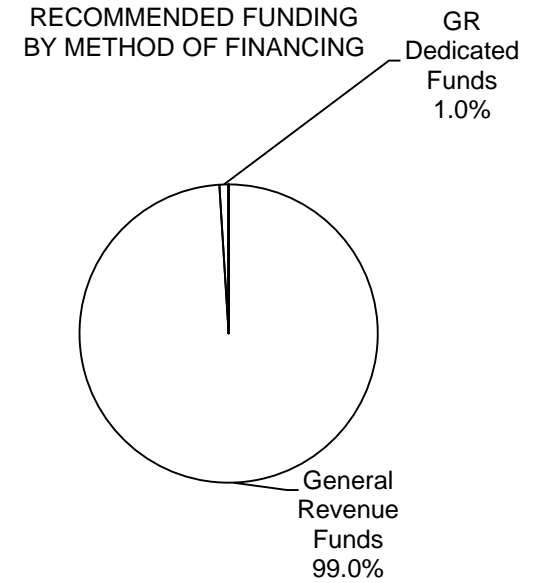


**Revenue Bonds for Lease Payments - End of Articles I - X
Summary of Recommendations - Senate**

Page: I-44
Terry Keel, Executive Director

Demetrio Hernandez, LBB Analyst

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$84,341,039	\$84,341,039	\$75,572,817	(\$8,768,222)	(10.4%)
GR Dedicated Funds	\$1,671,850	\$1,671,850	\$759,003	(\$912,847)	(54.6%)
<i>Total GR-Related Funds</i>	<i>\$86,012,889</i>	<i>\$86,012,889</i>	<i>\$76,331,820</i>	<i>(\$9,681,069)</i>	<i>(11.3%)</i>
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Other	\$0	\$0	\$0	\$0	0.0%
All Funds	\$86,012,889	\$86,012,889	\$76,331,820	(\$9,681,069)	(11.3%)



The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

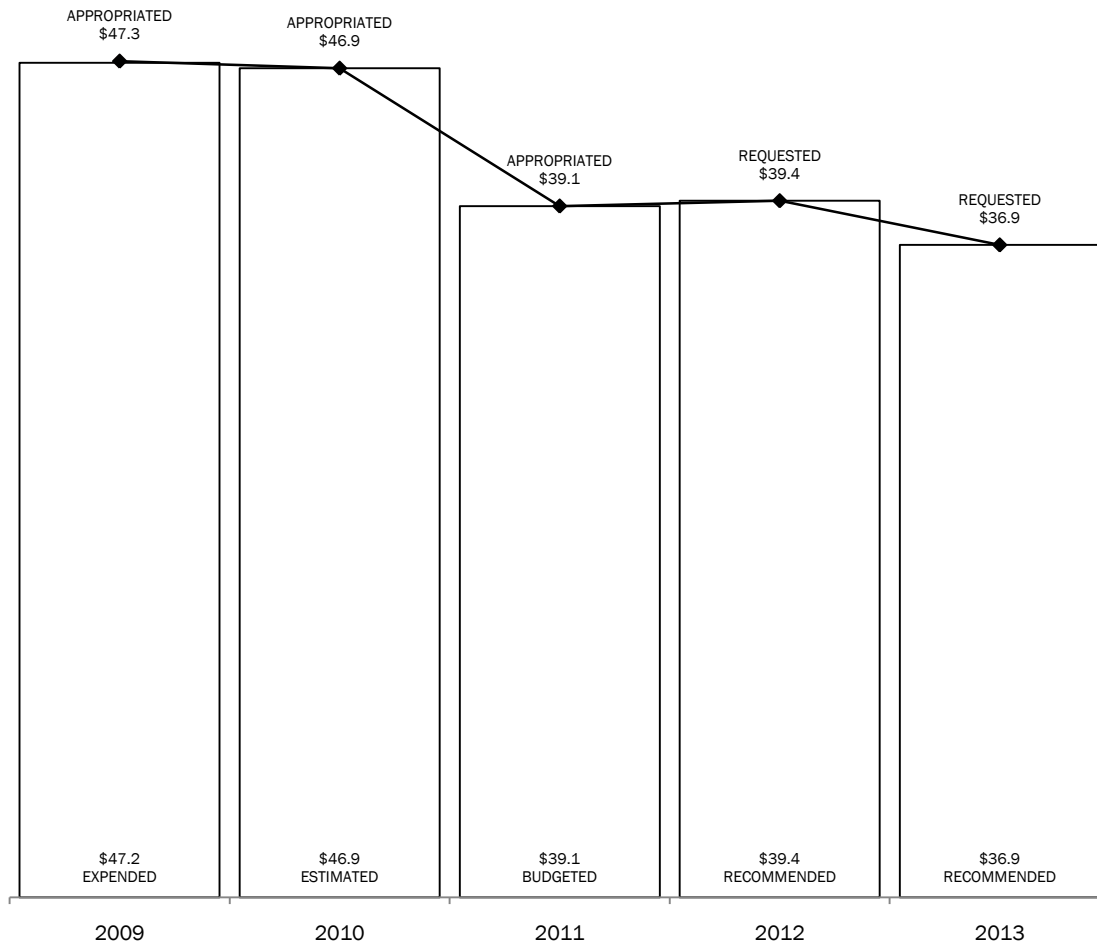
Revenue Bonds for Lease Payments - End of Articles I - X

2012-2013 BIENNIUM

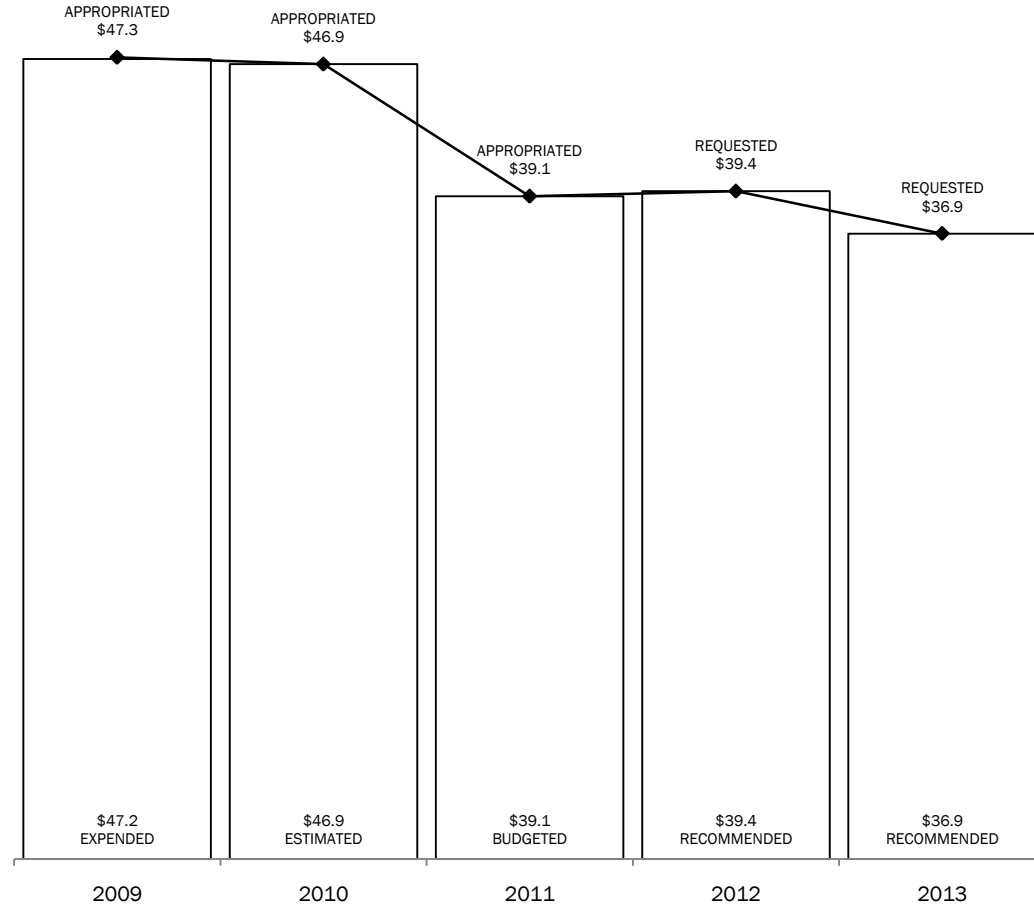
IN MILLIONS

TOTAL= \$76.3 MILLION

ALL FUNDS



GENERAL REVENUE AND
GENERAL REVENUE-DEDICATED FUNDS



**Revenue Bonds for Lease Payments - End of Articles I - X
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS**

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
LEASE PAYMENTS A.2.2	\$86,012,889	\$76,331,820	(\$9,681,069)	(11.3%)	Recommendations reflect a decrease in General Revenue of \$8.8 million and a decrease in General Revenue - dedicated accounts of \$0.9 million due to reduced debt service requirements. For the 2012-13 biennium, debt service requirements declined in all articles, with the exception of Article VII. The 2004A Revenue Refunding issue refinanced the 1997A Revenue bonds, which included a Texas Department of Transportation property that constitutes the majority of the lease payments in that article. The debt service is not level for this issue, resulting in a slight increase for the 2012-13 biennium for Article VII. Within the biennium, debt service requirements declined in all articles in 2013 over 2012, with the exceptions of Articles IV and X due to two refunding issues, the 1990 and the 2004A Revenue Refunding issues. In Article IV, the Supreme Court buildings were financed by a 1985 Revenue issue which was refunded by the the 1990 Revenue Refunding issue. The debt service is not level on the refunding bonds and increases slightly in 2013. In Article X, the increase is attributable to the 2004A Revenue Refunding issue that refinanced the 1996A Revenue bonds, which financed the Robert E. Johnson Building. Principal begins maturing in 2013 on these bonds, which results in an increase in the debt service.
Total, Goal A, FINANCE CAPITAL PROJECTS	\$86,012,889	\$76,331,820	(\$9,681,069)	(11.3%)	
Grand Total, All Strategies	\$86,012,889	\$76,331,820	(\$9,681,069)	(11.3%)	

Lease Payments
Selected Fiscal and Policy Issues

Sunset Staff Report. In November 2008, the Sunset Advisory Commission released a Staff Study of the Texas Facilities Commission (TFC). The study included assessing the best allocation of state resources for the following:

- the acquisition of state buildings through lease or purchase;
- the construction of buildings owned by the state;
- the control and maintenance of buildings owned or leased by the state, and
- all other related responsibilities performed by the Texas Facilities Commission.

As part of this study, the Sunset Staff assessed the two lease-to-purchase properties in the TFC's leasing portfolio. These two leases cover three Texas Department of Transportation (TxDOT) buildings located on Riverside Drive in Austin. These leases cover only the buildings and not the land. Based on the leases' amortization schedules, the State can purchase these buildings for one dollar or less during the 2012-13 biennium. The report states that TFC has not purchased the buildings due to the separate land leases, which if purchased, would be at relatively high market rates. The report concluded that TFC should closely evaluate whether its two lease-purchase agreements provide best value for the State.

**82nd Regular Session, LBB Recommended (Senate), Version 1
Lease Payments**

	Exp 2009	Est 2010	Bud 2011	Total Biennium 2010-2011	Rec 2012	Rec 2013	Total Rec 2012-2013	Difference
ARTICLE I - GENERAL GOVERNMENT	\$12,292,715	\$11,861,135	\$11,293,942	\$23,155,077	\$11,395,487	\$10,632,249	\$22,027,736	\$(1,127,341)
ARTICLE II - HEALTH AND HUMAN SERVICES	\$6,476,356	\$7,526,864	\$6,349,892	\$13,876,756	\$6,364,988	\$6,087,757	\$12,452,745	\$(1,424,011)
ARTICLE III - AGENCIES OF EDUCATION	\$6,273,921	\$3,381,260	\$2,522,774	\$5,904,034	\$2,882,705	\$2,412,625	\$5,295,330	\$(608,704)
ARTICLE IV - THE JUDICIARY	\$2,448,121	\$2,468,899	\$2,474,391	\$4,943,290	\$2,280,068	\$2,285,746	\$4,565,814	\$(377,476)
ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	\$2,202,663	\$2,041,515	\$1,975,185	\$4,016,700	\$1,951,551	\$1,937,757	\$3,889,308	\$(127,392)
ARTICLE VI - NATURAL RESOURCES	\$4,174,249	\$4,023,955	\$3,819,916	\$7,843,871	\$3,815,546	\$3,176,632	\$6,992,178	\$(851,693)
ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	\$837,845	\$1,135,235	\$1,119,850	\$2,255,085	\$1,279,316	\$1,068,573	\$2,347,889	\$92,804
ARTICLE VIII - REGULATORY	\$4,806,337	\$2,217,345	\$1,618,436	\$3,835,781	\$1,471,703	\$1,084,153	\$2,555,856	\$(1,279,925)
ARTICLE X - THE LEGISLATURE	\$7,716,152	\$12,225,890	\$7,956,405	\$20,182,295	\$7,955,915	\$8,249,049	\$16,204,964	\$(3,977,331)
Total	\$47,228,359	\$46,882,098	\$39,130,791	\$86,012,889	\$39,397,279	\$36,934,541	\$76,331,820	\$(9,681,069)
METHOD OF FINANCING:								
General Revenue Funds								
1 General Revenue Fund	\$44,350,148	\$45,850,279	\$38,490,760	\$84,341,039	\$38,893,682	\$36,679,135	\$75,572,817	\$(8,768,222)
Subtotal, General Revenue Funds	\$44,350,148	\$45,850,279	\$38,490,760	\$84,341,039	\$38,893,682	\$36,679,135	\$75,572,817	\$(8,768,222)
Gr Dedicated								
36 Dept Ins Operating Acct	\$2,878,211	\$1,031,819	\$640,031	\$1,671,850	\$503,597	\$255,406	\$759,003	\$(912,847)
Subtotal, Gr Dedicated	\$2,878,211	\$1,031,819	\$640,031	\$1,671,850	\$503,597	\$255,406	\$759,003	\$(912,847)
Total, Method of Financing	\$47,228,359	\$46,882,098	\$39,130,791	\$86,012,889	\$39,397,279	\$36,934,541	\$76,331,820	\$(9,681,069)