

AGENDA ITEM MEMO

BOARD MEETING DATE: August 18, 2022

TO: Board Members

THROUGH: Jeff Walker, Executive Administrator
Ashley Harden, General Counsel

FROM: Rebecca Trevino, Chief Financial Officer
Sergio Rey, Deputy Chief Financial Officer

SUBJECT: Legislative Appropriations Request Fiscal Year 2024-2025

ACTION REQUESTED

Consideration and approval of the Agency Fiscal Year (FY) 2024-2025 Legislative Appropriations Request (LAR).

BACKGROUND

The LAR presents the financial needs of the Texas Water Development Board, as recommended by staff. For the FY 2024-2025 biennium, guidance and instructions were provided by the Legislative Budget Board (LBB) staff and the Office of the Governor, Budget Division.

The due date to submit the LAR in the LBB's Automated Budget and Evaluation System of Texas (ABEST) is August 19, 2022.

KEY ISSUES

The LAR was prepared according to the LBB instructions. The LAR is entered in ABEST and will be uploaded to the LBB and TWDB websites.

RECOMMENDATION

The Executive Administrator recommends final approval of the FY 2024-2025 LAR.

Attachment(s): Summary of the FY 2024-2025 Recommended LAR

Summary of FY24-25 Legislative Appropriations Request

Prepared by
Finance Budget Team

Presented by
Sergio Rey, Deputy Chief Financial Officer
August 18, 2022



Texas Water Development Board
Summary of Legislative Appropriations Request FY 2024-2025

Summary by Strategy				
	FY22-23 Base	2024-25 Base	2024-25 EIRs	24-25 Base + EIRs
<i>Water Resources Science and Data</i>				
Environmental Impact Information	\$2,010,572	\$2,010,572	\$37,922	\$2,048,494
Water Resources Data	\$6,084,184	\$6,084,184	\$8,571,764	\$14,655,948
Automated Information Collection	\$6,591,392	\$6,591,392	\$142,804	\$6,734,196
Technical Assistance & Modeling	\$5,281,246	\$5,281,246	\$149,836	\$5,431,082
Innovative Water Technologies	\$16,446,771	\$6,919,060	\$153,098	\$7,072,158
Water Conservation Education & Assistance	\$4,165,391	\$4,042,002	\$15,201,010	\$19,243,012
State and Federal Flood Programs	\$209,203,314	\$106,174,046	\$2,931,210	\$109,105,256
<i>Planning</i>				
Statewide Flood Planning	\$0	\$10,779,422	\$5,648,282	\$16,427,704
Statewide Water Planning	\$0	\$69,963,040	\$13,027,372	\$82,990,412
<i>Financial Assistance</i>				
State and Federal Financial Assistance	\$75,604,280	\$25,547,329	\$663,613,458	\$689,160,787
Economically Distressed Areas	\$805,112	\$805,112	\$35,798	\$840,910
<i>Debt Service</i>				
EDAP Debt Service	\$59,965,664	\$66,380,227	\$5,250,000	\$71,630,227
WIF Debt Service	\$132,421,839	\$0	\$0	\$0
<i>Administration</i>				
Central Administration	\$14,530,680	\$13,923,595	\$3,366,516	\$17,290,111
Information Resources	\$11,427,580	\$9,884,944	\$9,030,848	\$18,915,792
Other Support Services	\$1,322,348	\$1,322,348	\$1,022,336	\$2,344,684
Total	\$545,860,373	\$335,708,519	\$728,182,254	\$1,063,890,773

Texas Water Development Board
Summary of Legislative Appropriations Request FY 2024-2025

Summary by Method of Finance				
	FY22-23 Base	2024-25 Base	2024-25 EIRs	24-25 Base + EIRs
<i>General Revenue</i>				
General Revenue	\$174,829,761	\$127,741,698	\$727,107,164	\$854,848,862
<i>Federal Revenue</i>				
Federal Revenue	\$95,305,860	\$95,305,850	\$1,075,090	\$96,380,940
<i>Other Revenue</i>				
Texas Infrastructure Resiliency Fund	\$126,294,174	\$91,512,000	\$0	\$91,512,000
Flood Infrastructure Fund	\$5,052,680	\$5,052,680	\$0	\$5,052,680
Rural Water Assistance Fund	\$3,362,965	\$3,188,845	\$0	\$3,188,845
Water Infrastructure Fund	\$129,353,936	\$0	\$0	\$0
Economically Distressed Areas Fund	\$3,499,738	\$8,313,438	\$0	\$8,313,438
Ag Fund	\$2,395,529	\$2,400,000	\$0	\$2,400,000
Water Assistance Fund	\$2,591,722	\$0	\$0	\$0
Appropriated Receipts	\$3,082,584	\$2,102,584	\$0	\$2,102,584
Interagency Collections	\$91,424	\$91,424	\$0	\$91,424
Total	\$545,860,373	\$335,708,519	\$728,182,254	\$1,063,890,773

Texas Water Development Board
Summary of Legislative Appropriations Request FY 2024-2025

Summary of Capital Budget Items				
	FY22-23 Base	2024-25 Base	2024-25 EIRs	24-25 Base + EIRs
<i>Capital Items</i>				
Acquisition of Information Technology	\$400,000	\$400,000	\$0	\$400,000
Strategic Mapping Data Acquisition	\$4,000,000	\$4,000,000	\$0	\$4,000,000
Vehicles	\$0	\$300,000	\$0	\$300,000
Shared Technology Services	\$3,326,003	\$3,326,003	\$3,904,206	\$7,230,209
Total	\$7,726,003	\$8,026,003	\$3,904,206	\$11,930,209

Texas Water Development Board
Summary of Legislative Appropriations Request FY 2024-2025

Summary of Exceptional Items		
1	<p>Project Management and Risk Management</p> <p><i>Continued development and implementation of project management tracking system; additional resources for contract management, administration, outreach, oversight and engineering support; and IT risk mitigation</i></p>	\$15,973,034
2	<p>Water Supply Planning</p> <p><i>Baseline funding for regional water supply planning programs, additional appropriations for water planning grants, and additional funding for rural and other outreach</i></p>	\$5,230,000
3	<p>Rural Assistance</p> <p><i>Rural Water Assistance Fund project funding including technical assistance funding and Agricultural Water Conservation Fund cash funding for grants and loans</i></p>	\$169,869,702
4	<p>Data Enhancement and Modernization</p> <p><i>Modernize data infrastructure and enhance data collection, including Water Data for Texas, TexMesonet and other data architecture applications</i></p>	\$8,449,544
5	<p>Flood Package</p> <p><i>New project funding for the Flood Infrastructure Fund (FIF) and associated resources and administrative costs</i></p>	\$394,454,848
6	<p>Debt Service and Match</p> <p><i>Funding for debt service on bonds supporting Economically Distressed Areas Programs (EDAP) and for matching funds supporting Clean Water and Drinking Water State Revolving Fund (SRF) programs, including Infrastructure Investment and Job Act (IJA) match requirements</i></p>	\$130,300,920
7	<p>Shared Technology Services</p> <p><i>Funding for forecasted additional biennial baseline costs to meet the agency's growth-related increases from new, legislatively mandated flood programs and the STS program's integration of a public cloud manager vendor in 2022-2023 and the anticipated growth in 2024-2025 resulting from continued growth and maturity of the flood programs, geographic imagery purchases, and Software-as-a-Service purchases that are now required to be made through the STS program</i></p>	\$3,904,206
		\$728,182,254

Texas Water Development Board
Summary of Legislative Appropriations Request FY 2024-2025

Summary of Rider Revision Requests		
Rider #	Rider Name	Overview of Revisions
3	Informational Rider: Estimated Outstanding Debt and Debt Service Requirements for Self-Supporting Bonds	Update fiscal years and amounts
4	Authorized Transfers and Appropriations: Water Assistance Funds	Update to reflect omission of WAF balances and update fiscal year references
5	Safe Drinking Water Act State Revolving Fund	Update fiscal years
6	Appropriation: Water Resources Fund	No change
7	Appropriation: Agricultural Water Conservation Fund	Update fiscal years
8	Fee Appropriation: State Revolving Fund Program Operation	Update fiscal years
9	Use of Texas Water Resources Finance Authority (TWRFA) funds	Delete rider - TWRFA funds fully utilized
10	Rural Water Assistance Fund	Update fiscal years
11	Appropriation: Cost Recovery for the State Participation Program	Update fiscal years
12	Capital Budget Expenditures: Federal Funds and Appropriated Receipts Exemption	No change
13	Nuisance Surveys for the Economically Distressed Areas Program	Update fiscal years
14	Appropriation: Water Infrastructure Fund	Delete rider - WIF is self-supporting
15	Unexpended Balances Within the Biennium	Update fiscal years
16	Reimbursement of Advisory Committees	No change
17	Payment of Debt Service: Economically Distressed Areas Bonds	Update General Revenue Fund amounts and removed references to TWRFA
18	Payment of Debt Service: Water Infrastructure Fund Bonds	Delete rider - WIF is self-supporting
19	Bond Issuance Authority by Program	Update reference from business to calendar days
20	Bond Issuance and Payment of Debt Service	Remove reference to WID and update reference to calendar days
21	Regional Drainage and Water Assistance	Update fiscal years
22	Flood Funding	Update fiscal years and remove redundant references to method of finance
23	Contingency for SB 601	Remove - work completed
24	Unexpended Balances: Strategic Mapping Acct	Update fiscal years
25	Val Verde County Groundwater Study	Remove - work completed
26	Economically Distressed Area Programs (EDAP)	Remove - bonds issued
27	Accumulated Siltation at Lake Houston	Remove - funds granted