



**Glenn Hegar** Texas Comptroller of Public Accounts

# State of Texas Comprehensive Annual Financial Report



For the Fiscal Year Ended  
August 31, 2017

The spreadsheets in this publication are available  
in accessible data form (Excel) for the sections below.

Management's Discussion and Analysis, pages 19-32

[comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/analysis.xlsx](http://comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/analysis.xlsx)

Basic Financial Statements, pages 33-176

[comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/basic.xlsx](http://comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/basic.xlsx)

Required Supplementary Information other than MD&A, pages 177-196

[comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/supplemental.xlsx](http://comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/supplemental.xlsx)

Governmental Funds, pages 197-222

[comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/governmental.xlsx](http://comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/governmental.xlsx)

Enterprise Funds, pages 223-252

[comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/enterprise.xlsx](http://comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/enterprise.xlsx)

Fiduciary Funds, pages 253-270

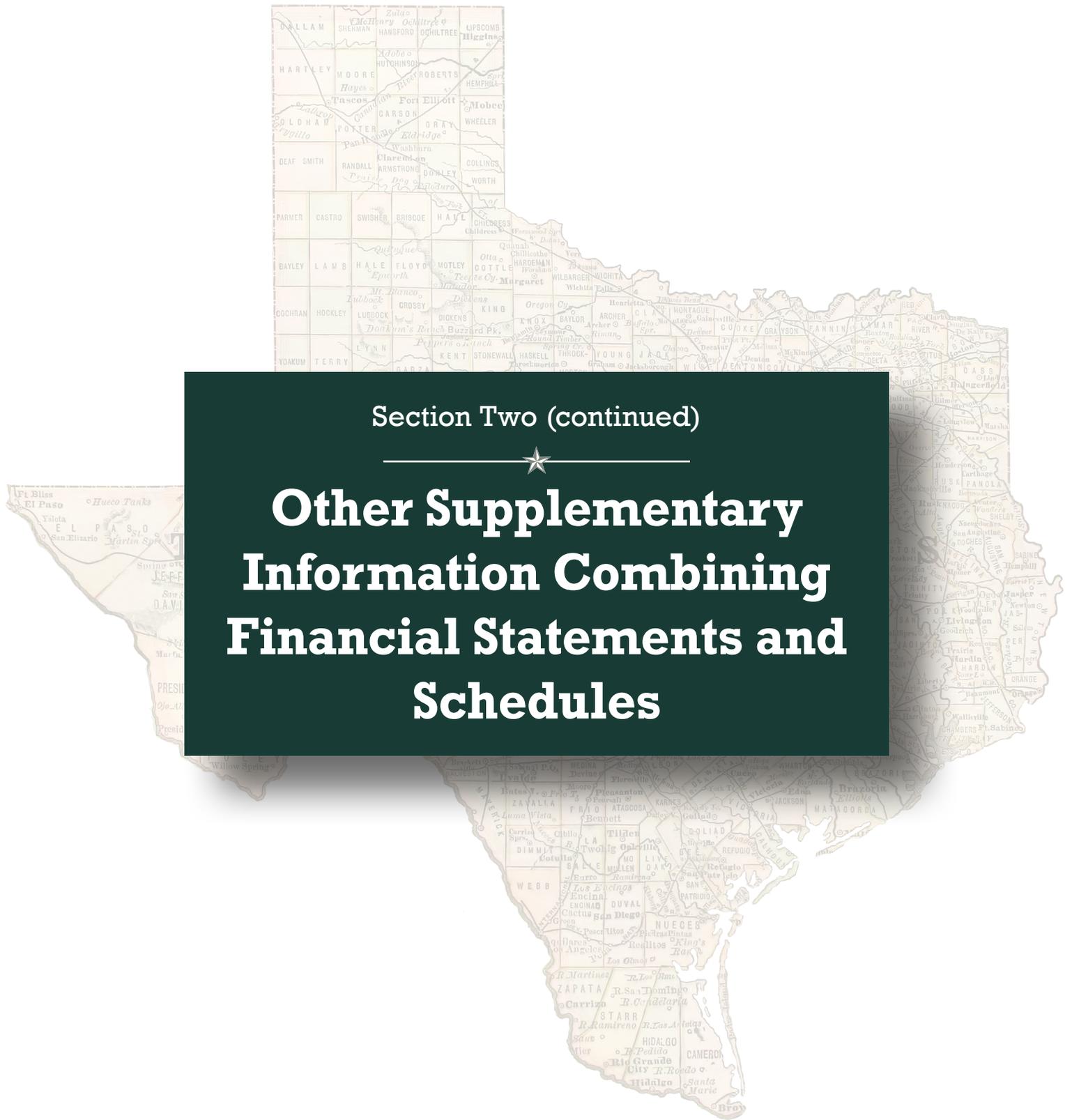
[comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/fiduciary.xlsx](http://comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2017/fiduciary.xlsx)

Discretely Presented Component Units, pages 271-286

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Statistical Section, pages 287-313

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Section Two (continued)



# Other Supplementary Information Combining Financial Statements and Schedules





Section Two (continued)

# Governmental Funds



## STATE OF TEXAS

**Combining Balance Sheet – Nonmajor Governmental Funds**

August 31, 2017 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 644,415	\$ 906,245	\$2,076,166	\$ 60,838	\$ 3,687,664
Short-Term Investments	46,786			67,095	113,881
Receivables:					
Accounts	3,989	257			4,246
Taxes	89,248				89,248
Federal	325				325
Investment Trades				393	393
Interest and Dividends	12,052	319		117	12,488
Other	731				731
Due From Other Funds	75,423		77,563	549	153,535
Inventories	319		4		323
Investments	1,736,035			1,397,887	3,133,922
Loans and Contracts	747,419				747,419
Restricted:					
Cash and Cash Equivalents	1,500				1,500
Loans and Contracts	1,053,919				1,053,919
Other Assets	92,867				92,867
Total Assets	<u>\$ 4,505,028</u>	<u>\$ 906,821</u>	<u>\$2,153,733</u>	<u>\$ 1,526,879</u>	<u>\$ 9,092,461</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Payables:					
Accounts	\$ 17,035	\$ 10,293	\$ 114,653	\$ 1,321	\$ 143,302
Payroll	5,273		5		5,278
Due To Other Funds	581		24,224	47,623	72,428
Interfund Payable	2,140		192		2,332
Unearned Revenues	12,431	3,905	646,979		663,315
Other Liabilities	8		1,940		1,948
Total Liabilities	<u>37,468</u>	<u>14,198</u>	<u>787,993</u>	<u>48,944</u>	<u>888,603</u>
Fund Balances:					
Nonspendable	320		4	861,045	861,369
Restricted	4,365,093	892,623	1,375,174	607,071	7,239,961
Committed	99,352			9,819	109,171
Assigned	2,795				2,795
Unassigned			(9,438)		(9,438)
Total Fund Balances	<u>4,467,560</u>	<u>892,623</u>	<u>1,365,740</u>	<u>1,477,935</u>	<u>8,203,858</u>
Total Liabilities and Fund Balances	<u>\$ 4,505,028</u>	<u>\$ 906,821</u>	<u>\$2,153,733</u>	<u>\$ 1,526,879</u>	<u>\$ 9,092,461</u>

STATE OF TEXAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
<b>REVENUES</b>					
Taxes	\$ 2,310,408	\$	\$	\$	\$ 2,310,408
Federal	1,635	50,311			51,946
Licenses, Fees and Permits	424,154	443,214			867,368
Interest and Other Investment Income	226,676	10,299	13,630	152,150	402,755
Land Income	1			11	12
Settlement of Claims	867				867
Sales of Goods and Services	530		207,837		208,367
Other	22,193			2	22,195
Total Revenues	<u>2,986,464</u>	<u>503,824</u>	<u>221,467</u>	<u>152,163</u>	<u>3,863,918</u>
<b>EXPENDITURES</b>					
Current:					
General Government	232,606	788	15,890	4,713	253,997
Education	1,945,618			2,562	1,948,180
Employee Benefits	23,876				23,876
Health and Human Services	23		17,325	181	17,529
Public Safety and Corrections	61,721		4,124		65,845
Transportation	181,438		32		181,470
Natural Resources and Recreation	12,344		13,791	2,196	28,331
Regulatory Services	1,378				1,378
Capital Outlay	1,294		769,680	200	771,174
Debt Service:					
Principal	250	548,169			548,419
Interest	441	666,320	389		667,150
Other Financing Fees	1,404	4,063	4,313		9,780
Total Expenditures	<u>2,462,393</u>	<u>1,219,340</u>	<u>825,544</u>	<u>9,852</u>	<u>4,517,129</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>524,071</u>	<u>(715,516)</u>	<u>(604,077)</u>	<u>142,311</u>	<u>(653,211)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer In	1,293,913	918,878	132,641	5	2,345,437
Transfer Out	(1,825,169)	(157,074)	(225,225)	(30,769)	(2,238,237)
Bonds and Notes Issued	158,126	3	646,532		804,661
Bonds Issued for Refunding		795,575	406,985		1,202,560
Premiums on Bonds Issued	21,930	143,780	128,565		294,275
Payment to Escrow for Refunding		(938,529)	(422,358)		(1,360,887)
Sale of Capital Assets	3				3
Total Other Financing Sources (Uses)	<u>(351,197)</u>	<u>762,633</u>	<u>667,140</u>	<u>(30,764)</u>	<u>1,047,812</u>
Net Change in Fund Balances	<u>172,874</u>	<u>47,117</u>	<u>63,063</u>	<u>111,547</u>	<u>394,601</u>
Fund Balances, September 1, 2016	4,294,671	845,506	1,302,847	1,366,388	7,809,412
Restatements	15		(170)		(155)
Fund Balances, September 1, 2016, as Restated	<u>4,294,686</u>	<u>845,506</u>	<u>1,302,677</u>	<u>1,366,388</u>	<u>7,809,257</u>
Fund Balances, August 31, 2017	<u>\$ 4,467,560</u>	<u>\$ 892,623</u>	<u>\$ 1,365,740</u>	<u>\$ 1,477,935</u>	<u>\$ 8,203,858</u>

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## Nonmajor Special Revenue Funds

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The **Property Tax Relief Fund** is outside the general revenue fund. The proceeds of the fund are from allocations of the computation of motor vehicle sales tax, collection of all tobacco products tax increases and calculated amounts from franchise taxes. The fund was established with the intent of reducing school district property taxes.

The **Texas Motor Vehicles Fund** receives revenues from motor vehicle registrations, title certificates, special vehicle permits, specialty license plates and other transportation-related permits. The funds are used for operations, administration and enforcement.

The **Water Development Funds** receive proceeds from the sale of Texas Water Development bonds for

the purpose of aiding and making funds available to various political subdivisions for projects and other authorized purposes. The funds also receive gifts or grants for the purpose of assisting economically distressed areas. Monies in the funds are invested.

The **Judicial Fund** receives revenues from judicial fees, penalty fees and court filing fees to support the judicial branch of the state, including child support, court management and basic legal services for the indigent.

The **Available School Fund** receives distributions from the permanent school fund based on total return of investment assets, allocations of motor fuel taxes and appropriations made by the Texas Legislature. The fund is to be used for the support of public schools.

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**Combining Balance Sheet – Nonmajor Special Revenue Funds**

August 31, 2017 (Amounts in Thousands)

	Property Tax Relief Fund	Texas Motor Vehicles Fund	Water Development Funds	Judicial Fund	Available School Fund	Other Nonmajor Special Revenue Funds*	Totals
<b>ASSETS</b>							
Cash and Cash Equivalents	\$	\$ 51,892	\$ 248,893	\$ 34,342	\$ 29,122	\$ 280,166	\$ 644,415
Short-Term Investments			46,637			149	46,786
Receivables:							
Accounts		3,584	22			383	3,989
Taxes					89,248		89,248
Federal						325	325
Interest and Dividends	69		2,566		209	9,208	12,052
Other						731	731
Due From Other Funds					74,734	689	75,423
Inventories		93				226	319
Investments			1,733,194			2,841	1,736,035
Loans and Contracts			727,579			19,840	747,419
Restricted:							
Cash and Cash Equivalents						1,500	1,500
Loans and Contracts						1,053,919	1,053,919
Other Assets						92,867	92,867
Total Assets	<u>\$ 69</u>	<u>\$ 55,569</u>	<u>\$ 2,758,891</u>	<u>\$ 34,342</u>	<u>\$ 193,313</u>	<u>\$ 1,462,844</u>	<u>\$ 4,505,028</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Payables:							
Accounts	\$	\$ 7,839	\$ 1,018	\$	\$	\$ 8,178	\$ 17,035
Payroll		4,524	10	4		735	5,273
Due To Other Funds			562			19	581
Interfund Payable			2,140				2,140
Unearned Revenues					12,213	218	12,431
Other Liabilities						8	8
Total Liabilities	<u>0</u>	<u>12,363</u>	<u>3,730</u>	<u>4</u>	<u>12,213</u>	<u>9,158</u>	<u>37,468</u>
Fund Balances:							
Nonspendable		93				227	320
Restricted	69	43,113	2,755,161		181,100	1,385,650	4,365,093
Committed				34,338		65,014	99,352
Assigned						2,795	2,795
Total Fund Balances	<u>69</u>	<u>43,206</u>	<u>2,755,161</u>	<u>34,338</u>	<u>181,100</u>	<u>1,453,686</u>	<u>4,467,560</u>
Total Liabilities and Fund Balances	<u>\$ 69</u>	<u>\$ 55,569</u>	<u>\$ 2,758,891</u>	<u>\$ 34,342</u>	<u>\$ 193,313</u>	<u>\$ 1,462,844</u>	<u>\$ 4,505,028</u>

\* The other nonmajor special revenue funds column includes blended component units and the special revenue funds of the Employees Retirement System of Texas and the student loan fund. These funds do not meet the materiality threshold for separate column presentation.

STATE OF TEXAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Property Tax Relief Fund	Texas Motor Vehicles Fund	Water Development Funds	Judicial Fund	Available School Fund	Other Nonmajor Special Revenue Funds*	Totals
<b>REVENUES</b>							
Taxes	\$ 1,430,972	\$	\$	\$	\$ 879,436	\$	\$ 2,310,408
Federal			68			1,567	1,635
Licenses, Fees and Permits		152,794		122,532		148,828	424,154
Interest and Other Investment Income	737	388	158,032		1,465	66,054	226,676
Land Income						1	1
Settlement of Claims		867					867
Sales of Goods and Services		354	170			6	530
Other		43	264			21,886	22,193
Total Revenues	<u>1,431,709</u>	<u>154,446</u>	<u>158,534</u>	<u>122,532</u>	<u>880,901</u>	<u>238,342</u>	<u>2,986,464</u>
<b>EXPENDITURES</b>							
Current:							
General Government				92,855		139,751	232,606
Education					1,919,618	26,000	1,945,618
Employee Benefits				506		23,370	23,876
Health and Human Services						23	23
Public Safety and Corrections						61,721	61,721
Transportation		134,351				47,087	181,438
Natural Resources and Recreation			7,719			4,625	12,344
Regulatory Services						1,378	1,378
Capital Outlay		22	6			1,266	1,294
Debt Service:							
Principal						250	250
Interest			63			378	441
Other Financing Fees						1,404	1,404
Total Expenditures	<u>0</u>	<u>134,373</u>	<u>7,788</u>	<u>93,361</u>	<u>1,919,618</u>	<u>307,253</u>	<u>2,462,393</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,431,709</u>	<u>20,073</u>	<u>150,746</u>	<u>29,171</u>	<u>(1,038,717)</u>	<u>(68,911)</u>	<u>524,071</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfer In		23,133	6,807	2,489	1,056,412	205,072	1,293,913
Transfer Out	(1,431,674)		(139,420)		(1,385)	(252,690)	(1,825,169)
Bonds and Notes Issued			61			158,065	158,126
Premiums on Bonds Issued						21,930	21,930
Sale of Capital Assets						3	3
Total Other Financing Sources (Uses)	<u>(1,431,674)</u>	<u>23,133</u>	<u>(132,552)</u>	<u>2,489</u>	<u>1,055,027</u>	<u>132,380</u>	<u>(351,197)</u>
Net Change in Fund Balances	<u>35</u>	<u>43,206</u>	<u>18,194</u>	<u>31,660</u>	<u>16,310</u>	<u>63,469</u>	<u>172,874</u>
Fund Balances, September 1, 2016	34		2,736,967	2,678	164,790	1,390,202	4,294,671
Restatements						15	15
Fund Balances, September 1, 2016, as Restated	<u>34</u>	<u>0</u>	<u>2,736,967</u>	<u>2,678</u>	<u>164,790</u>	<u>1,390,217</u>	<u>4,294,686</u>
Fund Balances, August 31, 2017	<u>\$ 69</u>	<u>\$ 43,206</u>	<u>\$ 2,755,161</u>	<u>\$ 34,338</u>	<u>\$ 181,100</u>	<u>\$ 1,453,686</u>	<u>\$ 4,467,560</u>

\* The other nonmajor special revenue funds column includes blended component units and the special revenue funds of the Employees Retirement System of Texas and the student loan fund. These funds do not meet the materiality threshold for separate column presentation.

## STATE OF TEXAS

## Budgetary Comparison Schedule

### Nonmajor Special Revenue Funds

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Property Tax Relief Fund				Texas Motor Vehicles Fund			
	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance
	Original	Final			Original	Final		
<b>REVENUES</b>								
Taxes	\$ 1,598,121	\$ 1,598,121	\$ 1,430,972	\$ (167,149)	\$	\$	\$	\$
Federal								
Licenses, Fees and Permits					113,665	117,327	152,794	35,467
Interest and Other Investment Income	1,203	1,203	702	(501)			388	388
Settlement of Claims							867	867
Sales of Goods and Services					426	539	(3,230)	(3,769)
Other						22	43	21
Total Revenues	<u>1,599,324</u>	<u>1,599,324</u>	<u>1,431,674</u>	<u>(167,650)</u>	<u>114,091</u>	<u>117,888</u>	<u>150,862</u>	<u>32,974</u>
<b>EXPENDITURES</b>								
General Government								
Education								
Employee Benefits							(2)	2
Transportation					130,317	151,462	122,012	29,450
Health and Human Services								
Natural Resources and Recreation								
Regulatory Services								
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>130,317</u>	<u>151,462</u>	<u>122,010</u>	<u>29,452</u>
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	<u>1,599,324</u>	<u>1,599,324</u>	<u>1,431,674</u>	<u>(167,650)</u>	<u>(16,226)</u>	<u>(33,574)</u>	<u>28,852</u>	<u>62,426</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfer In							23,133	23,133
Transfer Out	(1,522,200)	(1,522,200)	(1,431,674)	90,526				
Available Beginning Balances	1,299,976					51,856	51,856	
Total Other Financing Sources (Uses)	<u>(222,224)</u>	<u>(1,522,200)</u>	<u>(1,431,674)</u>	<u>90,526</u>	<u>0</u>	<u>51,856</u>	<u>74,989</u>	<u>23,133</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 1,377,100</u>	<u>\$ 77,124</u>	<u>\$ 0</u>	<u>\$ (77,124)</u>	<u>\$ (16,226)</u>	<u>\$ 18,282</u>	<u>\$ 103,841</u>	<u>\$ 85,559</u>

Continued on the following page

## Budgetary Comparison Schedule

### Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Water Development Funds				Judicial Fund			
	Budgetary Amounts		Actual Amounts	Final To	Budgetary Amounts		Actual Amounts	Final To
	Original	Final	Budgetary Basis	Actual Variance	Original	Final	Budgetary Basis	Actual Variance
<b>REVENUES</b>								
Taxes	\$	\$	\$	\$	\$	\$	\$	\$
Federal			128	128				
Licenses, Fees and Permits					85,022	85,022	122,532	37,510
Interest and Other Investment Income	15,128	15,128	158,024	142,896				
Settlement of Claims								
Sales of Goods and Services			181	181				
Other			264	264				
Total Revenues	<u>15,128</u>	<u>15,128</u>	<u>158,597</u>	<u>143,469</u>	<u>85,022</u>	<u>85,022</u>	<u>122,532</u>	<u>37,510</u>
<b>EXPENDITURES</b>								
General Government					81,567	133,109	92,855	40,254
Education								
Employee Benefits			(1)	1			507	(507)
Transportation								
Health and Human Services								
Natural Resources and Recreation	4,459	4,794	8,230	(3,436)				
Regulatory Services								
Total Expenditures	<u>4,459</u>	<u>4,794</u>	<u>8,229</u>	<u>(3,435)</u>	<u>81,567</u>	<u>133,109</u>	<u>93,362</u>	<u>39,747</u>
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	<u>10,669</u>	<u>10,334</u>	<u>150,368</u>	<u>140,034</u>	<u>3,455</u>	<u>(48,087)</u>	<u>29,170</u>	<u>77,257</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfer In			6,807	6,807			2,489	2,489
Transfer Out			(64,897)	(64,897)				
Available Beginning Balances	252,318	142,612	200,480	57,868	2,682	34,342	34,342	
Total Other Financing Sources (Uses)	<u>252,318</u>	<u>142,612</u>	<u>142,390</u>	<u>(222)</u>	<u>2,682</u>	<u>34,342</u>	<u>36,831</u>	<u>2,489</u>
Excess (Deficiency) of Revenues and Other Financing Sources								
Over (Under) Expenditures and Other Financing Uses	<u>\$ 262,987</u>	<u>\$ 152,946</u>	<u>\$ 292,758</u>	<u>\$ 139,812</u>	<u>\$ 6,137</u>	<u>\$ (13,745)</u>	<u>\$ 66,001</u>	<u>\$ 79,746</u>

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## Budgetary Comparison Schedule

### Nonmajor Special Revenue Funds (concluded)

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Available School Fund				Other Nonmajor Special Revenue Funds			
	Budgetary Amounts		Actual Amounts	Final To	Budgetary Amounts		Actual Amounts	Final To
	Original	Final	Budgetary Basis	Actual Variance	Original	Final	Budgetary Basis*	Actual Variance
<b>REVENUES</b>								
Taxes	\$ 873,172	\$ 873,172	\$ 878,826	\$ 5,654	\$	\$	\$ (1)	\$ (1)
Federal					6,717	6,717	1,820	(4,897)
Licenses, Fees and Permits					4,472	4,472	4,407	(65)
Interest and Other Investment Income	678	678	1,345	667	1,414	1,414	(143,741)	(145,155)
Settlement of Claims								
Sales of Goods and Services							(1,701)	(1,701)
Other					14	176	769	593
Total Revenues	<u>873,850</u>	<u>873,850</u>	<u>880,171</u>	<u>6,321</u>	<u>12,617</u>	<u>12,779</u>	<u>(138,447)</u>	<u>(151,226)</u>
<b>EXPENDITURES</b>								
General Government					443,185	63,244	4,546	58,698
Education	1,395,700	1,395,700	1,919,618	(523,918)			(5)	5
Employee Benefits					687,144	32,898	23,223	9,675
Transportation							52,021	(52,021)
Health and Human Services					13,792	13,795	23	13,772
Natural Resources and Recreation					4,527	115,544	1,033	114,511
Regulatory Services					(1,209)	(1,083)	32,356	(33,439)
Total Expenditures	<u>1,395,700</u>	<u>1,395,700</u>	<u>1,919,618</u>	<u>(523,918)</u>	<u>1,147,439</u>	<u>224,398</u>	<u>113,197</u>	<u>111,201</u>
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	<u>(521,850)</u>	<u>(521,850)</u>	<u>(1,039,447)</u>	<u>(517,597)</u>	<u>(1,134,822)</u>	<u>(211,619)</u>	<u>(251,644)</u>	<u>(40,025)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfer In	1,055,084	1,055,084	1,056,412	1,328			162,092	162,092
Transfer Out			(1,385)	(1,385)			(74,306)	(74,306)
Available Beginning Balances	550,699		13,203	13,203	276,406	217,520	217,520	
Total Other Financing Sources (Uses)	<u>1,605,783</u>	<u>1,055,084</u>	<u>1,068,230</u>	<u>13,146</u>	<u>276,406</u>	<u>217,520</u>	<u>305,306</u>	<u>87,786</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)								
Expenditures and Other Financing Uses	<u>\$ 1,083,933</u>	<u>\$ 533,234</u>	<u>\$ 28,783</u>	<u>\$ (504,451)</u>	<u>\$ (858,416)</u>	<u>\$ 5,901</u>	<u>\$ 53,662</u>	<u>\$ 47,761</u>

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## Nonmajor Debt Service Funds

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The **Texas College Student Loan Bonds Interest and Sinking Fund** receives deposits from the Texas opportunity plan fund for payment of current interest and principal and establishment of a reserve.

The **Texas Department of Transportation Texas Mobility Fund** receives proceeds from the sale of general obligation bonds and the revenues dictated by statute to provide for the debt service requirements of those bonds. The bond proceeds provide a method of financing for the construction, reconstruction, acquisition and expansion of state highway projects. The proceeds remain in the fund until transferred to the state highway fund.

The **Texas Public Finance Authority G.O. Bond Funds** receive proceeds and accrued interest from the sale of general obligation bonds and provide the debt service requirements for those bonds.

The **Texas Public Finance Authority Commercial Paper Funds** receive deposits of any accrued interest on the sale of notes and pledged revenues necessary to make debt service payments.

The **Texas Department of Transportation State Highway Debt Service Fund** receives proceeds and accrued interest from the sale of revenue bonds and provides the debt service requirements for those bonds.

STATE OF TEXAS

## Combining Balance Sheet – Nonmajor Debt Service Funds

August 31, 2017 (Amounts in Thousands)

	Texas College Student Loan Bonds Interest and Sinking Fund	Texas Department of Transportation Texas Mobility Fund	Texas Public Finance Authority G.O. Bond Funds	Texas Public Finance Authority Commercial Paper Funds	Texas Department of Transportation State Highway Debt Service Fund	Other Nonmajor Debt Service Funds	Totals
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 117,494	\$ 581,660	\$ 549	\$ 5,097	\$ 201,375	\$ 70	\$ 906,245
Receivables:							
Accounts	257						257
Interest and Dividends	319						319
Total Assets	<u>\$118,070</u>	<u>\$581,660</u>	<u>\$ 549</u>	<u>\$ 5,097</u>	<u>\$ 201,375</u>	<u>\$ 70</u>	<u>\$ 906,821</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Payables:							
Accounts	\$	\$ 10,293	\$	\$	\$	\$	\$ 10,293
Unearned Revenues		1,808			2,097		3,905
Total Liabilities	<u>0</u>	<u>12,101</u>	<u>0</u>	<u>0</u>	<u>2,097</u>	<u>0</u>	<u>14,198</u>
Fund Balances:							
Restricted	118,070	569,559	549	5,097	199,278	70	892,623
Total Fund Balances	<u>118,070</u>	<u>569,559</u>	<u>549</u>	<u>5,097</u>	<u>199,278</u>	<u>70</u>	<u>892,623</u>
Total Liabilities and Fund Balances	<u>\$118,070</u>	<u>\$581,660</u>	<u>\$ 549</u>	<u>\$ 5,097</u>	<u>\$ 201,375</u>	<u>\$ 70</u>	<u>\$ 906,821</u>

STATE OF TEXAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Texas College Student Loan Bonds Interest and Sinking Fund	Texas Department of Transportation Texas Mobility Fund	Texas Public Finance Authority G.O. Bond Funds	Texas Public Finance Authority Commercial Paper Funds	Texas Department of Transportation State Highway Debt Service Fund	Other Nonmajor Debt Service Funds	Totals
<b>REVENUES</b>							
Federal	\$ 18	\$ 21,700	\$ 3,408	\$	\$ 25,185	\$	\$ 50,311
Licenses, Fees and Permits		443,214					443,214
Interest and Other Investment Income	3,625	5,264	27	55	1,283	45	10,299
Total Revenues	<u>3,643</u>	<u>470,178</u>	<u>3,435</u>	<u>55</u>	<u>26,468</u>	<u>45</u>	<u>503,824</u>
<b>EXPENDITURES</b>							
Current:							
General Government			355	433			788
Debt Service:							
Principal	58,194	61,960	164,765	13,630	145,195	104,425	548,169
Interest	49,917	292,666	82,787	781	195,239	44,930	666,320
Other Financing Fees		4,063					4,063
Total Expenditures	<u>108,111</u>	<u>358,689</u>	<u>247,907</u>	<u>14,844</u>	<u>340,434</u>	<u>149,355</u>	<u>1,219,340</u>
Excess (Deficiency) of Revenues Over (Under)							
Expenditures	<u>(104,468)</u>	<u>111,489</u>	<u>(244,472)</u>	<u>(14,789)</u>	<u>(313,966)</u>	<u>(149,310)</u>	<u>(715,516)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfer In	130,404		245,953	16,621	376,240	149,660	918,878
Transfer Out	(33,700)	(123,154)				(220)	(157,074)
Bonds and Notes Issued			3				3
Bonds Issued for Refunding		770,155				25,420	795,575
Premium on Bonds Issued		143,780					143,780
Payment to Escrow for Refunding		(910,186)	(974)	(1,879)		(25,490)	(938,529)
Total Other Financing Sources (Uses)	<u>96,704</u>	<u>(119,405)</u>	<u>244,982</u>	<u>14,742</u>	<u>376,240</u>	<u>149,370</u>	<u>762,633</u>
Net Change in Fund Balances	<u>(7,764)</u>	<u>(7,916)</u>	<u>510</u>	<u>(47)</u>	<u>62,274</u>	<u>60</u>	<u>47,117</u>
Fund Balances, September 1, 2016	<u>125,834</u>	<u>577,475</u>	<u>39</u>	<u>5,144</u>	<u>137,004</u>	<u>10</u>	<u>845,506</u>
Fund Balances, August 31, 2017	<u>\$ 118,070</u>	<u>\$ 569,559</u>	<u>\$ 549</u>	<u>\$ 5,097</u>	<u>\$ 199,278</u>	<u>\$ 70</u>	<u>\$ 892,623</u>



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## Nonmajor Capital Projects Funds

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The **Texas Public Finance Authority Administration Project Funds** utilize long-term financing for various state construction, repair or renovation projects. Funds are also used to refinance purchases of equipment by various state agencies.

The **Texas Parks and Wildlife Department Project Funds** are used for the acquisition and development of state park sites. Revenues from park entrance fees are used for the repayments of long-term debt incurred.

The **Texas Facilities Commission Project Funds** are used to administer the state's major and minor building construction programs.

The **Texas Department of Criminal Justice Prison Project Funds** are used for construction of regional centers and for repairs and minor construction of correctional facilities.

The **Texas Juvenile Justice Department Project Funds** are used to pay for minor construction and repairs of the former Texas Youth Commission buildings and facilities.

The **Texas Health Agencies Project Funds** are used to pay for the cost of construction, repair and remodeling for certain mental health facilities and other health related projects.

The **Texas Department of Public Safety Project Funds** are used to finance construction of new Department of Public Safety buildings and crime lab facilities in various state locations.

The **Texas Department of Transportation Project Funds** are used for public road and highway development, construction and improvement projects. The funds are also used to establish, acquire, operate, maintain and dispose of airports and air navigation facilities.

The **Texas Historical Commission Project Funds** are used to provide financial assistance to counties for the repair and renovation of courthouses.

The **Texas Mobility Capital Project Funds** are used to provide a method of financing construction, reconstruction, acquisition and expansion of state highways and other transportation projects.

STATE OF TEXAS

## Combining Balance Sheet – Nonmajor Capital Projects Funds

August 31, 2017 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Department of Criminal Justice Prison Project Funds	Texas Juvenile Justice Department Project Funds	Texas Health Agencies Project Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 2,377	\$ 2,401	\$ 311,620	\$	\$ 843	\$ 2,182
Due From Other Funds			33,447			34,937
Inventories	4					
<b>Total Assets</b>	<u>\$ 2,381</u>	<u>\$ 2,401</u>	<u>\$ 345,067</u>	<u>\$ 0</u>	<u>\$ 843</u>	<u>\$ 37,119</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Payables:						
Accounts	\$ 141	\$ 11,816	\$ 10,338	\$	\$ 75	\$ 1,894
Payroll			5			
Due To Other Funds			24,224			
Interfund Payable		23				169
Unearned Revenues						
Other Liabilities			1,940			
<b>Total Liabilities</b>	<u>141</u>	<u>11,839</u>	<u>36,507</u>	<u>0</u>	<u>75</u>	<u>2,063</u>
Fund Balances:						
Nonspendable	4					
Restricted	2,236		308,560		768	35,056
Unassigned		(9,438)				
<b>Total Fund Balances</b>	<u>2,240</u>	<u>(9,438)</u>	<u>308,560</u>	<u>0</u>	<u>768</u>	<u>35,056</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,381</u>	<u>\$ 2,401</u>	<u>\$ 345,067</u>	<u>\$ 0</u>	<u>\$ 843</u>	<u>\$ 37,119</u>

Concluded on the following page

STATE OF TEXAS

**Combining Balance Sheet – Nonmajor Capital Projects Funds (concluded)**

August 31, 2017 (Amounts in Thousands)

	Texas Department of Public Safety Project Funds	Texas Department of Transportation Project Funds	Texas Historical Commission Project Funds	Texas Mobility Capital Project Funds	Other Nonmajor Capital Projects Funds	Totals
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 7,740	\$ 1,365,201	\$ 6,052	\$ 377,539	\$ 211	\$ 2,076,166
Due From Other Funds		9,179				77,563
Inventories						4
Total Assets	<u>\$ 7,740</u>	<u>\$ 1,374,380</u>	<u>\$ 6,052</u>	<u>\$ 377,539</u>	<u>\$ 211</u>	<u>\$ 2,153,733</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Payables:						
Accounts	\$ 84	\$ 52,683	\$ 905	\$ 36,717	\$	\$ 114,653
Payroll						5
Due To Other Funds						24,224
Interfund Payable						192
Unearned Revenues		646,979				646,979
Other Liabilities						1,940
Total Liabilities	<u>84</u>	<u>699,662</u>	<u>905</u>	<u>36,717</u>	<u>0</u>	<u>787,993</u>
Fund Balances:						
Nonspendable						4
Restricted	7,656	674,718	5,147	340,822	211	1,375,174
Unassigned						(9,438)
Total Fund Balances	<u>7,656</u>	<u>674,718</u>	<u>5,147</u>	<u>340,822</u>	<u>211</u>	<u>1,365,740</u>
Total Liabilities and Fund Balances	<u>\$ 7,740</u>	<u>\$ 1,374,380</u>	<u>\$ 6,052</u>	<u>\$ 377,539</u>	<u>\$ 211</u>	<u>\$ 2,153,733</u>

STATE OF TEXAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Department of Criminal Justice Prison Project Funds	Texas Juvenile Justice Project Funds	Texas Health Agencies Project Funds
<b>REVENUES</b>						
Interest and Other Investment Income	\$ 35	\$ 40	\$ 130	\$ 7	\$ 21	\$ 30
Sales of Goods and Services			(834)			
Total Revenues	<u>35</u>	<u>40</u>	<u>(704)</u>	<u>7</u>	<u>21</u>	<u>30</u>
<b>EXPENDITURES</b>						
Current:						
General Government	1,060		10,390			
Health and Human Services						17,325
Public Safety and Corrections				1,110	798	
Transportation						
Natural Resources and Recreation		13,791				
Capital Outlay		4,948	63,542	131	3,310	211
Debt Service:						
Interest	389					
Other Financing Fees	2,009					
Total Expenditures	<u>3,458</u>	<u>18,739</u>	<u>73,932</u>	<u>1,241</u>	<u>4,108</u>	<u>17,536</u>
Deficiency of Revenues						
Under Expenditures	<u>(3,423)</u>	<u>(18,699)</u>	<u>(74,636)</u>	<u>(1,234)</u>	<u>(4,087)</u>	<u>(17,506)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer In	728		8,387			372
Transfer Out	(7,975)		(8,105)	(1)	(46)	(335)
Bonds and Notes Issued	5,827	5,000	22,300		3,500	9,500
Bond Issued for Refunding	406,985					
Premium on Bonds Issued	17,593					
Payment to Escrow for Refunding	(422,358)					
Total Other Financing Sources (Uses)	<u>800</u>	<u>5,000</u>	<u>22,582</u>	<u>(1)</u>	<u>3,454</u>	<u>9,537</u>
Net Change in Fund Balances	<u>(2,623)</u>	<u>(13,699)</u>	<u>(52,054)</u>	<u>(1,235)</u>	<u>(633)</u>	<u>(7,969)</u>
Fund Balances, September 1, 2016	4,863	4,261	360,614	1,405	1,401	43,025
Restatements				(170)		
Fund Balances, September 1, 2016, as Restated	<u>4,863</u>	<u>4,261</u>	<u>360,614</u>	<u>1,235</u>	<u>1,401</u>	<u>43,025</u>
Fund Balances, August 31, 2017	<u>\$ 2,240</u>	<u>\$ (9,438)</u>	<u>\$ 308,560</u>	<u>\$ 0</u>	<u>\$ 768</u>	<u>\$ 35,056</u>

Concluded on the following page

STATE OF TEXAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds (concluded)

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Texas Department of Public Safety Project Funds	Texas Department of Transportation Project Funds	Texas Historical Commission Project Funds	Texas Mobility Capital Project Funds	Other Nonmajor Capital Projects Funds	Totals
<b>REVENUES</b>						
Interest and Other Investment Income	\$ 56	\$ 8,155	\$ 109	\$ 5,043	\$ 4	\$ 13,630
Sales of Goods and Services		208,671				207,837
Total Revenues	<u>56</u>	<u>216,826</u>	<u>109</u>	<u>5,043</u>	<u>4</u>	<u>221,467</u>
<b>EXPENDITURES</b>						
Current:						
General Government			4,440			15,890
Health and Human Services						17,325
Public Safety and Corrections	1,784				432	4,124
Transportation				32		32
Natural Resources and Recreation						13,791
Capital Outlay	4,018	396,636	4,893	291,033	958	769,680
Debt Service:						
Interest						389
Other Financing Fees		2,190		114		4,313
Total Expenditures	<u>5,802</u>	<u>398,826</u>	<u>9,333</u>	<u>291,179</u>	<u>1,390</u>	<u>825,544</u>
Deficiency of Revenues						
Under Expenditures	<u>(5,746)</u>	<u>(182,000)</u>	<u>(9,224)</u>	<u>(286,136)</u>	<u>(1,386)</u>	<u>(604,077)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer In				123,154		132,641
Transfer Out	(1)	(208,671)			(91)	(225,225)
Bonds and Notes Issued	8,250	588,755	2,300		1,100	646,532
Bond Issued for Refunding						406,985
Premium on Bonds Issued		110,972				128,565
Payment to Escrow for Refunding						(422,358)
Total Other Financing Sources (Uses)	<u>8,249</u>	<u>491,056</u>	<u>2,300</u>	<u>123,154</u>	<u>1,009</u>	<u>667,140</u>
Net Change in Fund Balances	<u>2,503</u>	<u>309,056</u>	<u>(6,924)</u>	<u>(162,982)</u>	<u>(377)</u>	<u>63,063</u>
Fund Balances, September 1, 2016	5,153	365,662	12,071	503,804	588	1,302,847
Restatements						(170)
Fund Balances, September 1, 2016, as Restated	<u>5,153</u>	<u>365,662</u>	<u>12,071</u>	<u>503,804</u>	<u>588</u>	<u>1,302,677</u>
Fund Balances, August 31, 2017	<u>\$ 7,656</u>	<u>\$ 674,718</u>	<u>\$ 5,147</u>	<u>\$ 340,822</u>	<u>\$ 211</u>	<u>\$ 1,365,740</u>



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## Nonmajor Permanent Funds

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The **Permanent Health Fund for Higher Education** was established by the Legislature from a portion of the money received in the settlement of *The State of Texas v. The American Tobacco Co., et.al.* The corpus of the account was designated by the Legislature to be preserved. Distributions of earnings on the account are to be transferred to other accounts and used for health care costs, tobacco education and enforcement.

The **National Research University Fund** was established by the Legislature to provide a dedicated, independent and equitable source of funding to enable emerging research universities to achieve national prominence as major research universities. The fund consists of appropriations and transfers under the Texas Constitution and amounts provided by law, gifts, grants and interest. The Texas Constitution required that balances

in the permanent higher education fund be transferred to the national research university fund on Jan. 1, 2010. Funds are allocated to eligible universities based on an equitable formula.

The **Permanent Fund Supporting Military and Veterans Exemptions** (Perm Fund Supporting MIL/VET Exempt) was established by the Legislature to receive gifts, grants and investment returns for distributions to higher education institutions to offset the cost of the exemptions to certain veterans and/or dependents. Distributions are determined by the Legislative Budget Board based on each institution's respective share of the aggregate cost to all institutions of the exemptions. The Texas Treasury Safekeeping Trust Company determines the amount available for distribution from the fund.

STATE OF TEXAS

**Combining Balance Sheet – Nonmajor Permanent Funds**

August 31, 2017 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Perm Fund Supporting MIL/VET Exempt	Other Nonmajor Permanent Funds	Totals
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 13,478	\$ 43,032	\$ 3,289	\$ 1,039	\$ 60,838
Short-Term Investments	6,843	32,737	11,260	16,255	67,095
Receivables:					
Investment Trades	35	175	64	119	393
Interest and Dividends	17	73	14	13	117
Due From Other Funds	31			518	549
Investments	<u>144,561</u>	<u>676,850</u>	<u>246,561</u>	<u>329,915</u>	<u>1,397,887</u>
<b>Total Assets</b>	<u><u>\$ 164,965</u></u>	<u><u>\$ 752,867</u></u>	<u><u>\$ 261,188</u></u>	<u><u>\$ 347,859</u></u>	<u><u>\$ 1,526,879</u></u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Payables:					
Accounts	\$ 123	\$ 360	\$ 131	\$ 707	\$ 1,321
Due To Other Funds	<u>1,303</u>	<u>43,031</u>	<u>3,289</u>	<u>707</u>	<u>47,623</u>
Total Liabilities	<u>1,426</u>	<u>43,391</u>	<u>3,420</u>	<u>707</u>	<u>48,944</u>
Fund Balances:					
Nonspendable	151,177	709,425		443	861,045
Restricted	2,543	51	257,768	346,709	607,071
Committed	<u>9,819</u>				<u>9,819</u>
Total Fund Balances	<u>163,539</u>	<u>709,476</u>	<u>257,768</u>	<u>347,152</u>	<u>1,477,935</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 164,965</u></u>	<u><u>\$ 752,867</u></u>	<u><u>\$ 261,188</u></u>	<u><u>\$ 347,859</u></u>	<u><u>\$ 1,526,879</u></u>

STATE OF TEXAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Permanent Funds

For the Fiscal Year Ended August 31, 2017 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Perm Fund Supporting MIL/VET Exempt	Other Nonmajor Permanent Funds	Totals
<b>REVENUES</b>					
Interest and Other Investment Income	\$ 16,081	\$ 73,842	\$ 26,541	\$ 35,686	\$ 152,150
Land Income				11	11
Other		2			2
Total Revenues	<u>16,081</u>	<u>73,844</u>	<u>26,541</u>	<u>35,697</u>	<u>152,163</u>
<b>EXPENDITURES</b>					
Current:					
General Government	418	1,940	1,423	932	4,713
Education	489			2,073	2,562
Health and Human Services	181				181
Natural Resources and Recreation	2,063			133	2,196
Capital Outlay				200	200
Total Expenditures	<u>3,151</u>	<u>1,940</u>	<u>1,423</u>	<u>3,338</u>	<u>9,852</u>
Excess of Revenues Over Expenditures	<u>12,930</u>	<u>71,904</u>	<u>25,118</u>	<u>32,359</u>	<u>142,311</u>
<b>OTHER FINANCING USES</b>					
Transfer In			5		5
Transfer Out	(3,737)	(19,082)	(7,939)	(11)	(30,769)
Total Other Financing Uses	<u>(3,737)</u>	<u>(19,082)</u>	<u>(7,934)</u>	<u>(11)</u>	<u>(30,764)</u>
Net Change in Fund Balances	<u>9,193</u>	<u>52,822</u>	<u>17,184</u>	<u>32,348</u>	<u>111,547</u>
Fund Balances, September 1, 2016	<u>154,346</u>	<u>656,654</u>	<u>240,584</u>	<u>314,804</u>	<u>1,366,388</u>
Fund Balances, August 31, 2017	<u>\$ 163,539</u>	<u>\$ 709,476</u>	<u>\$ 257,768</u>	<u>\$ 347,152</u>	<u>\$ 1,477,935</u>

