

State of Texas

Comprehensive Annual Financial Report

For the Fiscal Year Ended August 31, 2019

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

Management's Discussion and Analysis, pages 19-32

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Basic Financial Statements, pages 33-194

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Required Supplementary Information other than MD&A, pages 195-220

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Governmental Funds, pages 221-244

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Enterprise Funds, pages 245-274

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Fiduciary Funds, pages 275-292

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Discretely Presented Component Units, pages 293-308

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Statistical Section, pages 309-335

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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, 2019 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
ASSETS					
Cash and Cash Equivalents	\$ 1,466,732	\$ 676,318	\$ 998,191	\$ 65,885	\$ 3,207,126
Short-Term Investments	93,608			97,277	190,885
Receivables:					
Accounts	4,036	241	13,483		17,760
Taxes	82,531				82,531
Federal	2,988	4,781			7,769
Gifts and Pledges	1,112				1,112
Interest and Dividends	15,049	696		277	16,022
Due From Other Funds	82,326		74,769	636	157,731
Interfund Receivable			29		29
Inventories	266		6		272
Prepaid Items	6				6
Investments	1,476,028			1,428,419	2,904,447
Loans and Contracts	640,942				640,942
Restricted:					
Cash and Cash Equivalents	1,744				1,744
Loans and Contracts	1,152,478				1,152,478
Other Assets	102,035				102,035
Total Assets	<u>\$ 5,121,881</u>	<u>\$ 682,036</u>	<u>\$ 1,086,478</u>	<u>\$ 1,592,494</u>	<u>\$ 8,482,889</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	\$ 15,240	\$	\$ 82,963	\$ 1,406	\$ 99,609
Payroll	5,545				5,545
Investment Trade				389	389
Due To Other Funds	3,017		355	51,023	54,395
Interfund Payable	1,815		9		1,824
Unearned Revenues	1,120	3,938	466,263		471,321
Hedging Derivative Liability				264	264
Other Liabilities	2		8,672	77	8,751
Total Liabilities	<u>26,739</u>	<u>3,938</u>	<u>558,262</u>	<u>53,159</u>	<u>642,098</u>
Deferred Inflows of Resources					
Deferred Inflows of Resources		4,881			4,881
Total Deferred Inflows of Resources	<u>0</u>	<u>4,881</u>	<u>0</u>	<u>0</u>	<u>4,881</u>
Fund Balances:					
Nonspendable	272		6	899,149	899,427
Restricted	4,997,235	673,217	336,153	630,177	6,636,782
Committed	93,506		192,057	10,009	295,572
Assigned	4,129				4,129
Total Fund Balances	<u>5,095,142</u>	<u>673,217</u>	<u>528,216</u>	<u>1,539,335</u>	<u>7,835,910</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,121,881</u>	<u>\$ 682,036</u>	<u>\$ 1,086,478</u>	<u>\$ 1,592,494</u>	<u>\$ 8,482,889</u>

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

For the Fiscal Year Ended August 31, 2019 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
REVENUES					
Taxes	\$ 3,018,788	\$	\$	\$	\$ 3,018,788
Federal	5,751	55,765			61,516
Licenses, Fees and Permits	447,602	354,255	110,027		911,884
Interest and Other Investment Income	185,578	14,325	16,330	70,848	287,081
Land Income	6,584			15	6,599
Sales of Goods and Services	399		247,744		248,143
Other	31,439	1,252	25		32,716
Total Revenues	<u>3,696,141</u>	<u>425,597</u>	<u>374,126</u>	<u>70,863</u>	<u>4,566,727</u>
EXPENDITURES					
Current:					
General Government	249,481	448	21,888	4,739	276,556
Education	2,460,776			12,218	2,472,994
Employee Benefits	19,738				19,738
Health and Human Services	13		936	599	1,548
Public Safety and Corrections	58,087		4,634		62,721
Transportation	129,469		3,195		132,664
Natural Resources and Recreation	69,191		2,461	1,730	73,382
Regulatory Services	91				91
Capital Outlay	4,152		850,956		855,108
Debt Service:					
Principal	2	792,033			792,035
Interest	151	858,081	6,838		865,070
Other Financing Fees	1,587		3,732		5,319
Total Expenditures	<u>2,992,738</u>	<u>1,650,562</u>	<u>894,640</u>	<u>19,286</u>	<u>5,557,226</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>703,403</u>	<u>(1,224,965)</u>	<u>(520,514)</u>	<u>51,577</u>	<u>(990,499)</u>
OTHER FINANCING SOURCES (USES)					
Transfer In	2,391,272	1,406,814	33,478	616	3,832,180
Transfer Out	(2,606,299)	(32,340)	(242,690)	(34,167)	(2,915,496)
Bonds and Notes Issued	214,096		240,090		454,186
Bonds Issued for Refunding	140,880	4	510,841		651,725
Premiums on Bonds Issued	28,135		63,143		91,278
Payment to Escrow for Refunding	(158,306)	(15,381)	(563,576)		(737,263)
Sale of Capital Assets	7				7
Distributions from Permanent Fund Principal				(9,616)	(9,616)
Total Other Financing Sources (Uses)	<u>9,785</u>	<u>1,359,097</u>	<u>41,286</u>	<u>(43,167)</u>	<u>1,367,001</u>
Net Change in Fund Balances	<u>713,188</u>	<u>134,132</u>	<u>(479,228)</u>	<u>8,410</u>	<u>376,502</u>
Fund Balances, September 1, 2018	4,381,939	877,423	669,106	1,530,925	7,459,393
Restatements	15	(338,338)	338,338		15
Fund Balances, September 1, 2018, as Restated	<u>4,381,954</u>	<u>539,085</u>	<u>1,007,444</u>	<u>1,530,925</u>	<u>7,459,408</u>
Fund Balances, August 31, 2019	<u>\$ 5,095,142</u>	<u>\$ 673,217</u>	<u>\$ 528,216</u>	<u>\$ 1,539,335</u>	<u>\$ 7,835,910</u>

Nonmajor Special Revenue Funds

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, 2019 (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
ASSETS							
Cash and Cash Equivalents	\$	\$ 139,976	\$ 210,276	\$ 55,705	\$ 58,188	\$ 1,002,587	\$ 1,466,732
Short-Term Investments			93,355			253	93,608
Receivables:							
Accounts		3,191				845	4,036
Taxes					82,531		82,531
Federal						2,988	2,988
Gifts and Pledges						1,112	1,112
Interest and Dividends	140		2,827		410	11,672	15,049
Due From Other Funds			691		80,055	1,580	82,326
Inventories		66				200	266
Prepaid Items						6	6
Investments			1,472,022			4,006	1,476,028
Loans and Contracts			623,593			17,349	640,942
Restricted:							
Cash and Cash Equivalents						1,744	1,744
Loans and Contracts						1,152,478	1,152,478
Other Assets						102,035	102,035
Total Assets	\$ 140	\$ 143,233	\$ 2,402,764	\$ 55,705	\$ 221,184	\$ 2,298,855	\$ 5,121,881
LIABILITIES AND FUND BALANCES							
Liabilities:							
Payables:							
Accounts	\$	\$ 7,487	\$ 1,094	\$	\$	\$ 6,659	\$ 15,240
Payroll		4,753	10	6		776	5,545
Due To Other Funds			716			2,301	3,017
Interfund Payable			1,815				1,815
Unearned Revenues					969	151	1,120
Other Liabilities						2	2
Total Liabilities	0	12,240	3,635	6	969	9,889	26,739
Fund Balances:							
Nonspendable		66				206	272
Restricted	140	130,927	2,399,129		220,215	2,246,824	4,997,235
Committed				55,699		37,807	93,506
Assigned						4,129	4,129
Total Fund Balances	140	130,993	2,399,129	55,699	220,215	2,288,966	5,095,142
Total Liabilities and Fund Balances	\$ 140	\$ 143,233	\$ 2,402,764	\$ 55,705	\$ 221,184	\$ 2,298,855	\$ 5,121,881

* 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, 2019 (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
REVENUES							
Taxes	\$ 2,096,625	\$	\$	\$	\$ 922,163	\$	\$ 3,018,788
Federal		224				5,527	5,751
Licenses, Fees and Permits		169,192		126,151		152,259	447,602
Interest and Other Investment Income	2,770	2,731	98,007		4,403	77,667	185,578
Land Income						6,584	6,584
Sales of Goods and Services		242	147			10	399
Other		43				31,396	31,439
Total Revenues	<u>2,099,395</u>	<u>172,432</u>	<u>98,154</u>	<u>126,151</u>	<u>926,566</u>	<u>273,443</u>	<u>3,696,141</u>
EXPENDITURES							
Current:							
General Government				87,959		161,522	249,481
Education					2,430,972	29,804	2,460,776
Employee Benefits						19,738	19,738
Health and Human Services						13	13
Public Safety and Corrections						58,087	58,087
Transportation		129,907				(438)	129,469
Natural Resources and Recreation			61,460			7,731	69,191
Regulatory Services						91	91
Capital Outlay		713				3,439	4,152
Debt Service:							
Principal						2	2
Interest			134			17	151
Other Financing Fees						1,587	1,587
Total Expenditures	<u>0</u>	<u>130,620</u>	<u>61,594</u>	<u>87,959</u>	<u>2,430,972</u>	<u>281,593</u>	<u>2,992,738</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,099,395</u>	<u>41,812</u>	<u>36,560</u>	<u>38,192</u>	<u>(1,504,406)</u>	<u>(8,150)</u>	<u>703,403</u>
OTHER FINANCING SOURCES (USES)							
Transfer In			3,513	2,500	1,575,835	809,424	2,391,272
Transfer Out	(2,099,387)		(286,058)		(25,878)	(194,976)	(2,606,299)
Bonds and Notes Issued			54,131			159,965	214,096
Bonds Issued for Refunding						140,880	140,880
Premiums on Bonds Issued						28,135	28,135
Payment to Escrow for Refunding						(158,306)	(158,306)
Sale of Capital Assets		7					7
Total Other Financing Sources (Uses)	<u>(2,099,387)</u>	<u>7</u>	<u>(228,414)</u>	<u>2,500</u>	<u>1,549,957</u>	<u>785,122</u>	<u>9,785</u>
Net Change in Fund Balances	<u>8</u>	<u>41,819</u>	<u>(191,854)</u>	<u>40,692</u>	<u>45,551</u>	<u>776,972</u>	<u>713,188</u>
Fund Balances, September 1, 2018	132	89,174	2,590,983	15,007	174,664	1,511,979	4,381,939
Restatements						15	15
Fund Balances, September 1, 2018, as Restated	<u>132</u>	<u>89,174</u>	<u>2,590,983</u>	<u>15,007</u>	<u>174,664</u>	<u>1,511,994</u>	<u>4,381,954</u>
Fund Balances, August 31, 2019	<u>\$ 140</u>	<u>\$ 130,993</u>	<u>\$ 2,399,129</u>	<u>\$ 55,699</u>	<u>\$ 220,215</u>	<u>\$ 2,288,966</u>	<u>\$ 5,095,142</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.

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Budgetary Comparison Schedule

Nonmajor Special Revenue Funds

For the Fiscal Year Ended August 31, 2019 (Amounts in Thousands)

	Property Tax Relief Fund				Texas Motor Vehicles 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
REVENUES								
Taxes	\$ 1,720,358	\$ 1,720,358	\$ 2,096,625	\$ 376,267	\$	\$	\$	\$
Federal							224	224
Licenses, Fees and Permits					177,941	182,599	169,192	(13,407)
Interest and Other Investment Income	1,011	1,011	2,762	1,751	402	402	2,731	2,329
Settlement of Claims					996	996		(996)
Sales of Goods and Services					258	355	(353)	(708)
Other						21	43	22
Total Revenues	<u>1,721,369</u>	<u>1,721,369</u>	<u>2,099,387</u>	<u>378,018</u>	<u>179,597</u>	<u>184,373</u>	<u>171,837</u>	<u>(12,536)</u>
EXPENDITURES								
General Government						2		2
Education								
Public Safety and Corrections								
Transportation					151,156	172,675	131,122	41,553
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>151,156</u>	<u>172,677</u>	<u>131,122</u>	<u>41,555</u>
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	<u>1,721,369</u>	<u>1,721,369</u>	<u>2,099,387</u>	<u>378,018</u>	<u>28,441</u>	<u>11,696</u>	<u>40,715</u>	<u>29,019</u>
OTHER FINANCING SOURCES (USES)								
Transfer In								
Transfer Out	(1,721,369)	(1,721,369)	(2,099,387)	(378,018)				
Sale of Capital Assets								
Available Beginning Balances					70,937	54,777	99,318	44,541
Total Other Financing Sources (Uses)	<u>(1,721,369)</u>	<u>(1,721,369)</u>	<u>(2,099,387)</u>	<u>(378,018)</u>	<u>70,937</u>	<u>54,777</u>	<u>99,318</u>	<u>44,541</u>
Excess (Deficiency) of Revenues and								
Other Financing Sources Over (Under)								
Expenditures and Other Financing Uses	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 99,378</u>	<u>\$ 66,473</u>	<u>\$ 140,033</u>	<u>\$ 73,560</u>

Continued on the following page

Budgetary Comparison Schedule

Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended August 31, 2019 (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
REVENUES								
Taxes	\$	\$	\$	\$	\$	\$	\$	\$
Federal	175	175		(175)				
Licenses, Fees and Permits					85,097	85,097	126,151	41,054
Interest and Other Investment Income	17,098	17,098	98,119	81,021				
Settlement of Claims								
Sales of Goods and Services			229	229				
Other								
Total Revenues	<u>17,273</u>	<u>17,273</u>	<u>98,348</u>	<u>81,075</u>	<u>85,097</u>	<u>85,097</u>	<u>126,151</u>	<u>41,054</u>
EXPENDITURES								
General Government	1				87,425	136,375	88,245	48,130
Education								
Public Safety and Corrections								
Transportation								
Health and Human Services								
Natural Resources and Recreation	5,375	256,100	61,109	194,991				
Regulatory Services								
Total Expenditures	<u>5,376</u>	<u>256,100</u>	<u>61,109</u>	<u>194,991</u>	<u>87,425</u>	<u>136,375</u>	<u>88,245</u>	<u>48,130</u>
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	<u>11,897</u>	<u>(238,827)</u>	<u>37,239</u>	<u>276,066</u>	<u>(2,328)</u>	<u>(51,278)</u>	<u>37,906</u>	<u>89,184</u>
OTHER FINANCING SOURCES (USES)								
Transfer In			3,513	3,513			2,500	2,500
Transfer Out			(72,579)	(72,579)				
Sale of Capital Assets								
Available Beginning Balances	<u>296,129</u>	<u>295,975</u>	<u>119,741</u>	<u>(176,234)</u>	<u>31,703</u>	<u>(1,274)</u>	<u>15,298</u>	<u>16,572</u>
Total Other Financing Sources (Uses)	<u>296,129</u>	<u>295,975</u>	<u>50,675</u>	<u>(245,300)</u>	<u>31,703</u>	<u>(1,274)</u>	<u>17,798</u>	<u>19,072</u>
Excess (Deficiency) of Revenues and								
Other Financing Sources Over (Under)								
Expenditures and Other Financing Uses	<u>\$ 308,026</u>	<u>\$ 57,148</u>	<u>\$ 87,914</u>	<u>\$ 30,766</u>	<u>\$ 29,375</u>	<u>\$ (52,552)</u>	<u>\$ 55,704</u>	<u>\$ 108,256</u>

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STATE OF TEXAS

Budgetary Comparison Schedule

Nonmajor Special Revenue Funds (concluded)

For the Fiscal Year Ended August 31, 2019 (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
REVENUES								
Taxes	\$ 918,898	\$ 918,898	\$ 917,358	\$ (1,540)	\$	\$	\$	\$
Federal					1,597	1,618	8,493	6,875
Licenses, Fees and Permits					6,277	6,284	3,865	(2,419)
Interest and Other Investment Income	2,854	2,854	4,245	1,391	2,139	2,139	(82,151)	(84,290)
Settlement of Claims								
Sales of Goods and Services							1,000	1,000
Other			969	969			(1,188)	(1,188)
Total Revenues	921,752	921,752	922,572	820	10,013	10,041	(69,981)	(80,022)
EXPENDITURES								
General Government					838,895	8,155	24,862	(16,707)
Education	2,266,943	2,266,943	2,430,972	(164,029)			(1,058)	1,058
Public Safety and Corrections							(1,069)	1,069
Transportation							6,164	(6,164)
Health and Human Services					13,457	13,457	(414)	13,871
Natural Resources and Recreation					690,217	699,778	(11,289)	711,067
Regulatory Services							(1,186)	1,186
Total Expenditures	2,266,943	2,266,943	2,430,972	(164,029)	1,542,569	721,390	16,010	705,380
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	(1,345,191)	(1,345,191)	(1,508,400)	(163,209)	(1,532,556)	(711,349)	(85,991)	625,358
OTHER FINANCING SOURCES (USES)								
Transfer In	1,536,000	1,536,000	1,575,835	39,835			745,630	745,630
Transfer Out			(25,878)	(25,878)			11,129	11,129
Sale of Capital Assets								
Available Beginning Balances	985,546	985,546	21,953	(963,593)	(694,040)	250,911	343,172	92,261
Total Other Financing Sources (Uses)	2,521,546	2,521,546	1,571,910	(949,636)	(694,040)	250,911	1,099,931	849,020
Excess (Deficiency) of Revenues and								
Other Financing Sources Over (Under)								
Expenditures and Other Financing Uses	\$ 1,176,355	\$ 1,176,355	\$ 63,510	\$ (1,112,845)	\$ (2,226,596)	\$ (460,438)	\$ 1,013,940	\$ 1,474,378

Nonmajor Debt Service Funds

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, 2019 (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
ASSETS							
Cash and Cash Equivalents	\$ 112,841	\$ 220,413	\$ 80	\$ 5,110	\$ 337,519	\$ 355	\$ 676,318
Receivables:							
Accounts	241						241
Federal					4,781		4,781
Interest and Dividends	695					1	696
Total Assets	<u>\$ 113,777</u>	<u>\$ 220,413</u>	<u>\$ 80</u>	<u>\$ 5,110</u>	<u>\$ 342,300</u>	<u>\$ 356</u>	<u>\$ 682,036</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Unearned Revenues		1,825			2,113		3,938
Total Liabilities	<u>0</u>	<u>1,825</u>	<u>0</u>	<u>0</u>	<u>2,113</u>	<u>0</u>	<u>3,938</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows of Resources					4,881		4,881
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,881</u>	<u>0</u>	<u>4,881</u>
Fund Balances:							
Restricted	113,777	218,588	80	5,110	335,306	356	673,217
Total Fund Balances	<u>113,777</u>	<u>218,588</u>	<u>80</u>	<u>5,110</u>	<u>335,306</u>	<u>356</u>	<u>673,217</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 113,777</u>	<u>\$ 220,413</u>	<u>\$ 80</u>	<u>\$ 5,110</u>	<u>\$ 342,300</u>	<u>\$ 356</u>	<u>\$ 682,036</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, 2019 (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
REVENUES							
Taxes	\$	\$	\$	\$	\$	\$	\$
Federal	9	21,851	1,802		32,103		55,765
Licenses, Fees and Permits		354,255					354,255
Interest and Other Investment Income	8,655	2,810	80	124	2,541	115	14,325
Other						1,252	1,252
Total Revenues	8,664	378,916	1,882	124	34,644	1,367	425,597
EXPENDITURES							
Current:							
General Government			107	341			448
Debt Service:							
Principal	62,388	81,635	192,860	10,500	354,875	89,775	792,033
Interest	52,535	286,060	93,742	1,404	385,080	39,260	858,081
Other Financing Fees							
Total Expenditures	114,923	367,695	286,709	12,245	739,955	129,035	1,650,562
Excess (Deficiency) of Revenues Over (Under)							
Expenditures	(106,259)	11,221	(284,827)	(12,121)	(705,311)	(127,668)	(1,224,965)
OTHER FINANCING SOURCES (USES)							
Transfer In	143,692		285,805	14,004	833,678	129,635	1,406,814
Transfer Out	(32,340)						(32,340)
Bonds Issued for Refunding			4				4
Payment to Escrow for Refunding	(10,978)		(932)	(1,822)		(1,649)	(15,381)
Total Other Financing Sources (Uses)	100,374	0	284,877	12,182	833,678	127,986	1,359,097
Net Change in Fund Balances	(5,885)	11,221	50	61	128,367	318	134,132
Fund Balances, September 1, 2018	119,662	545,705	30	5,049	206,939	38	877,423
Restatements		(338,338)					(338,338)
Fund Balances, September 1, 2018, as Restated	119,662	207,367	30	5,049	206,939	38	539,085
Fund Balances, August 31, 2019	\$ 113,777	\$ 218,588	\$ 80	\$ 5,110	\$ 335,306	\$ 356	\$ 673,217

Nonmajor Capital Projects Funds

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 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, 2019 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Juvenile Justice Department Project Funds	Texas Health Agencies Project Funds
ASSETS					
Cash and Cash Equivalents	\$ 126,864	\$ 3,587	\$ 120,762	\$ 322	\$ 2,215
Receivables:					
Accounts			13,483		
Due From Other Funds			54,809		19,129
Interfund Receivable	29				
Inventories	6				
Total Assets	<u>\$ 126,899</u>	<u>\$ 3,587</u>	<u>\$ 189,054</u>	<u>\$ 322</u>	<u>\$ 21,344</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	\$	\$ 96	\$ 19,093	\$ 129	\$ 647
Due To Other Funds			355		
Interfund Payable			9		
Unearned Revenues					
Other Liabilities			8,672		
Total Liabilities	<u>0</u>	<u>96</u>	<u>28,129</u>	<u>129</u>	<u>647</u>
Fund Balances:					
Nonspendable	6				
Restricted	126,893	3,491	160,925	193	20,697
Committed					
Total Fund Balances	<u>126,899</u>	<u>3,491</u>	<u>160,925</u>	<u>193</u>	<u>20,697</u>
Total Liabilities and Fund Balances	<u>\$ 126,899</u>	<u>\$ 3,587</u>	<u>\$ 189,054</u>	<u>\$ 322</u>	<u>\$ 21,344</u>

Concluded on the following page

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Capital Projects Funds (concluded)

August 31, 2019 (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
ASSETS						
Cash and Cash Equivalents	\$ 5,519	\$ 491,924	\$ 3,050	\$ 243,932	\$ 16	\$ 998,191
Receivables:						
Accounts						13,483
Due From Other Funds		831				74,769
Interfund Receivable						29
Inventories						6
Total Assets	<u>\$ 5,519</u>	<u>\$ 492,755</u>	<u>\$ 3,050</u>	<u>\$ 243,932</u>	<u>\$ 16</u>	<u>\$ 1,086,478</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Payables:						
Accounts	\$ 38	\$ 11,000	\$ 85	\$ 51,875	\$	\$ 82,963
Due To Other Funds						355
Interfund Payable						9
Unearned Revenues		466,263				466,263
Other Liabilities						8,672
Total Liabilities	<u>38</u>	<u>477,263</u>	<u>85</u>	<u>51,875</u>	<u>0</u>	<u>558,262</u>
Fund Balances:						
Nonspendable						6
Restricted	5,481	15,492	2,965		16	336,153
Committed				192,057		192,057
Total Fund Balances	<u>5,481</u>	<u>15,492</u>	<u>2,965</u>	<u>192,057</u>	<u>16</u>	<u>528,216</u>
Total Liabilities and Fund Balances	<u>\$ 5,519</u>	<u>\$ 492,755</u>	<u>\$ 3,050</u>	<u>\$ 243,932</u>	<u>\$ 16</u>	<u>\$ 1,086,478</u>

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

For the Fiscal Year Ended August 31, 2019 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Juvenile Justice Project Funds	Texas Health Agencies Project Funds
REVENUES					
Licenses, Fees and Permits	\$	\$	\$	\$	\$
Interest and Other Investment Income	419	99	801	13	63
Sales of Goods and Services			21,127		
Other					
Total Revenues	<u>419</u>	<u>99</u>	<u>21,928</u>	<u>13</u>	<u>63</u>
EXPENDITURES					
Current:					
General Government	1,526		19,266		
Health and Human Services					936
Public Safety and Corrections			3,281	555	
Transportation					
Natural Resources and Recreation		2,461			
Capital Outlay		2,555	196,804	93	200
Debt Service:					
Interest	6,838				
Other Financing Fees	2,648				
Total Expenditures	<u>11,012</u>	<u>5,016</u>	<u>219,351</u>	<u>648</u>	<u>1,136</u>
Deficiency of Revenues Under Expenditures	<u>(10,593)</u>	<u>(4,917)</u>	<u>(197,423)</u>	<u>(635)</u>	<u>(1,073)</u>
OTHER FINANCING SOURCES (USES)					
Transfer In	499		32,084		895
Transfer Out	(1,841)	(10)	(14,188)		
Bonds and Notes Issued	126,240	3,750	102,500		3,000
Bonds Issued for Refunding	510,841				
Premium on Bonds Issued	63,143				
Payment to Escrow for Refunding	(563,576)				
Total Other Financing Sources (Uses)	<u>135,306</u>	<u>3,740</u>	<u>120,396</u>	<u>0</u>	<u>3,895</u>
Net Change in Fund Balances	<u>124,713</u>	<u>(1,177)</u>	<u>(77,027)</u>	<u>(635)</u>	<u>2,822</u>
Fund Balances, September 1, 2018	2,186	4,668	237,952	828	17,875
Restatements					
Fund Balances, September 1, 2018, as Restated	<u>2,186</u>	<u>4,668</u>	<u>237,952</u>	<u>828</u>	<u>17,875</u>
Fund Balances, August 31, 2019	<u>\$ 126,899</u>	<u>\$ 3,491</u>	<u>\$ 160,925</u>	<u>\$ 193</u>	<u>\$ 20,697</u>

Concluded on the following page

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

For the Fiscal Year Ended August 31, 2019 (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
REVENUES						
Licenses, Fees and Permits	\$	\$	\$	\$ 110,027	\$	\$ 110,027
Interest and Other Investment Income	143	7,051	67	7,670	4	16,330
Sales of Goods and Services		226,617				247,744
Other				25		25
Total Revenues	<u>143</u>	<u>233,668</u>	<u>67</u>	<u>117,722</u>	<u>4</u>	<u>374,126</u>
EXPENDITURES						
Current:						
General Government			1,096			21,888
Health and Human Services						936
Public Safety and Corrections	798					4,634
Transportation				3,195		3,195
Natural Resources and Recreation						2,461
Capital Outlay	1,842	389,735	(894)	259,954	667	850,956
Debt Service:						
Interest						6,838
Other Financing Fees		230		854		3,732
Total Expenditures	<u>2,640</u>	<u>389,965</u>	<u>202</u>	<u>264,003</u>	<u>667</u>	<u>894,640</u>
Deficiency of Revenues Under Expenditures	<u>(2,497)</u>	<u>(156,297)</u>	<u>(135)</u>	<u>(146,281)</u>	<u>(663)</u>	<u>(520,514)</u>
OTHER FINANCING SOURCES (USES)						
Transfer In						33,478
Transfer Out		(226,617)			(34)	(242,690)
Bonds and Notes Issued	2,500		1,560		540	240,090
Bond Issued for Refunding						510,841
Premium on Bonds Issued						63,143
Payment to Escrow for Refunding						(563,576)
Total Other Financing Sources (Uses)	<u>2,500</u>	<u>(226,617)</u>	<u>1,560</u>	<u>0</u>	<u>506</u>	<u>41,286</u>
Net Change in Fund Balances	<u>3</u>	<u>(382,914)</u>	<u>1,425</u>	<u>(146,281)</u>	<u>(157)</u>	<u>(479,228)</u>
Fund Balances, September 1, 2018	5,478	398,406	1,540		173	669,106
Restatements				338,338		338,338
Fund Balances, September 1, 2018, as Restated	<u>5,478</u>	<u>398,406</u>	<u>1,540</u>	<u>338,338</u>	<u>173</u>	<u>1,007,444</u>
Fund Balances, August 31, 2019	<u>\$ 5,481</u>	<u>\$ 15,492</u>	<u>\$ 2,965</u>	<u>\$ 192,057</u>	<u>\$ 16</u>	<u>\$ 528,216</u>



Nonmajor Permanent Funds

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, 2019 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Perm Fund Supporting MIL/VET Exempt	Other Nonmajor Permanent Funds	Totals
ASSETS					
Cash and Cash Equivalents	\$ 12,264	\$ 50,668	\$ 1,996	\$ 957	\$ 65,885
Short-Term Investments	9,435	45,133	16,084	26,625	97,277
Receivables:					
Interest and Dividends	44	115	47	71	277
Due From Other Funds	101			535	636
Investments	148,966	695,775	251,556	332,122	1,428,419
Total Assets	<u>\$ 170,810</u>	<u>\$ 791,691</u>	<u>\$ 269,683</u>	<u>\$ 360,310</u>	<u>\$ 1,592,494</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	\$ 169	\$ 379	\$ 137	\$ 721	\$ 1,406
Investment Trade	43	212		134	389
Due To Other Funds	164	50,666	193		51,023
Hedging Derivative Liability			65	199	264
Other Liabilities			77		77
Total Liabilities	<u>376</u>	<u>51,257</u>	<u>472</u>	<u>1,054</u>	<u>53,159</u>
Fund Balances:					
Nonspendable	158,346	740,432		371	899,149
Restricted	2,079	2	269,211	358,885	630,177
Committed	10,009				10,009
Total Fund Balances	<u>170,434</u>	<u>740,434</u>	<u>269,211</u>	<u>359,256</u>	<u>1,539,335</u>
Total Liabilities and Fund Balances	<u>\$ 170,810</u>	<u>\$ 791,691</u>	<u>\$ 269,683</u>	<u>\$ 360,310</u>	<u>\$ 1,592,494</u>

STATE OF TEXAS

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

For the Fiscal Year Ended August 31, 2019 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Perm Fund Supporting MIL/VET Exempt	Other Nonmajor Permanent Funds	Totals
REVENUES					
Interest and Other Investment Income	\$ 6,224	\$ 28,004	\$ 10,014	\$ 26,606	\$ 70,848
Land Income				15	15
Total Revenues	<u>6,224</u>	<u>28,004</u>	<u>10,014</u>	<u>26,621</u>	<u>70,863</u>
EXPENDITURES					
Current:					
General Government	422	1,953	1,411	953	4,739
Education	456			11,762	12,218
Health and Human Services	599				599
Natural Resources and Recreation	1,535			195	1,730
Total Expenditures	<u>3,012</u>	<u>1,953</u>	<u>1,411</u>	<u>12,910</u>	<u>19,286</u>
Excess of Revenues Over Expenditures	<u>3,212</u>	<u>26,051</u>	<u>8,603</u>	<u>13,711</u>	<u>51,577</u>
OTHER FINANCING USES					
Transfer In			616		616
Transfer Out	(1,570)	(23,501)	(9,081)	(15)	(34,167)
Distributions from Permanent Fund Principal				(9,616)	(9,616)
Total Other Financing Uses	<u>(1,570)</u>	<u>(23,501)</u>	<u>(8,465)</u>	<u>(9,631)</u>	<u>(43,167)</u>
Net Change in Fund Balances	<u>1,642</u>	<u>2,550</u>	<u>138</u>	<u>4,080</u>	<u>8,410</u>
Fund Balances, September 1, 2018	<u>168,792</u>	<u>737,884</u>	<u>269,073</u>	<u>355,176</u>	<u>1,530,925</u>
Fund Balances, September 1, 2018, as Restated	<u>168,792</u>	<u>737,884</u>	<u>269,073</u>	<u>355,176</u>	<u>1,530,925</u>
Fund Balances, August 31, 2019	<u>\$ 170,434</u>	<u>\$ 740,434</u>	<u>\$ 269,211</u>	<u>\$ 359,256</u>	<u>\$ 1,539,335</u>

