the appropriations bill. These appropriations are in the Debt Service Payments Non-self Supporting G.O. Water Bonds bill pattern, and the introduced bill includes \$106.8 million in General Revenue to pay debt service requirements for existing bond debt only in fiscal years 2012-13. The Clean Water State Revolving Fund and the Drinking Water State Revolving Fund are self-supporting revenue bond programs and Section 15.603(a) of the Water Code provides that they are not subject to the appropriations process.
4. The following table provides in detail, the changes to the agency's appropriations from the 2010-11 base to 2012-13 recommended funding levels.

Recommended Program Funding Changes for 2012-13 Biennium - General Revenue Only

Strategy	Program Name	Expended/Estimated 2010-11	Recommended 2012-13	Difference	2011 FTEs	Recommended 2013 FTEs	Difference	Explanation
A.1.1	Bays and Estuaries	\$ 2,689,904	\$ 1,671,552	\$ (1,018,352)	9.5	9.5	-	Reduce funding to 2008-09 levels
	<b>Subtotal</b>	<b>\$ 2,689,904</b>	<b>\$ 1,671,552</b>	<b>\$ (1,018,352)</b>	<b>9.5</b>	<b>9.5</b>	<b>-</b>	
A.1.2	Hydrosurvey	\$ 177,322	\$ 177,322	\$ -	5.0	5.0	-	Fund at 2010-11 levels
	Instream Flows	\$ 3,488,616	\$ 3,090,012	\$ (398,604)	8.0	8.0	-	Reduce funding to 2008-09 levels
	Groundwater Monitoring	\$ 1,205,635	\$ 951,152	\$ (254,483)	12.0	12.0	-	Reduce funding to 2008-09 levels
	<b>Subtotal</b>	<b>\$ 4,871,573</b>	<b>\$ 4,218,486</b>	<b>\$ (653,087)</b>	<b>25.0</b>	<b>25.0</b>	<b>-</b>	
A.1.3	Strategic Mapping	\$ 2,109,118	\$ 85,978	\$ (2,023,140)	6.0	6.0	-	Zero-fund capital request
	Geospatial data catalog and Borderland Information Center	\$ 1,495,590	\$ 1,571,394	\$ 75,804	20.2	20.2	-	Fund at requested levels and pull out additional reductions below
	Additional Capital Reduction Additional 10 percent reduction options (salary #2)		\$ (675,350)	\$ (675,350)			-	Zero-fund capital request
	<b>Subtotal</b>	<b>\$ 3,604,708</b>	<b>\$ 720,154</b>	<b>\$ (2,884,554)</b>	<b>26.2</b>	<b>26.2</b>	<b>-</b>	Implement salary reductions
A.2.1	Groundwater Availability Modeling	\$ 4,929,996	\$ 2,975,592	\$ (1,954,404)	16.0	16.0	-	Reduce funding to 2008-09 levels
	Groundwater Technical Assistance	\$ 2,352,988	\$ 551,080	\$ (1,801,908)	13.0	13.0	-	Reduce funding to 2008-09 levels
	Water Availability Monitoring	\$ 224,246	\$ 187,554	\$ (36,692)	2.0	2.0	-	Reduce funding to 2008-09 levels
	<b>Subtotal</b>	<b>\$ 7,507,230</b>	<b>\$ 3,714,226</b>	<b>\$ (3,793,004)</b>	<b>31.0</b>	<b>31.0</b>	<b>-</b>	
A.2.2	Innovative Technologies	\$ 2,320,261	\$ 1,255,854	\$ (1,064,407)	9.0	9.0	-	Eliminate funding for brackish desalination grants
	Regional Water Planning	\$ 2,429,526	\$ 2,281,660	\$ (147,866)	24.2	24.2	-	Reduce funding to 2008-09 levels
	Regional water and wastewater facility planning grants	\$ 3,893,542	\$ 2,920,157	\$ (973,386)	-	-	-	Reduce funding for regional water and wastewater facility planning grants by 25 percent.
	Water Use Survey	\$ 1,219,328	\$ 1,210,396	\$ (8,932)	5.0	5.0	-	In alignment with the agency's baseline request
	<b>Subtotal</b>	<b>\$ 9,862,657</b>	<b>\$ 7,667,932</b>	<b>\$ (2,194,726)</b>	<b>38.2</b>	<b>38.2</b>	<b>-</b>	
A.3.1	Water Conservation Education and Conservation Plans	\$ 913,079	\$ 684,810	\$ (228,269)	14.5	14.5	-	Reduce funding for water conservation education and conservation plans by 25 percent.
	<b>Subtotal</b>	<b>\$ 913,079</b>	<b>\$ 684,810</b>	<b>\$ (228,269)</b>	<b>14.5</b>	<b>14.5</b>	<b>-</b>	



Recommended Program Funding Changes for 2012-13 Biennium - General Revenue Only

Strategy	Program Name	Expended/Estimated 2010-11	Recommended 2012-13	Difference	2011 FTEs	Recommended 2013 FTEs	Difference	Explanation
A.4.1	National Flood Insurance Program community assistance and training	\$ 1,398,139	\$ 990,640	\$ (407,499)	11.0	11.0	-	Reduce by amount identified in 10 percent reductions option schedule
	FEMA Flood Mitigation	\$ 115,010	\$ 42,324	\$ (72,686)	1.5	1.5	-	In alignment with the agency's baseline request
	FEMA Severe Repetitive Loss	\$ 17,650	\$ 17,650	\$ -	2.0	2.0	-	Fund at 2010-11 levels
	Floodplain Mapping	\$ 3,810,328	\$ 3,855,496	\$ 45,168	4.0	4.0	-	In alignment with the agency's baseline request
	Additional Capital Reduction		\$ (3,036,566)					Reduce funding by amounts identified in agency's requested capital budget
	Additional 10 percent reduction options (salary reductions #1 and #2)		\$ (257,232)					Reduce funding by amounts identified in agency's 10 percent reductions option schedule
	<b>Subtotal</b>	<b>\$ 5,332,302</b>	<b>\$ 1,612,312</b>	<b>\$ (3,719,990)</b>	<b>18.5</b>	<b>18.5</b>	<b>-</b>	
B.1.1	State Financial Assistance	\$ 3,284,805	\$ 3,174,208	\$ (110,597)	22.2	22.2	-	In alignment with the agency's baseline request
	Drinking Water State Revolving Fund	\$ 5,172,342	\$ 4,672,342	\$ (500,000)	29.8	29.8	-	Reduce by amount identified in 10 percent reductions options schedule
	Non-GR Funded Programs with FTEs	\$ -	\$ -	\$ -	73.1	73.1	-	
	Additional Capital Reduction		\$ (66,834)					Zero-fund capital request
	Additional 10 percent reduction options (salary reductions #1 and #2)		\$ (60,554)					Reduce funding by amounts identified in agency's 10 percent reductions option schedule
	<b>Subtotal</b>	<b>\$ 8,457,147</b>	<b>\$ 7,719,162</b>	<b>\$ (737,985)</b>	<b>125.0</b>	<b>125.0</b>	<b>-</b>	
B.1.2	EDAP	\$ 2,155,879	\$ 1,924,044	\$ (231,835)	11.7	11.7	(0.0)	Reduce funding to 2008-09 levels
	Colonia Self Help Program	\$ 500,000	\$ -	\$ (500,000)	-	-	-	Eliminate funding as identified in 10 percent reductions option schedule
	Non-GR Funded Programs with FTEs	\$ -	\$ -	\$ -	5.1	5.1	0.0	
	<b>Subtotal</b>	<b>\$ 2,655,879</b>	<b>\$ 1,924,044</b>	<b>\$ (731,835)</b>	<b>16.8</b>	<b>16.8</b>	<b>-</b>	

Recommended Program Funding Changes for 2012-13 Biennium - General Revenue Only

Strategy	Program Name	Expended/Estimated 2010-11	Recommended 2012-13	Difference	2011 FTEs	Recommended 2013 FTEs	Difference	Explanation
C.1.1	Central Admin	\$ 3,513,792	\$ 3,162,412	\$ (351,380)	48.3	43.5	(4.8)	Reduce administration by 10 percent
C.1.2	Information Resources	\$ 5,587,797	\$ 5,029,018	\$ (558,779)	19.4	17.5	(1.9)	Reduce administration by 10 percent
C.1.3	Other Support Services	\$ 804,613	\$ 724,152	\$ (80,461)	5.2	4.7	(0.5)	Reduce administration by 10 percent
		\$ 55,800,681	\$ 38,848,260	\$ (16,952,421)	377.6	370.4	(7.2)	

**6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern  
Texas Water Development Board**

<b>ESTIMATED GRAND TOTAL OF AGENCY FUNDS OUTSIDE THE 2012-13 GAA BILL PATTERN</b>	<b>\$</b>	<b>2,002,639,073</b>
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**Texas Water Development Fund II**

Estimated Beginning Balance in FY 2010	\$	119,155,015
Estimated Revenues FY 2010	\$	165,698,827
Estimated Revenues FY 2011	\$	90,654,766
<b>FY 2010-11 Total</b>	<b>\$</b>	<b>375,508,608</b>
Estimated Beginning Balance in FY 2012	\$	65,845,206
Estimated Revenues FY 2012	\$	88,856,949
Estimated Revenues FY 2013	\$	85,943,525
<b>FY 2012-13 Total</b>	<b>\$</b>	<b>240,645,680</b>

**Constitutional or Statutory Creation and Use of Funds:**

Texas Water Development Fund (Dfund I) was originally adopted in 1957 (Article 3, section 49-c, Texas Constitution) to provide loans for water supply, water quality enhancement (sewer), flood control and state participation projects. The Texas Water Development Fund II (Dfund II) was adopted in 1997 by Article 3, section 49-d-8 of the Texas Constitution. Dfund II modernized the flow of funds and maximized the use of remaining bond authorizations.

**Method of Calculation and Revenue Assumptions:**

Although EDAP, WIF and State Participation are part of Dfund II, the debt service is included in the GAA, so they are not included in the figures for Dfund II. Revenues for 2010 includes actual and estimated loan repayments, interest and prepayments for FY10. Beginning balances for FY10 are from the FY09 AFR. Estimated revenues for FY11 - 13 are from cash flow projections based on projected interest, scheduled and estimated repayments of loans.

**6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern  
Texas Water Development Board**

**Clean Water State Revolving Fund**

Estimated Beginning Balance in FY 2010	\$	752,308,137
Estimated Revenues FY 2010	\$	405,727,945
Estimated Revenues FY 2011	\$	301,087,153
<b>FY 2010-11 Total</b>	\$	<b>1,459,123,235</b>
Estimated Beginning Balance in FY 2012	\$	831,875,857
Estimated Revenues FY 2012	\$	280,659,111
Estimated Revenues FY 2013	\$	286,151,106
<b>FY 2012-13 Total</b>	\$	<b>1,398,686,073</b>

**Constitutional or Statutory Creation and Use of Funds:**

The State Revolving Fund (CWSRF) was created in 1987 under Section 15.601, Texas Water Code. The CWSRF is held separately from other funds by the TWDB outside the State Treasury to provide financial assistance to political subdivisions for construction of wastewater treatment works. The CWSRF consists of money derived from federal grants, direct appropriations, and investment earnings. The CWSRF shall remain in perpetuity for providing financial assistance in accordance with the federal act. All payments of principal and interest and all proceeds from the sale, refunding or prepayment of bonds of political subdivisions acquired in carrying out the purposes of the CWSRF shall be deposited in the CWSRF.

**Method of Calculation and Revenue Assumptions:**

Beginning balances for FY10 from the FY09 AFR. Estimated revenues for FY11 - 13 from cash flow projections based on schedules and estimated repayments of loans. Revenues defined to include grant awards, fee income, loan repayments and interest as projected for FY11 - 13.

**Drinking Water State Revolving Fund**

Estimated Beginning Balance in FY 2010	\$	166,384,036
Estimated Revenues FY 2010	\$	123,556,321
Estimated Revenues FY 2011	\$	59,237,583
<b>FY 2010-11 Total</b>	\$	<b>349,177,940</b>
Estimated Beginning Balance in FY 2012	\$	234,104,008
Estimated Revenues FY 2012	\$	62,580,506
Estimated Revenues FY 2013	\$	66,622,806
<b>FY 2012-13 Total</b>	\$	<b>363,307,320</b>

**Constitutional or Statutory Creation and Use of Funds:**

The Drinking Water State Revolving Fund (DWSRF) was established in 1997 under Section 15.6041, Texas Water Code. The DWSRF was created to provide financial assistance to political subdivisions for community water systems and for nonprofit non-community water systems; persons other than political subdivisions for community water systems or nonprofit noncommunity water systems; and persons, including political subdivisions, for service to disadvantaged communities; and for other purposes authorized by the federal Safe Drinking Water Act.

**Method of Calculation and Revenue Assumptions:**

Beginning balances for FY10 from the FY09 AFR. Estimated revenues for FY11 - 13 from cash flow projections based on schedules and estimated repayments of loans. Revenues defined to include grant awards, fee income, loan repayments and interest as projected for FY11 - 13.

**Section 3**

**Water Development Board  
FTE Highlights**

Full-Time-Equivalent Positions	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
Cap	348.1	357.6	357.6	370.4	370.4
Actual/Budgeted	327.3	369.6	377.6	NA	NA
<b>Schedule of Exempt Positions (Cap)</b>					
Executive Administrator	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000

Note: The Actual/Budgeted FTEs include 28.2 FTEs in fiscal year 2010 and 20.0 FTEs in fiscal year 2011 related to 100 percent federally funded FTEs to support ARRA funding for the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund.

Water Development Board  
Performance Review and Policy Report Highlights

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

## Section 5

### Water Development Board Rider Highlights

16. (Former) **Desalination.** The introduced bill deletes this rider in alignment with the recommendation to eliminate funding for Brackish Seawater Desalination Grants.
17. (Renumbered) **Appropriation: Water Infrastructure Fund.** The introduced bill deletes language requiring that the appropriations to the Water Infrastructure Fund be prioritized to fund recommended water management strategies in the State Water Plan with the earliest recommended implementation date. This portion of the rider is deleted because as the new State Water Plan is developed, projects may be identified which merit funding under the new State Water Plan that will be formally adopted in January 2012, but were not included as a priority in the previous State Water Plan from 2007. This rider modification would allow these projects to be funded prior to the formal adoption of the new State Water Plan in 2012.
19. (Former) **Colonia Self Help.** The introduced bill deletes this rider in alignment with the recommendation to eliminate funding for the Colonia Self Help Program.
22. (Former) **Appropriation: Edwards Aquifer Recovery Implementation Program.** The introduced bill deletes this rider because this item was a one-time appropriation out of Other Funds.
25. (Former) **Advisory Committees.** The introduced bill deletes this rider in alignment with the recommendation to not transfer General Revenue to the Water Assistance Fund for the reimbursement of advisory committees.
26. (Former) **Funding Restricted for Reservoir Site.** The introduced bill deletes this rider because it specified that funding could not be used for the acquisition of a reservoir site for the Marvin Nichols Reservoir until after December 2010.

**Water Development Board**  
**Items not Included in Recommendations - Senate**

	<b>2012-13 Biennial Total</b>	
	<b>GR &amp; GR- Dedicated</b>	<b>All Funds</b>
1. Transfer funding between strategies: Increase General Revenue funding by \$808,470 in Strategy A.1.3, Automated Information Collection, Maintenance, and Dissemination, and decrease by a like amount in Strategy A.1.1, Environmental Impact Information (\$751,588) and B.1.2, Economically Distressed Areas Program (\$56,882).	\$ -	\$ -
2. Transfer funding between strategies: Increase General Revenue funding by \$207,728 in Strategy C.1.2, Information Resources and decrease by a like amount in Strategy C.1.3, Other Support Services.	\$ -	\$ -
3. Data Center Services - amount agency is requesting to cover the increased cost of data center services under the DIR contract with IBM.	\$ 1,611,371	\$ 1,611,371
4. Seawater Desalination - \$4.75 million in grants each fiscal year to assist the Brownsville Public Utilities Board with the installation of a proposed \$22.5 million 2.5 million-gallons-day demonstration production facility in the Brownsville Ship Channel.	\$ 9,500,000	\$ 9,500,000
5. Capital Budget-- provide non-General Revenue funded capital budget authority for six projects: -PC and Server Replacement (\$217,064); -Strategic Mapping Pool (\$616,000); -TxWise (\$25,000); -Water Information Integration and Dissemination Project (\$279,524); -Vehicles and Boats (\$140,000); -Gauging and Other Equipment (\$9,000).	\$ -	\$ -
6. Modify amount in Rider 3, Transfer Authorized, to reflect funding level included in Strategy A.2.2, Water Resources Planning, for regional water and wastewater facility planning grants (LBB will treat as technical correction).	\$ -	\$ -



**Water Development Board**  
**Items not Included in Recommendations - Senate**

7. Executive Administrator Salary - add the Water Development Board to the list of agencies in Article IX, Section 3.05(c)(6), which would give the Board the authority to set the Executive Administrator's salary anywhere within the salary group (Salary Group 5).

<b>2012-13 Biennial Total</b>	
<b>GR &amp; GR- Dedicated</b>	<b>All Funds</b>
\$ -	\$ -
<b>\$ 11,111,371</b>	<b>\$ 11,111,371</b>

**Total, Items Not Included in the Recommendations**