OFFICIAL STATEMENT
DATED DECEMBER 13, 2018

NEW ISSUE - Book-Entry-Only

RATINGS: Fitch - "AAA"
Moody's - "Aaa"
S&P - "AAA"
(See "OTHER PERTINENT INFORMATION - Certificate Ratings" herein.)

In the opinion of Bond Counsel, under existing law, interest on the Certificates is excludable from gross income for federal income tax purposes and the Certificates are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.

$198,035,000
BEXAR COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018

Dated: December 1, 2018

Due: June 15, as shown on page -ii- hereof

The $198,035,000 Bexar County, Texas Combination Tax and Revenue Certificates of Obligation, Series 2018 (the "Certificates") are being issued pursuant to the laws of the State of Texas (the "State"), including, specifically, Subchapter C of Chapter 271, as amended, Texas Local Government Code, Subchapter E of Chapter 1473, as amended, Texas Government Code, and Chapter 1371, as amended, Texas Government Code ("Chapter 1371") and an order (the "Order") adopted by the Commissioners Court (the "Commissioners Court") of Bexar County, Texas (the "County" or the "Issuer"), on December 11, 2018. In the Order, and as permitted by Chapter 1371, the Commissioners Court has delegated to certain designated officials of the County the authority to establish the final terms of, as well as to effectuate the sale of the Certificates, and to execute an approval certificate relating to the Certificates evidencing such final terms of sale (the "Approval Certificate"). The Approval Certificate was executed by an authorized County representative on December 13, 2018.

The Certificates are issuable only as fully registered obligations in denominations of $5,000 or any integral multiple thereof. Interest on the Certificates will accrue from the Dated Date, will be payable on June 15 and December 15 of each year, commencing June 15, 2019 until stated maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Certificates are initially registered solely in the name Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC") acting as securities depository for the Certificates, until DTC resigns or is discharged. The Certificates initially will be available to purchasers (the "Beneficial Owners") in book-entry form only. So long as Cede & Co. is the registered owner of the Certificates, as nominee for DTC, the Paying Agent/Registrar, initially, BOKF, NA, Dallas, Texas, will pay the principal of and interest on the Certificates to Cede & Co., which will, in turn, remit such amounts to DTC participants for subsequent disbursement to the Beneficial Owners of the Certificates. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Proceeds from the sale of the Certificates are being used by the County for the purposes of making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, renovating, improving and equipping the Bexar County Courthouse, Bexar County Jail, the "old" Bexar County Jail, Bexar County Adult Detention Facilities (Annex and Detention Center), Bexar County Juvenile Detention Facilities, Justice of the Peace/Constable Facilities, Forensic Science Center, Technology Centers, Bexar County Crime Lab, Bexar County Sheriff's Department law enforcement facilities, Bexar County Justice Center, Bexar County District Court Facilities, Bexar County Data Center, Bexar County Public Works Facility, and other Bexar County-owned administrative facilities, recreational facilities, mental health services facilities, library facilities, and civil and criminal justice facilities; (2) acquiring computer hardware and software and other technology (including information technology system and network upgrades and improvements), communication, and audio/visual equipment and the payment of professional fees related thereto, including the County-wide Integrated Justice System and Financial Management System; (3) acquiring, constructing, renovating, improving, and equipping parks and recreational facilities and the purchase of park vehicles; (4) acquiring vehicles and equipment for various County offices and departments; (5) designing, constructing, repairing, and improving County roads (including utilities relocation and related bridge and drainage improvements; (6) designing, acquiring, and constructing and equipping parking facilities; (7) acquiring materials, supplies, equipment, machinery, land, easements, right-of-way and other interests in real property for authorized needs and purposes relating to any of the foregoing purposes; and (8) the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects. (See "THE CERTIFICATES - Use of Proceeds" herein.)

The Certificates are payable primarily from an annual ad valorem tax levied against all taxable property located in the County, within the limitations prescribed by law, and additionally from a subordinate lien on and pledge of certain net revenues derived from the operation of the County's parking facilities (the "Pledged Revenues") on a parity with the currently outstanding Obligations Similarly Secured (as defined in the Order), such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds or Additional Revenue Obligations (each term as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Additional Revenue Obligations, and Additional Parity Obligations while the Certificates are Outstanding, without limitation as to principal amount, but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise. (See "THE CERTIFICATES - Authority for Issuance" and "THE CERTIFICATES - Security for Payment" herein.)

SEE STATED MATURITY SCHEDULE, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS AND REDEMPTION PROVISONS ON PAGE -ii- HEREOF

The Certificates are offered for delivery when, as and if issued and received by the initial purchasers thereof named below (the "Underwriters") subject to the approval of legality by the Attorney General of the State of Texas and the approval of certain legal matters by Bracewell LLP, San Antonio, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their co-counsel Escamilla & Poneck LLP, San Antonio, Texas, and Winstead PC, San Antonio, Texas. The Certificates are expected to be available for initial delivery through the services of DTC on or about December 27, 2018.

Siebert Cisneros Shank & Co., L.L.C.

Estrada Hinojosa & Company, Inc. **Frost Bank** **UBS Financial Services Inc.**

STATED MATURITY SCHEDULE

$198,035,000
BEXAR COUNTY, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2018

CUSIP NO. PREFIX: 088281[(1)]

$121,240,000 Serial Certificates

Maturity June 15	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP No. Suffix[(1)]
2020	500,000	5.000	1.850	D72
2021	500,000	5.000	1.920	D80
2022	500,000	5.000	1.990	D98
2023	1,000,000	5.000	2.060	E22
2024	1,000,000	5.000	2.160	E30
2025	1,500,000	5.000	2.250	E48
2026	2,000,000	5.000	2.390	E55
2027	2,500,000	5.000	2.480	E63
2028	3,000,000	5.000	2.560[(2)]	E71
2029	3,500,000	5.000	2.710[(2)]	E89
2030	4,000,000	5.000	2.790[(2)]	E97
2031	8,125,000	5.000	2.880[(2)]	F21
2032	8,535,000	5.000	2.940[(2)]	F39
2033	8,960,000	5.000	3.000[(2)]	F47
2034	9,405,000	4.000	3.380[(2)]	F54
2035	9,785,000	5.000	3.120[(2)]	F62
2036	10,275,000	5.000	3.180[(2)]	F70
2037	10,785,000	4.000	3.580[(2)]	F88
2038	11,220,000	5.000	3.280[(2)]	F96
2039	11,780,000	5.000	3.330[(2)]	G20
2040	12,370,000	5.000	3.360[(3)]	G38

$76,795,000 Term Certificates

$26,620,000 5.000% Term Bonds Due June 15, 2042 Priced to Yield 3.410%[(2)] CUSIP No. Suffix G46[(1)]
$50,175,000 4.000% Term Bonds Due June 15, 2045 Priced to Yield 3.870%[(2)] CUSIP No. Suffix G53[(1)]

(Interest to accrue from the Dated Date)

The County reserves the right to redeem the Certificates maturing on and after June 15, 2028 through June 15, 2042, in whole or in part, in the principal amount of $5,000 or any integral multiple thereof, on June 15, 2027 or any date thereafter, at the redemption price of par plus accrued interest to the date of redemption. (See "THE CERTIFICATES - Optional Redemption Provisions" herein.)

The County reserves the right to redeem the Certificate maturing on June 15, 2045, in whole or in part, in the principal amount of $5,000 or any integral multiple thereof, on June 15, 2028 or any date thereafter, at the redemption price of par plus accrued interest to the date of redemption. (See "THE CERTIFICATES - Optional Redemption Provisions" herein.)

In addition, the Certificates stated to mature on June 15 in each of the years 2042 and 2045 are “Term Certificates” and subject to mandatory sinking fund redemption as described herein. (See “THE CERTIFICATES - Mandatory Sinking Fund Redemption Provisions” herein.)

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(1) CUSIP numbers are included solely for the convenience of the owners of the Certificates. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Markets Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Underwriters, the County, or the Co-Financial Advisors are responsible for the selection or correctness of the CUSIP numbers set forth herein.

(2) Yield calculated based on the assumption that the Certificates denoted and sold at a premium will be redeemed on June 15, 2027, the first optional call date for the Certificates, at a redemption price of par, plus accrued interest to the redemption date.

(3) Yield calculated based on the assumption that the Certificates denoted and sold at a premium will be redeemed on June 15, 2028, the first optional call date for the Certificates, at a redemption price of par, plus accrued interest to the redemption date.

BEXAR COUNTY, TEXAS

COUNTY OFFICIALS

Commissioners Court	Length of Service	Term Expires	Occupation
Nelson W. Wolff, County Judge	15 Years	2020[1]	Businessman/Attorney
Sergio "Chico" Rodriguez, Commissioner, Precinct 1	12 years	2019	Public Official
Paul Elizondo, Commissioner, Precinct 2	33 years	2020[1]	Businessman
Kevin Wolff, Commissioner, Precinct 3	8 years	2019	Businessman
Tommy Calvert, Commissioner, Precinct 4	3 year	2020[1]	Businessman

[1] *Each of the County Judge, Commissioner Precinct 2, and Commissioner Precinct 4 were reelected to their respective positions at the November 6, 2018 general election (the "General Election").*

Other Elected Officials	Position	Years Served
Albert Uresti	County Tax Assessor/Collector	5
Donna K. McKinney	District Clerk	7
Nicholas "Nico" LaHood[1]	Criminal District Attorney	3
Gerard C. Rickhoff[2]	County Clerk	24
Javier Salazar	Sheriff	2

[1] *Joe Gonzales was elected as the Criminal District Attorney at the General Election and will take office on January 1, 2019.*
[2] *Lucy Adame Clark was elected as the County Clerk at the General Election and will take office on January 1, 2019.*

Appointed Officials	Position	Years Served
David L. Smith	County Manager	7
Susan T. Yeatts, C.P.A.	County Auditor	8
Mary Quinones	Purchasing Agent	2

Commissioners Court Employees	Position	Years Served
Tony Canez	Community Venues Program Director	9
Betty Bueche	Heritage and Parks	3
Renee Green	County Engineer	12
Mark Gager	Chief Information Officer	2
Dan Curry	Facilities Management Director	3
Michael Lozito	Judicial Services Director	7
David E. Marquez	Executive Director, Economic Development & Community Resources	14
Renee Watson	Small Business and Entrepreneurship Program Manager	17
Tina Smith Dean	Assistant County Manager	6

CONSULTANTS AND ADVISORS

SAMCO Capital Markets, Inc. San Antonio, Texas	Co-Financial Advisors
RBC Capital Markets, LLC San Antonio, Texas	Co-Financial Advisors
Bracewell LLP San Antonio, Texas	Bond Counsel
Garza/Gonzalez & Associates San Antonio, Texas	Certified Public Accountants

For additional information regarding the County, please contact:

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County Manager
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(210) 335-2683 - Facsimile

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County Auditor
Bexar County
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San Antonio, Texas 78205
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USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman, or other person has been authorized by the County to give any information or to make any representation with respect to the Certificates, other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing.

This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Certificates by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information set forth herein has been obtained from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the information or opinions set forth herein after the date of this Official Statement. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the County's undertaking to provide certain information on a continuing basis.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THE CERTIFICATES ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE CERTIFICATES IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE CERTIFICATES HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION FOR THE PURCHASE THEREOF.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE THE MARKET PRICE OF THIS ISSUE AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES AND EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM THE FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS.

None of the County, the Co-Financial Advisors, nor the Underwriters make any representation or warranty with respect to the information contained in this Official Statement regarding The Depository Trust Company or its "BOOK-ENTRY-ONLY SYSTEM," as such information has been provided by DTC.

The agreements of the County and others related to the Certificates are contained solely in the contracts described herein. Neither this Official Statement, nor any other statement made in connection with the offer or sale of the Certificates, is to be construed as constituting an agreement with the purchasers of the Certificates. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION WITH RESPECT TO THE CERTIFICATES.

Reference to the web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in the Rule.

TABLE OF CONTENTS

The cover page, subsequent pages hereof, and appendices attached hereto, are part of this Official Statement.

OFFICIAL STATEMENT

RELATING TO

$198,035,000
BEXAR COUNTY, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2018

INTRODUCTION

This Official Statement has been prepared by Bexar County, Texas (the “Issuer” or the "County"), in connection with its offering of its Combination Tax and Revenue Certificates of Obligation, Series 2018 (the "Certificates"). Capitalized terms used, but not defined, herein shall have the respective meanings ascribed thereto in the Order (hereinafter defined).

There follows in this Official Statement descriptions of the Certificates and certain other information about the County and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the County at 101 W. Nueva, Suite 901, San Antonio, Texas 78205 and, during the offering period, from the County’s Co-Financial Advisors, SAMCO Capital Markets, Inc., 1020 N.E. Loop 410, Suite 640, San Antonio, Texas 78209, and RBC Capital Markets, LLC, 303 Pearl Parkway, Suite 220, San Antonio, Texas 78215, upon request by electronic mail or physical delivery upon payment of reasonable copying, mailing, and handling charges.

This Official Statement speaks only as to its date, and the information contained herein is subject to change. A copy of this Official Statement, in final form, will be deposited with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“EMMA”) system. See “CONTINUING DISCLOSURE OF INFORMATION” herein for a description of the County’s undertaking to provide certain information on a continuing basis.

Additional Debt Issuances

The County anticipates the issuance of an additional series of pass-through revenue and limited tax bonds within the next 24 months in an amount necessary and sufficient to complete the Potranco Road Project. The actual date of issuance of this series of pass-through revenue and limited tax bonds has not been determined.

With the exception of the previously referenced pass-through revenue and limited tax bonds, the County does not have specific plans for additional debt. For forecasting purposes, the County does assume that approximately $80 million in combination tax and revenue certificates of obligation may be issued at some point during the next two fiscal years.

THE CERTIFICATES

Authority for Issuance

The Certificates are being issued pursuant to the laws of the State of Texas (the “State”), Subchapter C of Chapter 271, as amended, Texas Local Government Code, Subchapter E of Chapter 1473, as amended, Texas Government Code, and Chapter 1371, as amended, Texas Government Code (“Chapter 1371") and an order (the “Order”) to be adopted by the Commissioners Court of the County (the “Commissioners Court”) on December 11, 2018. In the Order, and as permitted by Chapter 1371, the Court has delegated to certain designated officials of the County the authority to establish the final terms of, as well as to effectuate the sale of the Certificates, and to execute an approval certificate relating to the Certificates evidencing such final terms of sale (the “Approval Certificate”). The Approval Certificate was executed by an authorized County representative on December 13, 2018.

General Description

The Certificates will be dated December 1, 2018 (the “Dated Date”). The Certificates will be issued only in fully registered form and in principal denominations of $5,000 or any integral multiple thereof. The Certificates will bear interest from the Dated Date at the stated interest rates indicated on page -ii- hereof. Interest on the Certificates will be calculated on the basis of a 360-day year of twelve 30-day months payable on June 15, 2019 and each December 15 and June 15 thereafter, until stated maturity or prior redemption.

Interest on the Certificates is payable to the registered owners appearing on the bond registration books of the Paying Agent/Registrar on the Record Date (identified below) and such interest shall be paid by the Paying Agent/Registrar (i) by check sent by United States mail, first class, postage prepaid, to the address of the registered owner recorded in the bond register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. The principal of the Certificates is payable at stated maturity or redemption, upon their presentation and surrender to the Paying Agent/Registrar.

Initially the Certificates will be registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Certificates will be made to the owners thereof (the "Beneficial Owners").** Notwithstanding the foregoing, as long as the Certificates are held in the Book-Entry-Only System, principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the Beneficial Owners of the Certificates. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Security for Payment

The Certificates will be payable primarily from the proceeds of an annual ad valorem tax levied, within the limitations prescribed by law, upon all taxable property within the County. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of the taxes granted by the County under the Order and such pledge is, therefore, valid, effective, and perfected. The Certificates are payable from the County's $0.80 tax rate authorized by Article VIII, Section 9 of the Texas Constitution and are additionally payable from and equally and ratably secured by a lien on and pledge of the Pledged Revenues (as defined below) derived from the operation of the County's parking facilities on a parity with the currently outstanding Obligations Similarly Secured, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds or Additional Revenue Obligations hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Additional Revenue Obligations, and Additional Parity Obligations, while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise. (See "AD VALOREM TAX PROCEDURES - Tax Rate and Funded Debt Limitations" and "APPENDIX A - SELECTED FINANCIAL INFORMATION OF THE COUNTY - Tax Rate and Funded Debt Limitations" herein).

Solely to comply with Texas law allowing the Certificates to be sold for cash, the Certificates are payable additionally from a pledge of and subordinate lien on the Pledged Revenues.

The term "Pledged Revenues," as defined in the Order, means a portion of the Net Revenues of the County's parking facilities securing the payment of the currently outstanding Obligations Similarly Secured or any Additional Parity Obligations hereafter issued by the County. The amount of Pledged Revenues appropriated during any fiscal year and set aside in the annual budget for the payment of principal of or interest on each series of the currently outstanding Obligations Similarly Secured and the Certificates will be determined within the sole discretion of the Commissioners Court; provided, however, that in no event may the Commissioners Court in the exercise of its discretion appropriate less than $1,000, or such lesser amount remaining and available after the payment of all Maintenance and Operation Expenses, of such Net Revenues for the payment of the principal of or interest on each issue of the currently outstanding Obligations Similarly Secured, the Certificates, or any Additional Parity Obligations hereafter issued by the County.

The County has transferred approximately $450,000 of Pledged Revenues in each of the five prior fiscal years for the payment of debt service requirements on the Obligations Similarly Secured; however, the holders of the Certificates should not anticipate that the County will transfer an amount in excess of $1,000 in each fiscal year for the payment of principal of and interest on the Certificates. Accordingly, the County intends that ad valorem taxes will be the primary source for the repayment of the debt service requirements on the Certificates.

Payment Record

The County has never defaulted on the payment of its bonded indebtedness.

Legality

The Certificates are offered for delivery when issued and received by the Underwriters subject to the approval of certain legal matters by Bracewell LLP, San Antonio, Texas, and the approving opinion of the Attorney General of the State of Texas. The form of the legal opinion of Bond Counsel appears in APPENDIX D.

Delivery

The Certificates will be delivered when issued; anticipated on or about December 27, 2018.

Use of Proceeds

Proceeds from the sale of the Certificates are being used by the County for the purposes of making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, renovating, improving and equipping the Bexar County Courthouse, Bexar County Jail, the "old" Bexar County Jail, Bexar County Adult Detention Facilities (Annex and Detention Center), Bexar County Juvenile Detention Facilities, Justice of the Peace/Constable Facilities, Forensic Science Center, Technology Centers, Bexar County Crime Lab, Bexar County Sheriff's Department law enforcement facilities, Bexar County Justice Center, Bexar County District Court Facilities, Bexar County Data Center, Bexar County Public Works Facility, and other Bexar County-owned administrative facilities, recreational facilities, mental health services facilities, library facilities, and civil and criminal justice facilities; (2) acquiring computer hardware and software and other technology (including information technology system and network upgrades and improvements), communication, and audio/visual equipment and the payment of professional fees related thereto, including the County-wide Integrated Justice System and Financial Management System; (3) acquiring, constructing, renovating, improving, and equipping parks and recreational facilities and the purchase of park vehicles; (4) acquiring vehicles and equipment for various County offices and departments; (5) designing, constructing, repairing, and improving County roads (including utilities relocation and related bridge and drainage improvements; (6) designing, acquiring, and constructing and equipping parking facilities; (7) acquiring materials, supplies, equipment, machinery, land, easements, right-of-ways and other interests in real property for authorized needs and purposes relating to any of the foregoing purposes; (8) and (9) the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects.

Optional Redemption Provisions

The Certificates stated to mature on June 15, 2028 through June 15, 2042 are subject to optional redemption, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if less than all within a stated maturity by lot, selected by the Paying Agent/Registrar), on June 15, 2027 or on any date thereafter, at a price of par plus accrued interest to the date fixed for redemption.

The Certificate stated to mature on June 15, 2045 is subject to optional redemption, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if less than all within a stated maturity by lot, selected by the Paying Agent/Registrar), on June 15, 2028 or on any date thereafter, at a price of par plus accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption Provisions

The Certificates maturing on June 15 in each of the years 2042 and 2045 (the "Term Certificates") are subject to mandatory sinking fund redemption in part prior to maturity at the price of par plus accrued interest to the mandatory sinking fund redemption date on the date and in the principal amount as follows:

Term Certificates Maturing June 15, 2042		Term Certificates Maturing June 15, 2045	
Redemption Date (6/15)	Principal Amount($)	Redemption Date (6/15)	Principal Amount($)
2041	12,985,000	2043	14,320,000
2042*	13,635,000	2044	14,890,000
		2045*	20,965,000

____
* *Stated maturity.*

The principal amount of a Term Certificate required to be redeemed pursuant to the operation of such mandatory redemption provisions will be reduced, at the option of the County, by the principal amount of any Term Certificates of such stated maturity which, at least 50 days prior to the mandatory redemption date (1) will have been defeased or acquired by the County and delivered to the Paying Agent/Registrar for cancellation, (2) will have been purchased and canceled by the Paying Agent/Registrar at the request of the County with money in the Bond Fund, or (3) will have been redeemed pursuant to the optional redemption provisions set forth in the Order (and described above) and not theretofore credited against a mandatory redemption requirement.

Notice of Redemption

Not less than thirty (30) days prior to a redemption date for the Certificates the County will cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners of the Certificates to be redeemed at the address of the Owners appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

In the Order, the County reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem the Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the County retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the County delivers a certificate of the County to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such redemption notice and redemption will be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar will give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificate subject to conditional notice of redemption where such redemption has been rescinded will remain Outstanding, and the rescission of such redemption will not constitute an event of default. Further, in the case of a conditional notice of redemption, the failure of the County to make moneys and/or authorized securities available in part or in whole on or before the redemption date will not constitute an event of default.

ANY NOTICE SO MAILED WILL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN AND SUBJECT, IN THE CASE OF AN OPTIONAL REDEMPTION, TO ANY RIGHTS OR CONDITIONS RESERVED BY THE COUNTY IN THE NOTICE, THE CERTIFICATES CALLED FOR REDEMPTION WILL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY CERTIFICATE OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH CERTIFICATE OR PORTION THEREOF WILL CEASE TO ACCRUE.

The Paying Agent/Registrar and the County, so long as the Book-Entry-Only System of the Depository Trust Company ("DTC"), New York, New York, is used for the Certificates, will send any notice of redemption, notice of proposed amendment to the Order or other notices with respect to the Certificates only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the Beneficial Owner, will not affect the validity of the redemption of the Certificates called for redemption or any other action premised on any such notice. Redemption of portions of the Certificates by the County will reduce the outstanding principal amount of the Certificates held by DTC.

Defeasance

The Order provides that the County may discharge its obligations to the registered owners of any or all of the Certificates to pay principal, interest and redemption price thereon either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Certificates to maturity or redemption or (ii) by depositing with a trust company, commercial bank or any place of payment (paying agent) for obligations of the County payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Certificates; provided, however, that such deposits may be invested and reinvested only in (a) direct non-callable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; and (b) non-callable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the County adopts or approves the proceedings authorizing the defeasance and/or redemption of the Certificates, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent. The foregoing obligations may be in book-entry form, and will mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Certificates. If any of the Certificates are to be redeemed prior to their respective dates of maturity, provision must have been made for giving notice of redemption as provided in the Order.

Under current State law, upon such deposit as described above, the Certificates will no longer be regarded to be outstanding for any purpose other than the payment thereof. After firm banking and financial arrangements for the discharge and final payment or redemption of the Certificates have been made as described above, all rights of the County to initiate proceedings to call the Certificates for redemption or take any other action amending the terms of the Certificates are extinguished; provided, however, that the right to call the Certificates for redemption is not extinguished if the County: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Certificates for redemption; (ii) gives notice of the reservation of that right to the owners of the Certificates immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Amendments

The County may amend the Order without the consent of or notice to any registered owner in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the County may, with the written consent of the owners of a majority in aggregate principal amount of the Certificates then outstanding, amend, add to, or rescind any of the provisions of the Order; except that, without the consent of all of the registered owners of the Certificates then outstanding, no such amendment, addition, or rescission may (1) change the date specified as the date on which the principal of, or any installment of interest on, any Certificate is due and payable, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the percentage of the aggregate principal amount of Certificates required to be held for consent to any amendment, addition, or waiver.

Defaults and Remedies

If the County defaults in the payment of principal, interest, or redemption price on the Certificates when due, or if it fails to make payments into any fund or funds created in the Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Order, the registered owners may seek a writ of mandamus to compel County officials to carry out their legally imposed duties with respect to the Certificates, if there is no other available remedy at law to compel performance of the Certificates or Order and the County's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Certificates in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the bondholders upon any failure of the County to perform in accordance with the terms of the Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. Texas counties are generally immune from suits for money damages for breach of contracts under the doctrine of sovereign immunity. The Texas Supreme Court ruled in *Tooke v. City of Mexia, 197 S.W.3d 325 (Tex. 2006)* that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the County's sovereign immunity from a suit for money damages, bondholders may not be able to bring such a suit against the County for breach of the Certificates or the Order covenants. Chapter 1371, which pertains to the issuance of public securities by issuers such as the County, permits the County to waive sovereign immunity in the proceedings authorizing the issuance of the Certificates. Notwithstanding its reliance upon the provisions of Chapter 1371 in connection with its issuance of the Certificates (as further described in "THE CERTIFICATES – Authority for Issuance" herein), the County has not waived the defense of sovereign immunity with respect thereto. Even if a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County's property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Certificates. Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondholders of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Order and the Certificates are qualified with respect to the customary rights of debtors relative to their creditors and general principles of equity which permit the exercise of judicial discretion.

SOURCES AND USES OF FUNDS OF THE CERTIFICATES

Sources of Funds:	
Principal Amount of the Certificates	$ 198,035,000.00
Original Issue Reoffering Premium	18,640,750.40
Accrued Interest	664,307.23
Total Sources of Funds	$217,340,057.63
Uses of Funds:	
Deposit to Construction Fund	$215,000,000.00
Underwriters' Discount	1,024,166.52
Costs of Issuance	650,000.00
Deposit to Certificate Fund	664,307.23
Contingency	1,583.88
Total Uses of Funds	$217,340,057.63

REGISTRATION, TRANSFER, AND EXCHANGE

Paying Agent/Registrar

The initial Paying Agent/Registrar is BOKF, NA, Dallas, Texas. The Certificates will be issued in fully registered form in multiples of $5,000 for any one stated maturity. Principal of and interest on the Certificates will be paid by the Paying Agent/Registrar. If the Certificates are not held in the Book-Entry-Only System, interest on the Certificates will be paid by check or draft mailed on each interest payment date by the Paying Agent/Registrar to the registered owner at the last known address as it appears on the Paying Agent/Registrar's books on the Record Date (see "REGISTRATION, TRANSFER, AND EXCHANGE - Record Date" herein) or by such other method, acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of the registered owner, and principal of the Certificates will be paid to the registered owner at stated maturity or earlier redemption upon presentation to the Paying Agent/Registrar. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the corporate offices of the Paying Agent/ Registrar is located are authorized to close, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Successor Paying Agent/Registrar

The County covenants that until the Certificates are paid it will at all times maintain and provide a paying agent/registrar. In the Order, the County retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the County, the new Paying Agent/Registrar must accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any successor Paying Agent/Registrar selected by the County must be a bank, trust company, financial institution or other entity duly qualified and legally authorized to serve and perform the duties of Paying Agent/Registrar for the Certificates. Upon any change in the Paying Agent/Registrar for the Certificates, the County will promptly cause a notice thereof to be sent to each registered owner of the Certificates by United States mail, first class, postage prepaid, which notice shall give the address of the new Paying Agent/Registrar.

Record Date

The date for determining the registered owner entitled to the receipt of payment of interest on a Certificate is the last business day of the month next preceding each interest payment date ("Record Date").

If the date for the payment of the principal of or interest on the Certificates is a Saturday, a Sunday, a legal holiday or a day on which banking institutions in the city where the corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment is the next succeeding day which is not such a day and payment on such date will have the same force and effect as if made on the original date payment was due.

Special Record Date for Interest Payment

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Registration, Transferability and Exchange

In the event the Book-Entry-Only System is be discontinued, printed certificates will be issued to the registered owners of the Certificates and thereafter the Certificates may be transferred, registered, and assigned on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar, and such registration and transfer will be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration and transfer. A Certificate may be assigned by the execution of an assignment form on the Certificate or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. A new Certificate or Certificates will be delivered by the Paying Agent/Registrar in lieu of the Certificates being transferred or exchanged at the designated office of the Paying Agent/Registrar or sent by United States registered mail to the new registered owner at the registered owner's request, risk and expense. New Certificates issued in an exchange or transfer of Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Certificates to be canceled in the exchange or transfer and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Certificates registered and delivered in an exchange or transfer will be in denominations of $5,000 for any one stated maturity or any integral multiple thereof and for a like aggregate principal amount and at the same maturity or maturities as the Certificates surrendered for exchange or transfer. Neither the County nor the Paying Agent/Registrar will be required to transfer or exchange any Certificates (i) during a period beginning at the close of business on any Record Date and ending with the next interest payment date or (ii) with respect to any Certificates or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. (See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Certificates.)

Limitation on Transferability of Certificates Called for Redemption

Neither the County nor the Paying Agent/Registrar will be required to issue, transfer or exchange any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation on transferability will not be applicable to an exchange by the registered owner of the unredeemed principal balance of a Certificate called for redemption in part.

BOOK-ENTRY-ONLY SYSTEM

The following describes how ownership of the Certificates is to be transferred and how the principal of and interest on the Certificates are to be paid to and credited by DTC while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County, the Co-Financial Advisors and the Underwriters believe the source of such information to be reliable but take no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Certificates, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Certificates), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Certificates. The Certificates will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security certificate will be issued for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the United States Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry-only system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Certificates within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC [nor its nominee], the Paying Agent/Registrar, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent/Registrar. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the County or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, physical Certificates are required to be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County, the Co-Financial Advisors, or the Underwriters take no responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of This Official Statement

In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Order will be given only to DTC.

Effect of Termination of Book-Entry-Only System

In the event that the Book-Entry-Only System is discontinued by DTC or the use of the Book-Entry-Only System is discontinued by the County, physical Certificates will be issued to the respective holders and the Certificates will be subject to transfer, exchange and registration provisions as set forth in the Order and summarized under the caption "REGISTRATION, TRANSFER AND EXCHANGE" above.

AD VALOREM TAX PROCEDURES

Ad Valorem Taxation

The Certificates are payable primarily from an annual ad valorem tax levied, within the limitations prescribed by law, on all taxable property within the County. Reference is hereby made to the Vernon's Texas Codes Annotated, Tax Code (the "Property Tax Code") for identification of property subject to taxation, property exempt or which may be exempted from taxation, the appraisal of property for taxation purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes. Among other provisions, the Property Tax Code contains the following provisions with respect to the assessment of property and the levy and collection of ad valorem taxes:

(1) a single appraisal district in each county to appraise property for taxation purposes for all taxing units located wholly or partly within the county;

(2) excluding agricultural and open-space land, which may be taxed on the basis of productive capacity, all property is to be appraised on the basis of 100% of its market value and the assessment of property on the basis of a percentage of its appraised value is prohibited;

(3) requires an "effective tax rate" and "rollback tax rate" to be annually calculated and publicized and necessitates the holding of two public hearings when the tax rate proposed to be adopted exceeds the lower of the rollback tax rate or the effective tax rate; if the adopted tax rate exceeds the rollback tax rate, a referendum election may be required to be held on limiting the tax rate for the County for the current year to the rollback tax rate; and

(4) the value of property is generally assessed for purposes of taxation on January 1 of each year and taxes levied each year generally become due and payable on October 1 and become delinquent on February 1 of the following year in which the taxes are imposed.

Taxable Property, Exemptions and Agricultural Exclusions

All real property located in the taxing unit and certain personal property is taxable property unless exempt by law. With certain exceptions, intangible personal property is not taxable property. Excluding agricultural and open-space land, which may be taxed on the basis of productive capacity, all property is to be appraised on the basis of 100% of its market value. In determining the market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal and market data comparison method of appraisal, and the method considered most appropriate by the chief appraiser is to be used. The value placed upon property within the Appraisal District (defined herein) is subject to review by an appraisal review board, consisting of three members appointed by the board of directors of the Appraisal District. The Appraisal District is required to review the value of property within the Appraisal District at least every three years. The County may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the County by petition filed with the Appraisal Review Board. State law requires the appraised value of a residence homestead to be based solely on the property's value as a residence homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property or (2) the sum of (a) 10% of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised, plus (b) the appraised value of the property for the last year in which the property was appraised plus (c) the market value of all new improvements to the property.

Principal categories of exempt property include: (1) property owned and used for public purposes by the State of Texas or its political subdivisions; (2) property exempt by federal law; (3) family supplies, household goods and personal effects not held or used in the production of income; (4) certain property owned by charitable organizations, youth development associations, and religious organizations; (5) certain properties used for school purposes; (6) solar and wind-powered energy devices; (7) farm products, livestock, and poultry in the hands of the producer, and family supplies for home and farm use; (8) implements of husbandry used in the production of farm and ranch products; (9) personally owned automobiles (unless affirmatively provided to be taxed by taxing entity); (10) property owned by disabled veterans or by the surviving spouse and surviving minor children of disabled veterans is exempt from taxation in amounts ranging from $5,000 to $12,000 depending on the disability rating of the veteran; and (11) other miscellaneous exceptions.

The Property Tax Code states that a disabled veteran who receives from the United States Department of Veterans Affairs or its successor 100% disability compensation due to a service-connected disability and a rating of 100% disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. Furthermore, the surviving spouse of a deceased veteran who had received a disability rating of 100% is entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse until such surviving spouse remarries. A partially disabled veteran or the surviving spouse of a partially disabled veteran is entitled to an exemption equal to the percentage of the veteran’s disability, if the residence was donated at no cost to the veteran by a charitable organization.

The surviving spouse of a member of the armed forces who is killed in action is entitled to a property tax exemption for all or part of the market value of such surviving spouse’s residence homestead, if the surviving spouse has not remarried since the service member’s death and said property was the service member’s residence homestead at the time of death. Such exemption is transferable to a different property of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

The Texas Constitution permits the exemption of certain percentages of the market value of residential homesteads from ad valorem taxation. The Constitution authorizes the governing body of each political subdivision in the State to exempt up to twenty percent (20%) of the market value of all residential homesteads from ad valorem taxation, and permits an additional optional homestead exemption for taxpayers 65 years of age or older and disabled persons of a minimum of $3,000.

Counties, cities, towns or junior college districts are authorized under the Texas Constitution to establish an ad valorem “tax freeze” on residence homesteads of the disabled and persons sixty-five years of age or older. This “tax freeze” can be implemented by official action of a governing body, or pursuant to an election called by the governing body upon receipt of a petition signed by 15% of registered voters of the taxing entity. The County implemented this “tax freeze” on May 11, 2005 with the benefits beginning for the 2006 tax year on January 1, 2006.

Non-business personal property, such as automobiles or light trucks, are exempt from ad valorem taxation unless the governing body of a political subdivision elects to tax this property. Boats owned as non-business property are exempt from ad valorem taxation.

Article VIII, Section 1-j of the Texas Constitution exempts from taxation goods, wares, merchandise, other tangible personal property and ores (other than oil, natural gas and other petroleum products) acquired or imported for assembling, storing, manufacturing, processing or fabricating purposes while such property is being detained in the State, and such property is to be forwarded outside the State within 175 days after the date of its acquisition or importation. Notwithstanding such exemption, counties, school districts, junior college districts and cities may tax such tangible personal property provided official action to tax is taken before April 1, 1990. The official action to tax such property can subsequently be rescinded and, if rescinded, such property will thereafter be exempt from taxation.

In addition, Article VIII, Section 1-n of the Texas Constitution provides for an exemption from taxation for "goods-in-transit," which are defined as personal property acquired or imported into the State and transported to another location inside or outside the State within 175 days of the date the property was acquired or imported into the State. The exemption excludes oil, natural gas, petroleum products, aircraft and special inventory, including motor vehicle, vessel and out-board motor, heavy equipment and manufactured housing inventory. After holding a public hearing, a taxing unit may take action by January 1 of the year preceding a tax year to tax goods-in- transit during the following tax year. A taxpayer may obtain only a freeport exemption or a goods-in-transit exemption for items of personal property. Senate Bill 1, passed by the 82nd Texas Legislature, 1st Called Session, requires that the governmental entities take affirmative action (even if such action had been previously taken) prior to December 31, 2011 to continue its taxation of goods-in-transit in the 2012 tax year and beyond. The County took official action on November 1, 2011 to continue its taxation of goods in transit.

Tax Rate and Funded Debt Limitations

The County must annually calculate and publicize its "effective tax rate" and "rollback tax rate." By the later of September 30 or the 60th day after the County receives the certified appraisal roll, the Commissioners Court must adopt a tax rate per $100 taxable value for the current year. A failure to adopt a tax rate by such required date will result in the tax rate for the taxing unit for the tax year to be the lower of the effective tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year. Furthermore, the Commissioners Court may not adopt a tax rate that exceeds the lower of the rollback tax rate or of the effective tax rate until it has held two public hearings on the proposed increase following notice to the taxpayers and has otherwise complied with the Property Tax Code. The tax rate consists of two components: (1) a rate for funding of operations, and (2) a rate for debt service. If the adopted tax rate exceeds the rollback tax rate, the qualified voters of the County, by petition, may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate.

"Effective tax rate" means the rate that will produce last year's total tax levy (adjusted) from this year's total taxable values (adjusted). "Adjusted" means lost values are not included in the calculation of last year's taxes and new values are not included in this year's taxable values.

"Rollback tax rate" means the rate that will produce last year's maintenance and operation tax levy (adjusted) from this year's values (adjusted) multiplied by 1.08 plus a rate that will produce this year's debt service from this year's values (adjusted) divided by the anticipated tax collection rate.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

The Property Tax Code provides certain cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes if approved by a majority of the voters in a local option election. If the additional tax is approved and levied, the ad valorem property tax levy must be reduced by the amount of the estimated sales tax revenues to be generated in the current year. Further, the Property Tax Code provides certain cities the option of assessing a maximum one-half percent (1/2%) sales tax on retail sales of taxable items for economic development purposes if approved by a majority of the voters in a local option election.

Limited Tax Funded Debt Payable From Proceeds of $0.80 Constitutional Tax Rate: Article VIII, Section 9 of the Texas Constitution imposes a limit of $0.80 per $100 assessed valuation for all purposes of the County's General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, including debt service of bonds, warrants, tax notes and certificates of obligation issued against such funds. By administrative policy, the Attorney General of Texas will permit allocation of $0.40 of the constitutional $0.80 tax rate for the payment of the debt service requirements on the County's indebtedness payable from such tax. Taxes subject to this limitation are the primary source for the currently outstanding limited tax bonds, tax notes, and certificates of obligation. (See "OBLIGATIONS OUTSTANDING" and "AUTHORIZED BUT UNISSUED TAX BONDS" in APPENDIX A.) The Certificates are limited tax-supported debt obligations payable from the $0.80 constitutional tax.

Limited tax obligations of counties issued pursuant to authority granted under Section 1301.003, Texas Government Code, as amended, does limit the amount of such debt issued for those certain purposes as follows:

Courthouse	2% of Assessed Valuation
Jail	1 1/2% of Assessed Valuation
Courthouse and Jail	3 1/2% of Assessed Valuation
Road and Bridge	1 1/2% of Assessed Valuation

Unlimited Tax Road Bonds: Article III, Section 52, Texas Constitution, authorizes the County to levy a separate unlimited tax to pay debt service on County road bonds. Unlimited tax road bonds may not be issued in an amount greater than 25% of the County's assessed valuation of real estate. (See "OBLIGATIONS OUTSTANDING" and "AUTHORIZED BUT UNISSUED TAX BONDS" in APPENDIX A.)

Road Maintenance: As imposed by statute (Section 256.052, as amended, Texas Transportation Code) $0.15 per $100 assessed valuation may be levied by the County for road maintenance, no part of which may be used for debt service.

Farm-to-Market and/or Flood Control*:* As imposed by statute (Section 256.054, as amended, Texas Transportation Code, Article VIII, Section 1-8, Texas Constitution), $0.30 per $100 assessed valuation after exemption of homesteads up to $3,000 may be levied by the County for farm-to-market roads and/or flood control; no allocation is prescribed by statute between debt service and maintenance. All or part may be used for either purpose. Although the receipts of these taxes are not available to pay debt service on the Certificates, these levies provide additional funds for road and flood control purposes that might otherwise be paid from taxes subject to the $0.80 tax limitation. The County held an election on April 17, 1951 which approved the levy of a (i) $0.15 tax per $100 valuation for Farm-to-Market and Lateral Roads and (ii) $0.15 tax per $100 valuation for flood control purposes (the "Flood Control Tax"). The County has previously issued certificates of obligation that are payable, in part, from a lien on and pledge of the Flood Control Tax. (See "OBLIGATIONS OUTSTANDING" in APPENDIX A.)

PROPERTY TAXES

Property Tax Code and County-Wide Appraisal District

The appraisal district created for Bexar County (the "Bexar Appraisal District" or the "Appraisal District") is responsible for the appraisal of all taxable property and the equalization of appraised values of property of all taxing units in the Appraisal District, including the County. The Appraisal District is governed by a board of directors (the "Board of Directors") elected by the governing bodies of certain taxing units in the Appraisal District. The Board of Directors has appointed a Chief Appraiser to act as Chief Administrator of the Appraisal District. Appraisal districts have a minimum of 5 directors and may have up to 13 directors. The Bexar Appraisal District presently has 6 directors.

The Property Tax Code: (1) requires that all taxing units assess taxable property at 100% of its appraised value, subject to the limitations hereafter described; (2) allows the valuation of certain eligible farm, ranch, and timberlands on a "productive capacity" basis; (3) requires that the appraised values, subject to the limitations hereafter described of real property within an appraisal district be reviewed at least every three years; (4) provides for notices of any increases in appraised values to property owners before meetings of an appraisal review board; (5) grants rights of administrative and judicial appeal for taxpayers challenging property valuations established by an appraisal district or a county; (6) requires taxing jurisdictions to hold two public hearings and publish newspaper advertisements before adopting a tax rate that exceeds the rollback tax or the effective tax rate, whichever is lower in accordance with the Property Tax Code; and (7) permits taxpayers by referendum in the event the tax rate exceeds the rollback tax rate to reduce the tax rate to the rollback tax rate. State law requires the appraised value of a residence homestead to be based solely on the property's value as a residence homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property or (2) the sum of (a) 10% of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised, plus (b) the appraised value of the property for the last year in which the property was appraised plus (c) the market value of all new improvements to the property.

The Texas Constitution permits local governments the option of granting all individuals a homestead exemption of up to 20% of market value, with a minimum exemption of $5,000. The Commissioners Court has never granted such exemption and it cannot be predicted whether the Commissioners Court will exercise any of its options thereunder in future years.

Tax Abatement Reinvestment Zone/Tax Phase-In Agreements/Economic Development Programs

Texas statutes permit the creation of tax abatement reinvestment zones to attract new commercial investment, to expand existing facilities, and to contribute to retaining or expanding primary employment within areas of economic development interests. The designation of a zone should contribute to the County's economic development and guidelines and criteria for governing tax phase-in agreements must be adopted at the discretion of Commissioners Court. Once a reinvestment zone has been designated, the County may offer a tax phase-in agreement to owners or lessees of taxable property within the reinvestment zone on a case-by-case basis. Areas designated as an enterprise zone under the Texas Enterprise Zone Act also constitute designation as a reinvestment zone. Tax phase-in agreements are contracts between the County and an owner or lessee of property wherein the owner or lessee agrees to make an amount of new capital investment and create jobs, and the County abates all or a portion of ad valorem taxes under its authority on the new eligible real and personal property improvements within a reinvestment zone for a specific period of time. Tax phase-in agreements may abate up to 100% on real and/or personal property improvement values for up to 10 years.

Since 1985, the County has executed a number of tax abatement agreements to grow and diversify the regional economy, to attract new industry and commercial enterprises, and to encourage the retention and development of existing businesses. These abatement agreements have resulted in major economic stimulus. Examples of this can be seen in some of the companies utilizing abatements: Toyota Manufacturing Texas (Tacoma and Tundra production lines) and nearly 20 of its suppliers, Microsoft Corporation, Lowes Home Centers, Rackspace US, Caterpillar, Toyota Texas, DG Distribution of Texas, Weatherford International, Nationwide Mutual Insurance Company, Futaba Industrial Texas Corp., Millennium Steel of Texas, Toyoda Gosei Texas, and Avanzar Interior Products.

Under the County's 2015-2016 Tax Abatement Guidelines, 10-year term abatements are focused on the revitalization of areas located within Loop 410 or South of U.S. Highway 90 or I-35 and projects within the South Texas Medical Center area, the boundaries of the San Antonio International Airport, or the Texas Research Park Foundation. Areas eligible for 6-year terms are outside of Loop 410 and also North of U.S. Highway 90 or I-35. Areas not eligible for tax abatement are projects located in whole or in part over the Edwards Aquifer Recharge Zone or new or existing projects that may have a potentially negative impact on military missions. The County does not abate flood control taxes or taxes levied on behalf of the University Health System which is the hospital system established by the Bexar County Hospital District.

Counties are also authorized, pursuant to Chapter 381, Texas Local Government Code, ("Chapter 381") to establish programs to promote state or local economic development and to stimulate business and commercial activity in the County. In accordance with a program established pursuant to Chapter 381, the County may make loans or grants of public funds for economic development purposes; however, no obligations secured by ad valorem taxes may be issued for such purposes unless approved by voters of the County.

Exemptions from Taxes

The Texas Constitution and the Property Tax Code grant various exemptions from taxation, if properly claimed, including exemptions for public property, residence homesteads, tangible personal property not producing income, farm products and implements of farming or ranching, cemeteries, property owned and used exclusively by certain charitable organizations, and, at the option of the taxing jurisdiction, freeport goods and goods-in-transit. The County has elected to tax freeport goods and goods-in-transit. (See "AD VALOREM TAX INFORMATION - Taxable Property, Exemptions, and Agricultural Exclusions.")

In addition, Texas law authorizes counties, cities, or junior college districts to take official action to establish a permanent limitation on the total amount of ad valorem taxes that may be imposed by such governmental entity on the residence homestead of a disabled individual or an individual 65 years of age or older under the Texas Constitution, Article VIII, Section 1-b(h). Under the law, the surviving spouse of an individual who qualified for the limitation on ad valorem taxes, would be entitled to the limitation if (i) the deceased spouse died in a year in which the deceased spouse qualified for the exemption, (ii) the surviving spouse is 55 years of age or older when the individual dies, and (iii) the residence homestead of the qualifying individual is, and remains, the residence homestead of the surviving spouse. If an individual who qualified for the limitation makes improvements to the residence homestead, the governmental entity granting the limitation may increase the amount of taxes on the homestead in the first year the value of the homestead is increased on the appraisal roll because of the enhanced value of the improvements. The legislation required the adoption of a constitutional amendment by the voters of the State of Texas authorizing the governing body of a county, city or junior college district to place such a limitation on ad valorem tax increases on the residence homestead of a disabled individual or individual 65 years of age or older which voters adopted on September 13, 2003. By order approved by the Commissioners Court on May 11, 2005, the Commissioners Court adopted the ad valorem tax limitation on the residence homestead of individuals who are under a disability for purposes of payment of disability insurance benefits under Federal Old-Age, Survivors, and Disability Insurance, or its successor, and individuals 65 years of age or older as permitted under the Texas Constitution, Article VIII, 1-b(h) and Property Tax Code, Section 11.261. Adoption of the tax limitation by Commissioners Court set 2005 as the base year for those individuals who qualify for the stated ad valorem tax limitation and the qualified individuals realized tax freeze benefits beginning January 1, 2006 for tax year 2006. Once established, the County may not repeal or rescind the tax limitation. The County studied the effects of implementing such an ad valorem tax freeze for resident homeowners that qualify as disabled individuals and/or individuals 65 years of age or older and was unable to determine the exact extent to which such a tax freeze would negatively impact the County's future tax revenues. A number of other studies have been undertaken to measure the extent of the impact of a tax freeze and these studies have concluded that such a tax freeze would cause a decrease in the rate of growth of future ad valorem tax revenues to the County.

County and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the County, may appeal orders of the Appraisal Review Board by filing a notice of appeal with that Board and a petition for review in district court. In such event, the property value in question may be determined by the courts or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Property Tax Code establishes procedures for providing notice and the opportunity for a hearing for taxpayers in the event of certain proposed tax increases and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The County is responsible for the collection of its taxes, but it may assign such functions to another governmental entity. By the later of September 30 or 60 days after the certified appraisal roll is delivered to the taxing unit, the rate of taxation is set by the Commissioners Court based upon the valuation of property within the County as of January 1. Ad valorem taxes are due on receipt of a tax bill and payable from October 1 of the year in which levied until January 31 of the following year without interest or penalty. Split payments are allowed with the first half due by November 30 and the second half of the taxes due by June 30. Unless the split payment option is exercised by the taxpayer, taxes become delinquent after January 31 of the following year. On February 1, the unpaid taxes have a penalty and interest charge of

7%. Taxes delinquent from March 1 through June 30 have an additional penalty and interest charge of 2% per month, for a total penalty and interest charge of 18%. Taxes delinquent on July 1 have a total penalty and interest charge of 18%. Unpaid taxes after July 31 accrue an additional interest charge of 1% per month until paid. State law allows employment of outside legal counsel to collect delinquent taxes. When this is done, the County may, upon giving proper notice, impose an additional penalty up to 20% to the taxes, penalty, and interest delinquent as of July 1. The County has elected this option and presently uses outside legal counsel to collect delinquent taxes.

Tax Liens

Taxes levied by the County are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the County, having power to tax the property. The tax lien on real property has priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien. Personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest. At any time after taxes on property become delinquent, the County may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the County may join other taxing units that have claims for delinquent taxes against all or part of the same property. The ability of the County to collect delinquent taxes by foreclosure may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt. Also, provisions of the Property Tax Code require the abatement of any foreclosure or collection suit for delinquent taxes against any individual who is 65 years of age or older, owns and occupies as a residential homestead the property on which the taxes are delinquent, and requests the abatement in writing at the appropriate time.

The Effect of the Financial Institutions Act of 1989 on Tax Collections of the County

The “Financial Institutions Reform, Recovery and Enforcement Act of 1989” (“FIRREA”), contains certain provisions which affect the time for protesting property valuations, the fixing of tax liens, and the collection of penalties and interest on delinquent taxes on real property owned by the Federal Deposit Insurance Corporation (“FDIC”) and the Resolution Trust Corporation (“RTC”) when the FDIC/RTC is acting as the conservator or receiver of an insolvent financial institution.

Under FIRREA real property held by the FDIC/RTC is still subject to ad valorem taxation, but FIRREA states (i) that no real property of the FDIC/RTC shall be subject to foreclosure or sale without the consent of the FDIC/RTC and no involuntary liens shall attach to such property, (ii) the FDIC or RTC shall not be liable for any penalties or fines, including those arising from the failure to pay any real or personal property tax when due, and (iii) notwithstanding failure of a person to challenge an appraisal in accordance with state law, such value shall be determined as of the period for which such tax is imposed.

There has been little judicial determination of the validity of the provisions of FIRREA or how they are to be construed and reconciled with respect to conflicting state laws. However, certain federal court decisions have held that the FDIC/RTC is not liable for statutory penalties and interest authorized by State property tax law, and that although a lien for taxes may exist against real property, such lien may not be foreclosed without the consent of the FDIC/RTC, and no liens for penalties, fines, interest, attorneys fees, costs of abstract and research fees exist against the real property for the failure of the FDIC/RTC or a prior property owner to pay ad valorem taxes when due. It is also not known whether the FDIC/RTC will attempt to claim the FIRREA exemptions as to the time for contesting valuations and tax assessments made prior to and after the enactment of FIRREA. Accordingly, to the extent that the FIRREA provisions are valid and applicable to any property in the County, and to the extent that the FDIC/RTC attempts to enforce the same, these provisions may affect the timeliness of collection of taxes on property, if any, owned by the FDIC/RTC in the County, and may prevent the collection of penalties and interest on such taxes.

INVESTMENT POLICIES

Investments

The County invests its funds in investments authorized by Texas law in accordance with investment policies approved by the Commissioners Court of the County. Both State law and the County’s investment policies are subject to change.

Legal Investments

Under Texas law, the County is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent, (6) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successors, (7) (a) certificates of deposit and share certificates issued by a depository institution that has its main office or branch office in the State of Texas, that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund or their respective successors, or are secured as to principal by obligations described in clauses (1) through (5) and clause (14) or in any other manner and amount provided by law for County deposits, or (ii) where (a) the funds are invested by the County through (i) a broker that has its main office or branch office in this state and is selected from a list adopted by the County; (ii) a depository institution that has a main office or branch office in this state and that is selected by the County; (b) the broker or depository institution selected by the County arranges for the deposit of funds in one or more federally insured depository institutions, wherever located; (c) the certificates of deposit are insured by the United States or an instrumentality of the United States; and (d) the County appoints the depository institution acts as a custodian for the County with respect to the certificates of deposit, an entity described by Section 2257.041(d) Government Code, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R., section 240.15c3-3), (8) fully collateralized repurchase agreements that have a defined termination date, are fully secured by obligations described in clause (1) and require the security being purchased by the County to be pledged to the County, held in the County's name and deposited at the time the investment is made with the County or with a third party selected and approved by the County, and are placed through a primary government securities dealer or a financial institution doing business in the State of Texas, (9) bankers' acceptances with the remaining term of 270 days or less from the date of issuance, if the short-term obligations of the accepting bank or its parent are rated at least "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency, (10) commercial paper with the remaining term of 270 days or less from the date of issuance that is rated at least "A-1" or "P-1" or the equivalent by at least (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (11) no-load money market mutual funds registered with and regulated by the United States Securities and Exchange Commission that comply with federal Securities and Exchange Commission Rule 2a-7, (12) no-load mutual fund registered with the United States Securities and Exchange Commission that: have an average weighted maturity of less than two years; and have a duration of one year or more and are invested exclusively in obligations described in this paragraph or have a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities, (13) public funds investment pools that have an advisory board which includes participants in the pool and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than "AAA" or its equivalent or no lower than investment grade with a weighted average maturity no greater than 90 days, and (14) bonds issued, assumed or guaranteed by the State of Israel. Texas law also permits the County to invest bond proceeds in a guaranteed investment contract subject to the limitations set forth in Chapter 2256, as amended, Texas Government Code.

A political subdivision such as the County may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (5) and (14) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (5) above, clauses (11) through (14) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the County, held in the County's name and deposited at the time the investment is made with the County or a third party designated by the County; (iii) a loan made under the program through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less.

The County may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pool are rated no lower than "AAA" or "AAA-m" or an equivalent by at least one nationally recognized rating service. The County is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Under Texas law, the County may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or registered with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the County retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the County must do so by order, ordinance or resolution. The County has contracted with an investment management firm to provide such services.

Investment Policies

Under Texas law, the County is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for County funds, maximum allowable stated maturity of any individual investment owned by the County and the maximum average dollar-weighted maturity allowed for pooled fund groups. All County funds must be invested consistent with a formally adopted "Investment Strategy

Statement" that specifically addresses each fund's investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, County investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived". At least quarterly the investment officers of the County must submit an investment report detailing: (1) the investment position of the County, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, any additions and changes to market value and the ending value of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) State law. No person may invest County funds without express written authority from the Commissioners Court.

Additional Provisions

Under Texas law, the County is additionally required to: (1) annually review its adopted policies and strategies, (2) adopt a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the entity to disclose the relationship and file a statement with the Texas Ethics Commission and the Commissioners Court; (4) require the qualified representative of firms offering to engage in an investment transaction with the County to: (a) receive and review the County's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the County and the business organization that are not authorized by the County's investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the County's entire portfolio or requires an interpretation of subjective investment standards), and (c) deliver a written statement in a form acceptable to the County and the business organization attesting to these requirements; (5) perform an annual audit of the management controls on investments and adherence to the County's investment policy; (6) provide specific investment training for the Treasurer, Chief Financial Officer and investment officers; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (8) restrict the investment in non-money market mutual funds in the aggregate to no more than 15% of the County's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements; and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the County.

Current Investments[(1)]

The investments of the County as of September 30, 2018 are as follows:

Type of Investment	Book Balance	Fair Market Value	Percent
Money Market (Sweep Account)	$ 18,288,491	18,288,491	2.00%
Money Market (Community Venue Funds)	35,897,810	35,897,810	4.00%
Municipal Commercial Paper	121,002,911	120,985,141	15.00%
Municipal Bonds	9,093,021	9,057,615	1.00%
U.S. Government Securities	403,179,355	401,562,487	49.00%
Local Government Investment Pools	60,246,094	60,246,094	7.00%
Corporate Commercial Paper	171,626,552	171,521,739	21.00%
Total	$819,334,234	$817,559,377	100.00%

Source: Bexar County.
[(1)] *Unaudited.*

As of such date, the fair market value of such investments (as determined by the County by reference to published quotations, dealer bids, and comparable information) was approximately 100% of their book balance. No funds of the County are invested in derivative securities, i.e., securities whose rate of return is determined by reference to some other instrument, index, or commodity.

LEGAL MATTERS

The County will furnish the Underwriters with a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the unqualified approving legal opinion of the Attorney General of the State of Texas to the effect that the Initial Certificate is a valid and legally binding obligation of the County, and based upon examination of such transcript of proceedings, the approval of certain legal matters by Bond Counsel, to the effect that the Certificates, issued in compliance with the provisions of the Order, are valid and legally binding obligations of the County and, subject to the qualifications set forth herein under "TAX MATTERS," the interest on the Certificates will be excludable from gross income for federal income tax purposes under existing statutes, published rulings, regulations, and court decisions. Though it represents the Co-Financial Advisors and the Underwriters from time to time in matters unrelated to the Certificates, Bond Counsel has been engaged by and only represents the County in connection with the issuance of the Certificates. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information under the caption "THE CERTIFICATES" (other than the information under the subcaptions "Payment Record," "Delivery," and "Use of Proceeds," as to which no opinion is expressed), "REGISTRATION, TRANSFER AND EXCHANGE," "LEGAL MATTERS" (except for the last two sentences of the first paragraph thereof, as to which no opinion is expressed), "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION" (other than the information under the subcaption "Compliance with Prior Undertakings," as to which no opinion is expressed), and the subcaption "Legal Investments and Eligibility to Secure Public Funds in Texas" under the caption "OTHER PERTINENT INFORMATION" in the Official Statement and such firm is of the opinion that the information relating to the Certificates and the legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Certificates, such information conforms to the provisions of the Order. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Certificates or which would affect the provision made for their payment or security, or in any manner questioning the validity of the Certificates will also be furnished. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of Certificates are contingent on the sale and delivery of the Certificates. The legal opinion of Bond Counsel will accompany the Certificates deposited with DTC. Certain matters will be passed upon for the Underwriters by Escamilla & Poneck LLP, San Antonio, Texas, and Winstead PC, San Antonio, Texas as Underwriters' co-counsel. The fees of Escamilla & Poneck LLP and Winstead PC are contingent upon the sale and delivery of the Certificates.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

NO-LITIGATION

On the date of delivery of the Certificates to the Underwriters, the County will execute and deliver to the Underwriters a certificate to the effect that no litigation of any nature has been filed or is pending, as of that date, to restrain or enjoin the issuance or delivery of the Certificates or which would adversely affect the provisions made for their payment or security, or in any manner questioning the validity of the Certificates.

In the opinion of certain officials of the County, the County is not a party to any litigation or other proceedings pending or, to its knowledge, threatened, in any court, agency or other administrative body (either state or federal) which, if decided adversely to the County, would have a material adverse effect on the financial statements of the County.

TAX MATTERS

Tax Exemption

In the opinion of Bracewell LLP, Bond Counsel, under existing law (i) interest on the Certificates is excludable from gross income for federal income tax purposes and (ii) the Certificates are not "private activity bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and, as such, interest on the Certificates is not subject to the alternative minimum tax on individuals.

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Certificates, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The County has covenanted in the Order that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Order pertaining to those sections of the Code that affect the excludability from gross income of interest on the Certificates for federal income tax purposes and, in addition, will rely on representations by the County, the County's Co-Financial Advisor and the Underwriters with respect to matters solely within the knowledge of the County, the County's Co-Financial Advisor and the Underwriters, respectively, which Bond Counsel has not independently verified. If the County fails to comply with the covenants in the Order or if the foregoing representations are determined to be inaccurate or incomplete, interest on the Certificates could become includable in gross income from the date of delivery of the Certificates, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Certificates.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Certificates. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the County as the taxpayer and the Owners may not have a right to participate in such audit. Public awareness of any future audit of the Certificates could adversely affect the value and liquidity of the Certificates regardless of the ultimate outcome of the audit.

Additional Federal Income Tax Considerations

Collateral Tax Consequences. Prospective purchasers of the Certificates should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Certificates. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences. Prospective purchasers of the Certificates should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Certificates, received or accrued during the year.

Tax Accounting Treatment of Original Issue Premium. The issue price of the Certificates exceeds the stated redemption price payable at maturity of such Certificates. Such Certificates (the "Premium Certificates") are considered for federal income tax purposes to have "bond premium" equal to the amount of such excess. The basis of a Premium Certificate in the hands of an initial owner is reduced by the amount of such excess that is amortized during the period such initial owner holds such Premium Certificate in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Certificate by the initial owner. No corresponding deduction is allowed for federal income tax purposes for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a Premium Certificate that is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Certificate) is determined using the yield to maturity on the Premium Certificate based on the initial offering price of such Premium Certificate.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Certificates that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Premium Certificates should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of amortized bond premium upon the redemption, sale or other disposition of a Premium Certificate and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Certificates.

Tax Legislative Changes. Public Law No. 115-97 (i.e., Tax Cuts and Jobs Act), which makes significant changes to the Code, including changing certain provisions affecting tax-exempt obligations, such as the Certificates, was signed into law on December 22, 2017. The changes include, among others, changes to the federal income tax rates for individuals and corporations and the alternative minimum tax for tax years beginning after December 31, 2017. Further, current law may change so as to directly or indirectly reduce or eliminate the benefit of the excludability of interest on the Certificates from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Certificates. Prospective purchasers of the Certificates should consult with their own tax advisors with respect to any recently-enacted, proposed, pending or future legislation.

EFFECTS OF SEQUESTRATION ON CERTAIN OBLIGATIONS

Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, certain automatic reductions in federal spending took effect as of March 1, 2013. These required reductions in federal spending include a reduction to refundable credits under section 6431 of the Code applicable to certain qualified bonds, including "build America bonds" under section 54AA of the Code for which an issuer elected to receive a direct credit subsidy payment pursuant to section 6431 of the Code.

For such qualified bonds eligible for the direct credit subsidy payment, the Office of Management and Budget ("OMB") set a sequester percentage (i.e. reduction) of 5.1% (the annualized percentage was 8.7%) for fiscal year 2013, 7.2% for fiscal year 2014, 7.3% for fiscal year 2015, 6.8% for fiscal year 2016, 6.9% for fiscal year 2017, and 6.6% for fiscal year 2018. For fiscal year 2019, the OMB set the sequester percentage at 6.2%, which applies to any payments processed on or after October 1, 2018 and on or before September 30, 2019, unless and until a law is enacted that cancels or otherwise impacts the sequester. Sequestration may continue past September 30, 2019 and the sequestration percentage may increase or decrease in any fiscal year.

The County has previously issued its Bexar County, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2009B (Direct Subsidy - Build America Bonds) and Bexar County, Texas Combination Flood Control Tax and Revenue Certificates of Obligation, Taxable Series 2009B (Direct Subsidy - Build America Bonds) (collectively, the "Affected Obligations"). It is anticipated that the federal payments to the County for such Affected Obligations will be reduced as described above. Pursuant to the order authorizing the issuance of the Affected Obligations, the County is required to make interest and principal payments on the Affected Obligations regardless of whether any federal funding is received. The reductions in the payments to be received by the County have not materially adversely affected the financial condition or operations of the County. However, the County can make no prediction as to the length or long-term effects of the sequestration.

CONTINUING DISCLOSURE OF INFORMATION

General

In the Order, the County has made the following agreement for the benefit of the Beneficial Owners of the Certificates. The County is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the County will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the Municipal Securities Rulemaking Board (the "MSRB"). This information will be available to the general public at no charge from the MSRB as described below.

Annual Reports

The County will provide certain updated financial information and operating data to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the County of the general type included (i) in APPENDIX A, exclusive of the tables appearing under the headings "Consolidated Overlapping Gross Funded Debt Payable from Ad Valorem Taxes," "Tax Adequacy - Limited Tax Debt," "Tax Adequacy - Unlimited Tax Bonds," and "Tax-Adequacy - Flood Control Tax Obligations," and (ii) in APPENDIX C. The County will update and provide this information within six months after the end of each fiscal year ending in or after 2018.

The County may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by the United States Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"). The updated information will include audited financial statements, if the County commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the County will provide unaudited financial statements within the required time and will provide audited financial statements when and if they become available. Any such financial statements will be prepared in accordance with the accounting principles described in APPENDIX C or such other accounting principles as the County may be required to employ from time to time pursuant to State law or regulation.

The County's current fiscal year is October 1 to September 30. Accordingly, it must provide updated information by March 31 in each year, unless the County changes its fiscal year. If the County changes its fiscal year, it will notify the MSRB.

Material Event Notices

The County will provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after the occurrence of the event: (i) principal and interest payment delinquencies; (ii) nonpayment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates; (vii) modifications to rights of Owners, if material; (viii) certificate calls, if material and tender offers; (ix) defeasance; (x) release, substitution, or sale of property securing repayment of the Certificates, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership, or similar event of the County, which will occur as described below; (xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding clause (xii) will be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets of business of the County.

The County will notify the MSRB, in a timely manner, of any failure by the County to provide financial information or operating data in accordance with the foregoing provisions by the time required therein.

Availability of Information from MSRB

The County has agreed to provide the foregoing information only to the MSRB. The information will be available free of charge to the general public via the Electronic Municipal Market Access system ("EMMA") at www.emma.msrb.org.

Limitations and Amendments

The County has agreed to update information and to provide notices of material events only as described above. The County has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The County makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Certificates at any future date. The County disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Certificates may seek mandamus or specified performance to compel the County to comply with its agreement.

The County may amend its continuing disclosure agreement with respect to the Certificates to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, if (1) the agreement, as amended, would have permitted an underwriter to purchase or sell the Certificates in the offering described herein in compliance with Rule 15c2-12 and (2) either (a) the holders of a majority in aggregate principal amount of the outstanding Certificates consent to the amendment or (b) any person unaffiliated with the County (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Certificates. The County may also repeal or amend these provisions if the United States Securities and Exchange Commission amends or repeals the applicable provisions of Rule 15c2-12 or any court of final jurisdiction enters judgment that such provisions of Rule 15c2-12 are invalid, but in either case only if and to the extent that such repeal or amendment would not have prevented an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of Rule 15c2-12. If the County so amends its agreement with respect to the Certificates, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of information and data provided.

Compliance with Prior Undertakings

The County's filings of annual financial information and operating data for fiscal years ending September 30, 2009 through 2013 were all made on a timely basis. In a review of its prior continuing disclosure filings, however, the County discovered that it had inadvertently omitted certain tables relating to convention statistics, hotel occupancy, hotel occupancy tax collections and motor vehicle rental tax collections. On December 2, 2014, the County filed with EMMA a Notice of Filing Additional Annual Financial Information and Operating Data that included the omitted tables. For future continuing disclosure filings, the County will, to the extent required by its continuing disclosure undertakings, include theses tables as part of its annual financial information and operating data to be filed with EMMA.

For Fiscal Years 2012 and 2013, the County inadvertently omitted a CUSIP prefix for certain outstanding debt obligations in its annual operating data and financial information filing which resulted in an improper linkage under the EMMA website. The Official Statement only noted the CUSIP linkage issue related to Fiscal Year 2012 and the above disclosure has been revised to reflect the linkage issue for Fiscal Year 2013.

In January 2013, the municipal bond insurer for certain of the County's Venue Tax Bonds and Motor Vehicle Rental Tax Bonds was downgraded by Moody's and an event filing was not made with respect to such downgrade as this downgrade was generally available to the municipal bond market.

On April 19, 2018, the Texas Department of Transportation ("TxDOT") filed a material event filing for failure to file TxDOT's annual filings of financial information and operating data for fiscal years 2012 through 2015 as required by certain continuing disclosure agreements related to bonds or other obligations issued by other entities including the County's pass-through revenue and limited tax bonds (collectively, the "Pass-Through Bonds"). As a result, the TxDOT material event filing related to the Pass-Through Bonds is filed under the County's CUSIP number.

For additional information relating to the County's continuing disclosure filing history, see www.emma.msrb.org.

OTHER PERTINENT INFORMATION

Authenticity of Financial Data and Other Information

The financial data and other information contained herein have been obtained from the County's records, audited financial statements and other sources that are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

Registration and Qualification of Certificates for Sale

The sale of the Certificates has not been registered under the federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Certificates have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Certificates been qualified under the securities act of any other jurisdiction. The County assumes no responsibility for qualification of the Certificates under the securities laws of any jurisdiction in which the Certificates may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Certificates shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

Legal Investments and Eligibility to Secure Public Funds in Texas

Section 1201.041 of the Public Securities Procedures Act (Chapter 1201, Texas Government Code, and Section 271.052, as amended, Texas Local Government Code) provides that the Certificates are negotiable instruments governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Certificates by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Certificates be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency. (See "OTHER PERTINENT INFORMATION - Certificate Ratings" herein.) In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with at least $1 million of capital, and savings and loan associations. The Certificates are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value.

Certificate Ratings

Fitch Ratings ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings ("S&P") have assigned their municipal bond ratings of "AAA," "Aaa," and "AAA", respectively, to the Certificates.

The ratings reflect only the views of Fitch, Moody's and S&P at the time the ratings are given, and the County makes no representations as to the appropriateness thereof. There is no assurance that any rating will continue for any given period of time, or that a rating will not be revised downward or withdrawn entirely if, in the judgment of Fitch, Moody's or S&P, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Certificates.

Co-Financial Advisors

SAMCO Capital Markets, Inc. and RBC Capital Markets, LLC (the "Co-Financial Advisors") are employed as the Co-Financial Advisors to the County in connection with the issuance of the Certificates. The Co-Financial Advisor's fee for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. The Co-Financial Advisors, in their capacity as Co-Financial Advisors, have relied on the opinion of Bond Counsel and have not verified and do not assume any responsibility for the information, covenants, and representations contained in any of the legal documentation with respect to the federal income tax status of the Certificates.

In the normal course of business, the Co-Financial Advisors may also from time to time sell investment securities to the County for the investment of bond proceeds or other funds of the County upon the request of the County.

The Co-Financial Advisors have provided the following sentence for inclusion in this Official Statement. The Co-Financial Advisors have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Co-Financial Advisors do not guarantee the accuracy or completeness of such information.

Underwriting

The Underwriters have agreed, subject to certain conditions, to purchase the Certificates at a price equal to the initial offering prices to the public, as shown on page -ii-, less an underwriting discount of $1,024,166.52 plus a reoffering premium of $18,640,750.40, plus accrued interest on the Certificates from the Dated Date through their date of initial delivery. The Underwriters' obligations are subject to certain conditions precedent. The Underwriters will be obligated to purchase all of the Certificates if any Certificates are purchased. The Certificates may be offered and sold to certain dealers and others at prices lower than such public offering price, and such public prices may be changed from time to time, by the Underwriters.

Siebert Cisneros Shank & Co., Inc., LLC ("SCS") has entered into an agreement with Muriel Siebert & Co. for the retail distribution of certain securities offerings at the original issue prices. Pursuant to this distribution agreement, if applicable to the Certificates, Muriel Siebert & Co. will purchase Certificates at the original issue price less the selling concession with respect to any Certificates that Muriel Siebert & Co. sells. SCS will share a portion of its underwriting compensation with Muriel Siebert & Co.

Financial Statements

APPENDIX C to this Official Statement contains the County's annual financial report for the fiscal year ended September 30, 2017. These financial statements have been audited by Garza/Gonzalez & Associates, San Antonio, Texas, independent certified public accountants, as stated in their reports included with such financial statements in APPENDIX C.

Use of Information in the Official Statement

No person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Forward Looking Statements

The statements contained in this Official Statement, and in any other information provided by the County, that are not purely historical, are forward-looking statements, including statements regarding the County's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. It is important to note that the County's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

Authorization of the Official Statement

No person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County.

This Official Statement has been approved by the Commissioners Court for distribution in accordance with provisions of the Rule 15c2-12.

The Order approved the form and content of this Official Statement and any addenda, supplement or amendment thereto and authorized its further use in the reoffering of the Certificates by the Underwriters.

BEXAR COUNTY, TEXAS

/s/ Nelson W. Wolff
County Judge

ATTEST:

/s/ Gerard C. Rickhoff
County Clerk and Ex-Officio Clerk
of the Commissioners Court

APPENDIX A

SELECTED FINANCIAL INFORMATION OF THE COUNTY

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TAX DEBT

2018 Appraised Valuation of County @ 100%	$185,095,276,456
Less Local Exemptions	23,963,822,966
2018 Taxable Assessed Valuation	$161,131,453,490

Source: Bexar Appraisal District and the County.

County's Funded Debt Payable from Ad Valorem Taxes ("Tax Debt") (as of 11-01-2018)

Total Funded Tax Debt Outstanding	$1,881,600,000*
Ratio Total Funded Tax Debt to 2018 Taxable Assessed Valuation	1.17%

* *Includes the Certificates.*

2000 U.S. Census Population - 1,392,931; 2010 U.S. Census Population - 1,714,773
2017 Population Estimate - 1,958,578
Per Capita 2018 Taxable Assessed Valuation - $82,269.01
Per Capita Total General Purpose Funded Debt - $960.70
Area - 1,248 Square Miles - 798,720 Acres
Total General Purpose Funded Debt Per Acre - $2,355.77

OBLIGATIONS OUTSTANDING
(As of November 1, 2018)

Limited Tax Debt: [(a)(b)]	
Limited Tax Refunding Bonds, Series 2009	$ 295,000
Combination Tax and Revenue Certificates of Obligation, Series 2009 A & B	52,745,000
Limited Tax General Obligation Bonds, Series 2010	575,000
Combination Tax and Revenue Certificates of Obligation, Series 2010 A & B	33,185,000
Limited Tax Refunding Bonds, Series 2011	9,975,000
Combination Tax and Revenue Certificates of Obligation, Series 2011	810,000
Combination Tax and Revenue Certificates of Obligation, Series 2011A	33,155,000
Combination Tax and Revenue Certificates of Obligation, Series 2013	53,070,000
Combination Tax and Revenue Certificates of Obligation, Series 2013A	84,690,000
Combination Tax and Revenue Certificates of Obligation, Series 2013B	19,785,000
Limited Tax Refunding Bonds, Series 2013	11,650,000
Pass-Through Revenue and Limited Tax Refunding Bonds, Series 2013A	6,205,000
Pass-Through Revenue and Limited Tax Refunding Bonds, Series 2013B	8,970,000
Limited Tax Refunding Bonds, Series 2014	51,280,000
Combination Tax and Revenue Certificates of Obligation, Series 2014	86,130,000
Pass-Through Revenue and Limited Tax Road Bonds, Series 2015A (FM 471 Project)	16,315,000
Pass-Through Revenue and Limited Tax Road Bonds, Series 2015B (1604 East Project)	26,455,000
Limited Tax Refunding Bonds, Series 2016	244,165,000
Combination Tax and Revenue Certificates of Obligation, Series 2016	91,575,000
Combination Tax and Revenue Certificates of Obligation, Series 2016A	93,180,000
Combination Tax and Revenue Certificates of Obligation, Series 2016B	19,290,000
Pass-Through Revenue and Limited Tax Bonds, Series 2017	40,840,000
Limited Tax Refunding Bonds, Series 2017	384,715,000
Combination Tax and Revenue Certificates of Obligation, Series 2018 (the "Certificates")	198,035,000
Total Limited Tax Debt	1,567,090,000
Unlimited Tax Debt:	
Unlimited Tax Refunding Bonds, Series 2013	12,960,000
Unlimited Tax Refunding Bonds, Series 2014	8,700,000
Total Unlimited Tax Debt	21,660,000
Flood Control Tax Debt:	
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2009A	2,310,000
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2009B	50,620,000
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2011	1,795,000
Flood Control Limited Tax Refunding Bonds, Series 2014	108,245,000
Flood Control Tax Refunding Bonds, Series 2016	101,740,000
Flood Control Tax Refunding Bonds, Series 2017	28,140,000
Total Flood Control Tax Debt	292,850,000
Total Outstanding Tax Debt[(b)]	$1,881,600,000

(a) *See "AD VALOREM TAX PROCEDURES - Limited Tax Funded Debt Payable from Proceeds of $0.80 Constitutional Tax Rate" in the Official Statement.*

(b) *As of November 1, 2017. Excludes debt payable from a flood control tax which is included as "Flood Control Tax Debt." (See "AD VALOREM TAX INFORMATION -Tax Rate and Funded Debt Limitations in the Official Statement.")*

OTHER DEBT

At an election held on May 10, 2008 (the "2008 Election"), the County's qualified voters authorized the County to continue its levy and collection of the Venue Taxes (hereafter defined), which the County began collecting on January 1, 2000 as authorized at an election of its qualified voters held on November 2, 1999, and to pledge the revenues from the collection of hotel occupancy taxes and short-term rental motor vehicle taxes (collectively, the "Venue Taxes") for the repayment of, and as security for, one or more series of bonds to finance various venue projects authorized by Chapter 334, Texas Local Government Code (the "Original Venue Bonds"). The Commissioners Court ordered the continuation of its collection of the Venue Taxes on May 27, 2008. On September 30, 2008, the County refunded the Original Venue Bonds, and issued two series of new money venue project bonds to provide construction proceeds for the completion of venue projects approved at the 2008 Election, all of which obligations are secured by and payable from (in whole or in part) the Venue Taxes. Since that time, the County issued nine additional series of bonds. The purpose of these bonds is for financing the costs of Motor Vehicle Rental Tax Venue Projects, to pay the costs of their issuance, and to fund the Tax-Exempt Combined Venue Tax Bonds Reserve. These eleven series of bonds that have been issued represent the only outstanding County indebtedness secured by and payable from the Venue Taxes, all of which were issued to provide proceeds for the completion of the projects authorized at the 2008 election. As of October 1, 2018, the County had $381,405,000 in combined venue project debt outstanding. The County is not legally authorized to issue additional bonds payable from the Venue Taxes without the approval of the voters at an election held for such purpose.

Source: The County's audited financial statements and information provided by the County.

ADDITIONAL DEBT

The County anticipates the issuance an additional series of pass-through revenue and limited tax bonds within the next 24 months in an amount necessary and sufficient to complete the Potranco Road Project. The actual date of issuance of this series of pass-through revenue and limited tax bonds has not been determined.

With the exception of the previously referenced pass-through revenue and limited tax bonds, the County does not have specific plans for additional debt. For forecasting purposes, the County does assume that approximately $80 million in combination tax and revenue certificates of obligation may be issued at some point during the next two fiscal years.

AD VALOREM TAX RATIOS

The following table sets forth the ratio of the County's indebtedness outstanding payable from ad valorem taxes to assessed value and indebtedness outstanding per capita.

Fiscal Year Ended 9/30	Assessed Value [(a)]	Net Indebtedness Outstanding	Net Indebtedness Outstanding To Assessed Value	Estimated Population	Net Indebtedness Outstanding Per Capita
2006	$ 65,700,645,678	$ 132,304,822	0.20%	1,609,500	$ 82.20
2007	75,298,822,074	234,361,843	0.31%	1,594,000	147.03
2008	87,449,441,730	349,497,514	0.40%	1,641,170	212.96
2009	97,310,844,219	659,279,431	0.68%	1,645,301	400.70
2010	98,534,455,781	807,814,960	0.82%	1,714,773	471.09
2011	97,339,404,992	778,915,692	0.80%	1,756,153	443.54
2012	97,400,452,480	892,019,727	0.92%	1,785,704	499.53
2013	98,919,272,876	1,394,750,945	1.41%	1,817,610	767.35
2014	104,364,039,107	1,381,946,461	1.32%	1,855,866	744.64
2015	118,155,491,718	1,527,285,000	1.33%	1,897,753	804.79
2016	127,819,594,631	1,586,720,000	1.24%	1,928,680	822.70
2017	140,024,361,173	1,672,900,000	1.19%	1,928,680	867.38
2018	150,933,852,946	1,683,565,000 [(b)]	1.12%[(b)]	1,958,578	859.59 [(b)]

(a) Assessed values are net of exemptions. The basis of assessment is 100% of appraised value.
(b) Does not include the Certificates.

AUTHORIZED BUT UNISSUED TAX BONDS

The County has the following authorized but unissued bonds payable from the $0.80 Constitutional Tax Rate Limitation:

Purpose	Date Authorized	Original Amount Authorized	Amount Previously Issued	Amount Being Issued	Unissued Balance
Detention Facilities	11-2-93	$79,000,000	$66,999,113	$0	$12,000,887
Detention Facilities	11-4-03	47,990,000	8,112,500	0	39,877,500
Parks & Comm. Facilities	11-4-03	5,925,000	975,000	0	4,950,000
Public Safety	11-4-03	4,750,000	312,500	0	4,437,500

The County has not previously held a bond election to authorize debt payable from the Flood Control Tax (hereinafter defined).

The County has no authorized but unissued bonds payable from its unlimited tax for County road projects.

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DEBT SERVICE REQUIREMENTS - LIMITED TAX INDEBTEDNESS

The following table sets forth the annual debt service requirements on the County's limited tax indebtedness. See "SELECTED FINANCIAL INFORMATION OF THE COUNTY - Authorized But Unissued Tax Bonds" herein.

Fiscal Year 30-Sep	Principal(1)	Interest(1)	Less: Direct Subsidy(2)	Total(1)(2)
2019	$ 27,245,000	$ 67,530,214	$ (1,674,428)	$ 93,100,786
2020	31,435,000	70,504,722	(1,674,428)	100,265,295
2021	33,245,000	68,966,022	(1,674,428)	100,536,595
2022	30,610,000	67,335,322	(1,674,428)	96,270,895
2023	32,455,000	65,875,772	(1,674,428)	96,656,345
2024	36,110,000	64,291,822	(1,674,428)	98,727,395
2025	39,790,000	62,508,422	(1,674,428)	100,623,995
2026	43,080,000	60,543,710	(1,674,428)	101,949,282
2027	48,585,000	58,433,879	(1,674,428)	105,344,451
2028	51,620,000	56,014,329	(1,674,428)	105,959,901
2029	54,980,000	53,715,329	(1,674,428)	107,020,901
2030	57,695,000	51,337,810	(1,674,428)	107,358,382
2031	64,005,000	48,961,685	(1,674,428)	111,292,257
2032	64,940,000	46,030,822	(1,674,428)	109,296,395
2033	67,845,000	43,127,310	(1,674,428)	109,297,882
2034	70,805,000	40,215,785	(1,674,428)	109,346,357
2035	73,680,000	37,297,435	(1,674,428)	109,303,007
2036	76,055,000	34,051,885	(1,674,428)	108,432,457
2037	78,935,000	30,352,808	(1,378,703)	107,909,106
2038	82,190,000	26,589,353	(986,678)	107,792,675
2039	85,235,000	22,629,581	(573,501)	107,291,080
2040	83,145,000	18,512,720	(139,719)	101,518,001
2041	79,410,000	14,824,150		94,234,150
2042	92,135,000	11,478,000		103,613,000
2043	95,335,000	7,083,300		102,418,300
2044	29,920,000	2,680,250		32,600,250
2045	36,605,000	1,474,050		38,079,050
	$1,567,090,000	$1,132,366,487	$(33,218,297)	$2,666,238,190

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(1) *Includes the Certificates. See table "Tax Debt Outstanding" herein.*

(2) *The Bexar County, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2009B (Direct Subsidy - Build America Bonds) (the "Taxable Non-Flood Obligations") were designated as "Build America Bonds" under and pursuant to the authority provided for in the federal American Recovery and Reinvestment Act of 2009 (effective February 17, 2009) and are permitted to receive directly from the United States Treasury a refundable tax credit equal to 35% of the taxable interest the County pays on the Taxable Non-Flood Obligations to the holders thereof (the "Subsidy Payment"). Failure on the part of the County to comply with the conditions imposed by the Internal Revenue Code, and future guidance to be provided by the United States Treasury and the Internal Revenue Service, may cause the County to fail to receive the Subsidy Payment for the Taxable Non-Flood Obligations. Moreover, Subsidy Payments are subject to automatic offsets against certain amounts that may, for unrelated reasons, be owed by the County to an agency of the United States of America. The Subsidy Payments to be received from the United States Treasury in relation to the aforementioned Build America Bonds may be reduced as a result of the automatic reductions in federal spending effective March 1, 2013 pursuant to Budget Control Act of 2011 (commonly referred to as "Sequestration"). The County has determined that the reduction in the amount of the Subsidy Payments will not have a material impact on the financial condition of the County or its ability to pay regularly scheduled debt service on its outstanding obligations when and in the amounts due and owing. See "EFFECTS OF SEQUESTRATION ON CERTAIN OBLIGATIONS" in the body of the Official Statement.*

TAX ADEQUACY - LIMITED TAX DEBT

Estimated Proceeds from $0.0534 Limited Tax Using 2018 Taxable Assessed Valuation of $161,131,453,490 at 97% Collected	$83,462,870
Estimated Other Sources (includes funds from Advanced Transportation District)	9,815,000
Total Estimated Available Funds for 2018/2019 Debt Service	$93,277,870 *
2018/2019 Limited Tax Debt Service Requirement	$93,100,786

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* *Includes the Certificates.*

DEBT SERVICE REQUIREMENTS - UNLIMITED TAX INDEBTEDNESS

The following table sets forth the annual debt service requirements on the County's unlimited tax indebtedness.

Fiscal Year End 9/30	Principal	Interest	Total Unlimited Tax Debt Debt Service
2019	$ 2,190,000	$ 1,011,575	$ 3,201,575
2020	2,275,000	923,850	3,198,850
2021	2,390,000	810,100	3,200,100
2022	2,310,000	690,600	3,000,600
2023	2,430,000	575,100	3,005,100
2024	2,090,000	453,600	2,543,600
2025	2,185,000	360,800	2,545,800
2026	2,285,000	263,700	2,548,700
2027	2,380,000	162,100	2,542,100
2028	1,125,000	56,250	1,181,250
	$21,660,000	$5,307,675	$26,967,675

TAX ADEQUACY - UNLIMITED TAX BONDS

Estimated Proceeds from $0.0021 Unlimited Tax Using 2018 Taxable Assessed Valuation of $161,131,453,490 at 97% Collected	$3,282,248
Estimated Other Sources	25,000
Total Estimated Available Funds for Unlimited Tax Debt Service	$3,307,248
2018/2019 Unlimited Tax Debt Service Requirement	$3,021,575

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DEBT SERVICE REQUIREMENTS - FLOOD CONTROL TAX INDEBTEDNESS

The following table sets forth the annual debt service requirements on the County's flood control tax indebtedness.

Fiscal Year 30-Sep	Principal	Interest	Less: Direct Subsidy[1]	Total
2019	$ 5,975,000	$ 13,739,844	$ (1,101,477)	$ 18,613,367
2020	6,470,000	13,462,194	(1,101,477)	18,830,717
2021	6,780,000	13,148,594	(1,101,477)	18,827,117
2022	7,110,000	12,829,094	(1,101,477)	18,837,617
2023	8,450,000	12,493,794	(1,101,477)	19,842,317
2024	9,885,000	12,092,094	(1,101,477)	20,875,617
2025	10,365,000	11,608,494	(1,101,477)	20,872,017
2026	10,880,000	11,101,344	(1,101,477)	20,879,867
2027	11,410,000	10,568,894	(1,101,477)	20,877,417
2028	12,965,000	10,010,394	(1,101,477)	21,873,917
2029	15,480,000	9,498,144	(1,101,477)	23,876,667
2030	16,695,000	8,904,394	(1,101,477)	24,497,917
2031	17,335,000	8,261,644	(1,101,477)	24,495,167
2032	18,095,000	7,504,094	(1,101,477)	24,497,617
2033	18,890,000	6,712,894	(1,101,477)	24,501,417
2034	19,570,000	6,031,594	(1,101,477)	24,500,117
2035	20,230,000	5,370,944	(1,101,477)	24,499,467
2036	22,025,000	4,587,444	(1,101,477)	25,510,967
2037	23,235,000	3,322,610	(850,152)	25,707,458
2038	17,200,000	1,986,798	(583,487)	18,603,311
2039	13,805,000	914,995	(300,393)	14,419,602
	$292,850,000	$184,150,288	$(21,560,618)	$455,439,670

(1) The Bexar County, Texas Combination Flood Control Tax and Revenue Certificates of Obligation, Taxable Series 2009B (Direct Subsidy - Build America Bonds) (the "Taxable Flood Obligations") were designated as "Build America Bonds" under and pursuant to the authority provided for in the federal American Recovery and Reinvestment Act of 2009 (effective February 17, 2009) and are permitted to receive directly from the United States Treasury a refundable tax credit equal to 35% of the taxable interest the County pays on the Taxable Flood Obligations to the holders thereof (the "Subsidy Payment"). Failure on the part of the County to comply with the conditions imposed by the Internal Revenue Code, and future guidance to be provided by the United States Treasury and the Internal Revenue Service, may cause the County to fail to receive the Subsidy Payment for the Taxable Flood Obligations. Moreover, Subsidy Payments are subject to automatic offsets against certain amounts that may, for unrelated reasons, be owed by the County to an agency of the United States of America. The Subsidy Payments to be received from the United States Treasury in relation to the aforementioned Build America Bonds may be reduced as a result of the automatic reductions in federal spending effective March 1, 2013 pursuant to Budget Control Act of 2011 (commonly referred to as "Sequestration"). The County has determined that the reduction in the amount of the Subsidy Payments will not have a material impact on the financial condition of the County or its ability to pay regularly scheduled debt service on its outstanding obligations when and in the amounts due and owing. See "EFFECTS OF SEQUESTRATION ON CERTAIN OBLIGATIONS" in the body of the Official Statement.

TAX ADEQUACY - FLOOD CONTROL TAX OBLIGATIONS

Estimated Proceeds from $0.012 Flood Control Tax Using 2018 Taxable Assessed Valuation of $161,131,453,490 at 97% Collected	$18,755,701
Estimated Other Sources	50,000
Total Estimated Available Funds for Flood Control Tax Debt Service	$18,805,701
2018/2019 Flood Control Tax Debt Service Requirement	$18,613,366

AD VALOREM TAX RATES

The following table shows the County's ad valorem tax rates per $100 of assessed value for each of the tax years 2014 through 2018:

Purpose	2018	2017	2016	2015	2014
General Fund	$0.23625	$0.236250	$0.23600	$0.239991	$0.244737
Limited Tax Debt Service	0.041179	0.054979	0.057250	0.057509	0.039084
Equipment Obligations	0.000000	0.000000	0.000000	0.000000	0.000000
Total Limited Tax Rate	0.277429	0.291229	0.293250	0.297500	0.283821
Unlimited Tax Rate (1)	0.000000	0.000000	0.000000	0.000000	0.000000
Sub-Total	0.277429	0.291229	0.293250	0.297500	0.283821
Farm to Market Special Tax	0.010800	0.000000	0.000000	0.000000	0.000000
Flood Control Special Tax (2)	0.012868	0.012868	0.015700	0.017000	0.030679
Total Tax Rate	$0.301097	$0.304097	$0.308950	$0.314500	$0.314500

(1) *The County has historically utilized other lawfully available funds, including the Farm-to-Market and Lateral Road Tax to pay the debt service requirements on the County's unlimited tax road bonds.*

(2) *The County has previously entered into a contract, as amended, with the San Antonio River Authority ("SARA") pursuant to Section 411.003, as amended, Texas Local Government Code, for the accomplishment of plans and programs for flood control and soil conservation, pursuant to which the County agreed to annually assess and levy a portion of the Flood Control Tax at the rates and amounts set forth in the contract sufficient to meet the obligations of the County under the contract with SARA.*

PROPERTY TAX LEVIES AND COLLECTIONS
(Unaudited)

County Tax Rate - General and Debt

		Collected Within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date		Receivable
Fiscal Year	Taxes Levied For Fiscal Year	Amount	Percent of Levy	Taxes from Prior Year Levy	Amount	Percent Of Current Levy	Outstanding Taxes From Prior Years(1)
2009	$274,110,478	$270,493,314	98.7%	$3,440,905	$273,934,219	99.9%	$12,359,490
2010	283,632,760	279,982,520	98.7%	3,345,438	283,327,958	99.9%	13,953,925
2011	281,269,878	277,373,606	98.6%	3,632,967	281,006,573	99.9%	14,306,351
2012	283,055,152	278,676,422	98.5%	3,636,812	282,313,234	99.7%	13,760,990
2013	288,449,751	284,572,346	98.7%	2,642,108	287,214,454	99.6%	13,399,256
2014	303,649,918	300,176,637	98.9%	1,637,560	301,814,197	99.4%	12,891,611
2015	312,332,006	309,128,544	99.0%	1,301,843	310,430,387	99.4%	12,486,407
2016	367,074,411	363,253,615	99.0%	1,214,149	364,467,764	99.3%	12,777,394
2017	396,044,482	391,792,920	98.9%	(444,501)	391,348,419	98.8%	13,542,280
2018	420,791,069	416,023,201	98.9%	-	416,023,201	98.9%	14,748,317

Source: Bexar County Tax Assessor-Collector TC-168 Reports.

(1) *Outstanding taxes from prior years consist of all delinquent taxes from tax year 2015-1978 for the County.*

County Tax Rate - Flood and Debt

Fiscal Year	Collected Within the Fiscal Year of the Levy: Taxes Levied For Fiscal Year	Amount	Percent of Levy	Subsequent Collections: Taxes from Prior Year Levy	Total Collections to Date: Amount	Percent of Total	Receivable: Outstanding Taxes from Prior Years [(1)]
2009	$34,804,952	$34,354,457	98.7%	$433,013	$34,787,470	99.9%	$1,100,234
2010	29,285,278	28,908,352	98.7%	344,499	29,252,851	99.9%	1,245,183
2011	29,133,246	28,733,381	98.6%	365,965	29,099, 346	99.9%	1,288,486
2012	29,461,328	29,005,583	98.5%	371,541	29,377,124	99.7%	1,265,205
2013	30,143,855	29,736,667	98.6%	251,115	29,987,953	99.5%	1,256,623
2014	31,892,713	31,526,569	98.9%	153,700	31,680,269	99.3%	1,216,575
2015	34,212,269	33,856,775	99.0%	124,178	33,980,953	99.3%	1,203,514
2016	21,854,015	21,614,187	98.9%	66,934	21,686,121	99.2%	1,086,536
2017	22,157,732	21,904,585	98.9%	(22,194)	21,882,391	98.9%	1,077,136
2018	19,515,953	19,275,734	98.8%	-	19,275,734	98.8%	1,089,329

Source: Bexar County Tax Assessor-Collector TC-168 Reports.
[(1)] *Outstanding taxes from prior years consists of all delinquent taxes from tax year 2016-1988.*

TAXPAYERS BY CLASSIFICATION

Property Valuations by Category

Classification	2018 Assessed Valuation	Percent Of Total	2017 Assessed Valuation	Percent Of Total	2016 Assessed Valuation	Percent Of Total
Real Estate:						
Single Family Residential	$ 98,938,474,319	53.45%	$ 91,727,127,496	52.89%	$ 84,983,014,274	52.73%
Multi-Family Residential	15,695,708,758	8.48%	14,282,656,436	8.24%	12,805,122,417	7.95%
Vacant-Platted	2,976,232,563	1.61%	2,854,341,743	1.65%	2,707,111,215	1.68%
Acreage (Land Only)	4,874,179,874	2.63%	4,703,129,565	2.71%	4,419,011,928	2.74%
Improvements	34,545,623	0.02%	34,822,527	0.02%	25,934,638	0.02%
Commercial & Industrial	38,301,828,289	20.69%	36,737,155,756	21.18%	34,374,183,136	21.33%
Oil/Gas/Other Mineral Res.	59,860,986	0.03%	57,812,679	0.03%	53,250,418	0.03%
Personal:						
Utilities	736,051,756	0.40%	718,301,839	0.41%	694,822,462	0.43%
Commercial	10, 066,829,320	5.44%	9,819,517,452	5.66%	9,401,027,142	5.83%
Industrial	3,063,703,951	1.66%	2,755,756,198	1.59%	3,001,569,291	1.86%
Mobile Homes	342,186,299	0.18%	326,271,568	0.19%	305,950,611	0.19%
Residential Inventory	986,511,334	0.53%	1,012,466,154	0.58%	955,811,092	0.59%
Special Inventory	527,432,730	0.28%	539,057,390	0.31%	555,401,406	0.34%
Totally Exempt Property	8,491,730,644	4.59%	7,852,332,060	4.53%	6,895,304,556	4.28%
Total Valuation	$185,095,276,456		$173,420,748,863		$161,177,514,586	
Less Exemptions/Exclusions	23,963,822,966	100.00%	22,486,895,917	100.00%	21,153,153,413	100.00%
Net Taxable Assessed Valuation	$161,131,453,490		$150,933,852,946		$140,024,361,173	

Source: Bexar Appraisal District.

EXEMPTIONS AND REDUCTIONS TO APPRAISED VALUES

	Tax Year			
	2018	2017	2016	2015
65 and Over Exemptions on Homestead [(a)]	$5,976,294,977	$ 5,707,499,545	$ 5,418,242,226	$ 5,227,624,598
Veterans Exemption	3,410,377,300	2,857,686,975	2,343,212,521	1,864,832,347
Freeport Loss	489,294,370	479,336,800	420,031,630	467,127,828
Productivity Loss	2,820,849,684	2,779,458,951	2,623,876,686	2,518,655,485
Abatement Loss	727,018,997	887,732,384	1,541,293,065	1,453,120,395
Totally Exempt Property	7,431,323,685	6,815,968,457	6,075,796,810	5,839,619,770
Other	1,196,887,015	1,173,371,711	970,002,791	878,431,360
Value Lost to 10% Cap	1,911,776,938	1,785,841,094	1,760,697,684	1,703,612,330
	$23,963,822,966	$22,486,895,917	$21,153,153,413	$19,953,024,113

(a) *The County currently offers an exemption of $50,000 to property owners that qualify as disabled persons and/or persons 65 years of age or older. The County has studied the effects to the property tax base and tax revenues of raising that exemption to levels between $60,000 and $100,000. The exact extent to which such an increase in the current exemption would negatively impact the County's future tax revenues is unknown. A number of studies, however, have been undertaken to measure the extent of the impact of an increase in the current exemption, and these studies have concluded that such an increase in the current exemption would cause a decrease in the rate of growth of future tax revenues to the County.*

Source: Comptroller of Public Accounts - County Reports of Property Value.

TEN LARGEST TAXPAYERS AND THEIR VALUATIONS

The following table lists the ten taxpayers with the largest assessed values in the County as of September 30, 2018:

Taxpayer	Type of Business	Market Value	Percent of Total Taxable Value
HEB Grocery Company LP	Retail	$1,438,403,939	0.89%
Microsoft Corporation	Technology	906,777,580	0.56%
Methodist Healthcare System of San Antonio Ltd LLP	Medical	804,220,545	0.50%
Toyota Motor MFG Texas Inc	Manufacturing	764,277,476	0.47%
Wal Mart Stores Inc	Retail	750,514,830	0.47%
VHS San Antonio Partners LP	Medical	538,674,377	0.33%
Well Services A Div of Schlumberger Tech Corp	Services	355,025,390	0.22%
Southwestern Bell Telephone	Services	343,012,099	0.21%
USAA	Finance/Insurance	332,200,530	0.21%
Frankel Family Trust	Private Company	313,777,350	0.20%
Total		$6,546,884,116	4.06%

Source: Bexar Appraisal District.

CONSOLIDATED OVERLAPPING GROSS FUNDED DEBT PAYABLE FROM AD VALOREM TAXES

Expenditures of the various taxing bodies within the territory of the County are paid out of ad valorem taxes levied by these taxing bodies on properties within the County. These political taxing bodies are independent of the County and may incur borrowings to finance their expenditures. The following statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in "*Texas Municipal Reports"* published by the Municipal Advisory Council of Texas. Except for the amounts relating to the County, the County has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional debt since the date stated in the table, and such entities may have programs requiring the issuance of substantial amounts of additional debt, the amount of which cannot be determined. The following table reflects the County's estimated share of overlapping gross debt of these various taxing bodies:

Taxing Body	Tax Debt Outstanding As of 11/01/2018		Estimated Overlapping Percent	Estimated Overlapping Tax Debt
Alamo CCD	$ 479,445,000		100.00%	$ 479,445,000
Alamo Heights ISD	190,160,000		100.00%	190,160,000
Alamo Heights, City of	7,565,000		100.00%	7,565,000
Balcones Heights, City of	197,000		100.00%	$197,000
Bexar County Hospital District	891,565,000		100.00%	891,565,000
Boerne ISD	328,204,650		29.72%	97,542,422
Cibolo Canyons Special District	33,585,000		100.00%	33,585,000
Comal ISD	767,165,107		16.89%	129,574,187
Converse, City of	24,825,000		100.00%	24,825,000
East Central ISD	129,513,479	(a)	100.00%	129,513,479
Edgewood ISD	72,540,000	(a)	100.00%	72,540,000
Elmendorf, City of	2,064,441		99.56%	12,011,357
Fair Oaks Ranch, City of	5,755,000		60.73%	3,495,012
Floresville ISD	62,499,990		0.12%	75,000
Harlandale ISD	207,353,187	(a)	100.00%	207,353,187
Helotes, City of	9,490,000		100.00%	9,490,000
Hill Country Village, City of	291,000		100.00%	291,000
Hollywood Park, Town of	-0-		100.00%	-0-
Judson ISD	620,852,521	(a)	100.00%	620,852,521
Kirby, City of	7,060,000		100.00%	7,060,000
Lackland ISD	-0-	(a)	100.00%	-0-
Leon Valley, City of	9,100,000		100.00%	9,100,000
Live Oak, City of	16,620,000		100.00%	16,620,000
Lytle, City of	1,445,000		1.06%	15,317
Medina Valley ISD	116,317,147	(a)	34.42%	40,036,362
North East ISD	1,358,550,000	(a)	100.00%	1,358,550,000
Northside ISD	2,285,580,000	(a)	99.66%	2,277,809,028
Olmos Park, City of	1,780,000		100.00%	1,780,000
Randolph Field ISD	-0-	(a)	100.00%	-0-
St. Hedwig, City of	230,000		100.00%	230,000
San Antonio ISD	894,329,988	(a)	100.00%	894,329,988
San Antonio MUD #1	845,000		100.00%	845,000
San Antonio, City of	1,879,155,000		100.00%	1,879,155,000
Schertz, City of	89,415,000		10.38%	9,281,277
Schertz- Cibolo- University City ISD	417,456,092		12.32%	51,430,591
Selma, City of	7,515,000		59.50%	10,421,425
Shavano Park, City of	3,650,000		100.00%	,650,000
Somerset ISD	35,396,755	(a)	76.44%	27,057,280
Somerset, City of	-0-		100.00%	-0-
South San Antonio ISD	156,586,899		100.00%	156,586,899
Southside ISD	94,435,000		100.00%	94,435,000
Southwest ISD	222,253,272		100.00%	222,253,272
Terrell Hills, City of	8,300,000		100.00%	8,300,000
Universal City, City of	22,269,000		100.00%	22,269,000
Total Overlapping	11,461,360,528			10,001,295,604
Bexar County	1,881,600,000		100.00%	1,881,600,000
Total Direct & Overlapping	$13,342,960,528			$11,882,895,604

Included above, the County, on behalf of the Bexar County Hospital District (a political subdivision of the State of Texas whose boundaries are coterminous with the County's and is referred to herein as the "District"). The District has four issues of debt obligations outstanding in the amount of $891,565,000. Though this ad valorem tax is separate from the County's, belonging exclusively to the District pursuant to independent authority under the Texas constitution, these obligations will be primarily payable from ad valorem taxes levied and assessed, on behalf of the District, upon property located within both the County and the District (which is substantially the same as the property of the County upon which the ad valorem taxes securing the Certificates and the Non-Flood Certificates are levied, assessed, and collected).

(a) Certain bonds issued by Texas independent school districts are eligible for payment from the State of Texas "Instructional Facilities Allotments" and from "Existing Debt Allotments." These bonds, while obligations of the individual school district, are payable in whole or in part from school district allocations of state funds. Such funding may vary between school districts and from year to year depending upon the state's contributions.

(b) Includes the Certificates.

NOTE: All outstanding capital appreciation bonds are shown at the original issue amount.

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CURRENT TAX DEBT SERVICE REQUIREMENTS

The following table sets forth the annual debt service requirements on all of the County's outstanding Tax Debt.

Fiscal Year Ending 9/30	Principal[1]	Interest[1]	Less: Direct Subsidy[2]	Total Tax Debt Debt Service[1]
2019	$ 35,410,000	$ 82,281,632	$ (2,775,905)	$ 114,915,728
2020	40,180,000	84,890,766	(2,775,905)	122,294,861
2021	42,415,000	82,924,716	(2,775,905)	122,563,811
2022	40,030,000	80,855,016	(2,775,905)	118,109,111
2023	43,335,000	78,944,666	(2,775,905)	119,503,761
2024	48,085,000	76,837,516	(2,775,905)	122,146,611
2025	52,340,000	74,477,716	(2,775,905)	124,041,811
2026	56,245,000	71,908,753	(2,775,905)	125,377,849
2027	62,375,000	69,164,872	(2,775,905)	128,763,968
2028	65,710,000	66,080,972	(2,775,905)	129,015,068
2029	70,460,000	63,213,472	(2,775,905)	130,897,568
2030	74,390,000	60,242,203	(2,775,905)	131,856,299
2031	81,340,000	57,223,328	(2,775,905)	135,787,424
2032	83,035,000	53,534,916	(2,775,905)	133,794,011
2033	86,735,000	49,840,203	(2,775,905)	133,799,299
2034	90,375,000	46,247,378	(2,775,905)	133,846,474
2035	93,910,000	42,668,378	(2,775,905)	133,802,474
2036	98,080,000	38,639,328	(2,775,905)	133,943,424
2037	102,170,000	33,675,418	(2,228,855)	133,616,563
2038	99,390,000	28,576,151	(1,570,165)	126,395,986
2039	99,040,000	23,544,576	(873,894)	121,710,682
2040	83,145,000	18,512,720	(139,719)	101,518,001
2041	79,410,000	14,824,150		94,234,150
2042	92,135,000	11,478,000		103,613,000
2043	95,335,000	7,083,300	-	102,418,300
2044	29,920,000	2,680,250	-	32,600,250
2045	36,605,000	1,474,050	-	38,079,050
	$1,881,600,000	$1,321,824,450	$(54,778,919)	$3,148,645,535

(1) *Includes the Certificates.*
(2) *See Footnote 2 in "DEBT SERVICE REQUIREMENTS - LIMITED TAX INDEBTEDNESS."*

THE COUNTY

Creation and Location

The County was created in 1836 and organized in 1837 as one of the original counties of the Republic of Texas and is now the third most populous of the 254 counties in the State. The County is located in south central Texas and is a component of the San Antonio Metropolitan Statistical Area, the nation's thirtieth largest Metropolitan Statistical Area and the third largest in the State in 2010. According to the U.S. Census, the 2017 population of the County was 1,958,578. See APPENDIX B for more information concerning the County.

The principal city within the County is San Antonio, Texas, the County seat. The local economy is based on manufacturing, agriculture, mineral production, medical facilities, military activities, and tourism.

Administration of the County

Those officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the "Commissioners Court"), the County Tax Assessor Collector, and the County Clerk (all of whom are elected officials), the County Auditor (who is appointed by the District Judges), and the Budget Officer (who is an employee of the Commissioners Court). See page -iii- of the Official Statement for the names of the current office holders.

The Commissioners Court is the governing body of the County. It has certain powers expressly granted by the Texas Constitution and by the State Legislature and powers necessarily implied from such grants. Among other things, it approves the budget, determines the tax rates, approves contracts in the name of the County, determines whether indebtedness should be authorized and issued, and appoints certain County officials.

The County Judge is the presiding official of the Commissioners Court and is elected for a four-year term by the voters of the County. Each Commissioner represents one of the four precincts into which the County is divided. Each of the four Commissioners is elected by the voters of his precinct for a four-year term.

The Tax Assessor Collector is responsible for collecting ad valorem taxes, collecting certain State and County fees and other taxes.

The County Clerk's duties include treasurer responsibilities as related to depositing money received by the County in the depository selected by the Commissioners Court and cosigning all of the County's checks. In addition, the County Clerk is the Clerk of the Commissioners Court and civil, criminal, and probate courts. The County Clerk is also the recorder of the County and issues and records, marriage licenses, assumed business names, and records military discharges, cattle brands, uniform commercial code filings and deeds.

The County Auditor is the chief financial officer of the County and is responsible for substantially all County finance and accounting control functions. The responsibilities include those of auditing, accounting system design, financial planning, financial relations, payroll and is charged statutorily with strict enforcement of the law governing county finances. The County Auditor is appointed for a two-year term by, and is accountable to, the 27 State District Judges whose courts are located in the County.

The County Manager is appointed by the Commissioners Court and is responsible for preparing the County's annual budget. These responsibilities also include those of County Budget Officer and Chief Investment Officer, debt issuance planning and health insurance administration. In addition, the County Manager develops the long range financial forecast and completes special studies and cost/benefit analyses of various issues that have a fiscal impact on the County.

Employees

The following table shows the number and employment category of the County's employees on September 30, years 2011 through 2017.

	2017	2016	2015	2014	2013	2012	2011
General Government	948	935	888	925	932	960	1,039
Judicial	778	754	729	686	692	689	707
Public Safety	2,742	2,724	2,678	2,616	2,508	2,435	2,557
Education & Recreation	86	81	79	70	71	14	14
Public Works	267	264	264	264	256	259	268
Health & Public Welfare	98	87	91	109	109	194	207
Total	4,919	4,845	4,729	4,670	4,568	4,551	4,792

County Services

The County operates a jail and detention system and various parking facilities, constructs and maintains roads, and provides various levels of civil and criminal courts, a district attorney's office, a county sheriff's department, juvenile probation and detention, parks, and certain other public health and social welfare services.

The Bexar County Hospital District which uses the assumed name University Health System (the "System"), is a political subdivision of the State which owns and operates several health care facilities and is the major teaching facility for the University of Texas Health Science Center. The Commissioners Court appoints the governing body of the System and approves the System's annual budget. The financial information contained herein does not include information concerning the System.

The financial statements of the County include the Bexar County Housing Finance Corporation, the Bexar County Health Facilities Development Corporation, and the Bexar County Industrial Development Corporation as blended component units.

In March 2005, the Commissioners Court recognized the Deputy Sheriff's Association of Bexar County ("DSABC") as the exclusive bargaining agent for collective bargaining under Section 174.101 of the Texas Local Government Code. The DSABC represents all Sheriff's Office uniformed employees in the Detention and Law Enforcement careers and a majority of the senior management.

The purpose of bargaining is to come to an agreement pertaining to wages, hours and conditions of employment and enter into a contract between members of the DSABC and the County. In December 2016, a new CBA agreement was approved by the County and DSABC. The agreement has a four-year term effective December 23, 2016 through September 20, 2020. Pursuant to the agreement, Detention Officers and Corporals receive an 8% salary increase in FY 2016-17, a 2.5% increase in FY 2017-18, a 3% increase in FY 2018-19, and a 1.5% increase in FY 2019-20. Detention Sergeants, Lieutenants, Captains and all of Law Enforcement receive an 8% salary increase in FY 2016-17, a 2.5% increase in FY 2017-18, a 3% increase in FY 2018-19, and a 2.75% increase in FY 2019-20. The total cumulative cost over the four-year period is $42.8 million.

RETIREMENT PROGRAM

Plan Description

The County provides retirement, disability, and death benefits for all of its eligible employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system which consists of 677 nontraditional defined benefit pension plans. TCDRS, in the aggregate, issues a Comprehensive Annual Financial Report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted and may be amended by the governing body of the County within the options available in Texas law governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal deposits in a lump sum and who are not eligible to retire are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employees' deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act, so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy

The County has elected the Annually Determined Contribution Rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The County contributed using the actuarially determined rate of 13.18% of covered payroll for the months of the calendar year in 2016, and 13.21% of covered payroll for the months of the calendar year in 2017.

The deposit rate payable by all employee members for the calendar years 2016 and 2017 is 7.00% as adopted by the Commissioners Court. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Changes in the Net Pension Liability

	Increase/Decrease		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) – (b)
Balances as of December 31, 2015	$1,156,299,230	$ 994,936,381	$161,362,850
Changes for the year:			
Service cost	32,496,185		32,496,185
Interest on total pension liability	93,125,586		93,125,586
Effect of plan changes			
Effect of economic/demographic gains or losses	(3,939,480)		(3,939,480)
Effect of assumption changes or inputs			
Refund of contributions	(3,007,965)	(3,007,965)	
Benefit payments	(51,525,564)	(51,525,564)	
Administrative expenses		(802,964)	802,964
Member contributions		16,203,942	(16,203,942)
Net investment income		73,284,425	(73,284,425)
Employer contributions		30,217,234	(30,217,234)
Other		(1,828,456)	1,828,456
Balances as of December 1, 2016	$1,223,447,992	$1,057,477,031	$165,970,960

Pension Expense / (Income)

	January 1, 2016 to December 31, 2016
Service Cost	$32,496,185
Interest on total pension liability	93,125,586
Effect of plan changes	
Administrative expenses	802,964
Member contributions	(16,203,942)
Expected investment return net of investment expenses	(80,456,164)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(2,308,882)
Recognition of assumption changes or inputs	2,165,946
Recognition of investments gains or losses	21,438,027
Other	1,828,456
Pension expense / (income)	$52,888,177

GASB 45 – Reporting Liabilities for Other Post-Employment Benefits (OPEB)

The Governmental Accounting Standards Board has issued Statement No. 45 ("GASB 45"), "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions". GASB 45 establishes financial reporting standards for other post-employment benefit plans. Currently the County has established a post-employment healthcare plan for full-time regular employees that retire after January 1, 2000. In order to comply with GASB 45, beginning with FY 2007-08, the County started reporting the accrued liability for Other Post-Employment Benefits ("OPEB"). Although this reporting is not required by law, it is part of Generally Accepted Accounting Principles ("GAAP"). Furthermore, bond rating agencies such as Moody's, Fitch, and S&P have stated that GASB 45 compliance will be considered when assigning credit ratings for local governments.

In FY 2006-07, the County retained L&E Actuaries and Consultants to do an actuarial study on the County's potential OPEB liabilities. This study showed that as of May 1, 2007, the County's unfunded actuarial accrued liability ("UAAL") was $117,676,388 and the County's annual contribution requirement ("ARC") was $10,336,862 (assuming a 4.5% investment rate of return) of which $5,150,000, approximately 50%, was programmed by the County in the 2007-08 fiscal year budget to begin assessing this liability. A second actuarial study was performed for fiscal year ending September 30, 2009 to confirm these initial findings. This study showed that as of October 1, 2008, the County's UAAL was $128,591,423, and the County's ARC was $10,046,870 (assuming a 4% investment rate return). A third actuarial study was performed for fiscal year ending September 30, 2011. This study showed that as of October 1, 2010, the County's UAAL was $159,197,151 and the County's ARC was $11,554,482 (assuming a 3.75% investment rate return). A fourth actuarial study was performed for fiscal year ending September 30, 2013. This study showed that as of October 1, 2012, the County's UAAL was $166,600,965 and the County's ARC was $12,016,077 (assuming a 3.75% investment rate return). A fifth actuarial study was performed for fiscal year ending September 30, 2015. This study showed that as of October 1, 2014, the County's UAAL was $183,016,083 and the County's ARC was $14,643,909 (assuming a 3.75% investment rate return).

The County has continued to explore cost mitigation strategies and to develop a full funding plan to meet its OPEB liabilities. At this time the County has not and is not contemplating entering into any contracts that obligate the County to make future health care benefit payments and no such obligation exists under State law as the County, at its sole discretion, may reduce, modify, and/or terminate any post-employment healthcare benefit plans with any County employees. It is not the County's intention to establish an irrevocable trust for its OPEB liabilities, but rather to report this liability as prescribed by GASB 45 and develop a structured funding mechanism with annual contributions maintained in a dedicated fund, thereby reducing the County's OPEB liability over a period of time.

BEXAR COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN GENERAL FUND BALANCE

	For the Fiscal Year Ended September 30				
	2017	2016	2015	2014	2013
REVENUES:					
Ad Valorem Taxes	$316,601,943	$294,499,769	$269,268,526	$258,344,655	$245,004,632
Other Taxes, Licenses, Fees & Permits	28,034,095	27,727,623	25,552,883	22,916,819	18,298,876
Intergovernmental Revenue	7,355,123	7,652,276	7,784,912	8,350,771	7,552,244
Fines and Court Costs	15,667,183	15,823,013	24,014,540	25,022,340	24,121,453
Fees on Motor Vehicles	5,976,435	6,965,225	6,675,960	6,449,504	6,257,432
Other Fees	25,285,838	22,697,682	14,192,314	13,687,280	15,208,981
Commissions from Govt. Units	4,850,594	4,678,422	4,383,707	4,184,550	4,006,304
Revenue from Use of Assets	17,651,553	16,941,120	17,821,277	15,508,540	14,995,071
Sales Refunds and Miscellaneous	4,757,448	4,220,710	4,340,998	5,268,746	4,299,259
TOTAL REVENUES	$426,180,212	$401,205,840	$374,035,117	$359,733,205	$339,744,252
EXPENDITURES:					
General Government	88,982,391	84,972,821	83,162,655	77,444,420	71,138,032
Judicial	97,131,934	92,330,951	87,369,220	81,550,427	78,724,883
Public Safety	196,872,158	184,480,461	183,380,721	171,839,685	166,375,753
Education and Recreation	6,000,928	5,891,435	4,781,998	4,362,619	3,252,472
Public Works	6,284,502	5,848,715	214,717	252,861	216,259
Health and Public Welfare	5,357,421	7,171,687	6,912,819	5,276,513	4,735,125
Capital Expenditures	805,548	810,258	684,341	464,142	46,457
Debt Service	-0-	-0-	-0-	-0-	-0-
TOTAL EXPENDITURES	401,434,882	381,506,328	$366,506,471	$341,190,667	$324,488,981
Excess (Deficiency) of Revenues Over Expenditures	24,745,330	19,699,512	7,528,646	18,542,538	15,255,271
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	-0-	-0-	-0-	-0-	3,070
Operating Transfers (Out)	(18,264,222)	(13,518,966)	(10,496,410)	(10,045,729)	(10,179,184)
Total Other Financing Sources (Uses)	(18,264,222)	(13,518,966)	(10,496,410)	(10,045,729)	(10,176,114)
Net Change in Fund Balance	6,481,108	6,180,546	(2,967,764	8,496,809	5,079,157
Beginning Fund Balance (Oct. 1)	84,169,831	77,989,285	80,957,049	72,460,240	67,381,083
Ending Fund Balance (Sept. 30)	$ 90,650,939	$ 84,169,831	$ 77,989,285	$ 80,957,049	$ 72,460,240

Source: County's Annual Financial Reports.

APPENDIX B

GENERAL INFORMATION REGARDING BEXAR COUNTY, TEXAS AND THE CITY OF SAN ANTONIO, TEXAS

General Information Regarding Bexar County, Texas
and The City of San Antonio, Texas

This Appendix contains a brief discussion of certain economic and demographic characteristics of the area in which the County is located which the County has prepared in connection with the issuance of the Certificates. Information in this Appendix has been obtained from the sources noted and certain of the information may be dated. The sources are believed to be reliable, although no investigation has been made to verify the accuracy of such information, nor is any representation made that the information provided is the most current that is available. Information concerning the City of San Antonio, Texas (the "City") and its operations is included in this Appendix solely for general information; the City is not obligated in any way to support payment of the Certificates.

Creation and Location of Bexar County

The County was organized in 1836 as one of the original counties of the Republic of Texas and is now the third most populous of the 254 counties in the State of Texas with a 2016 estimated population of 1,928,680. The County has an area of approximately 1,248 square miles and contains 27 incorporated cities within its boundaries.

The County is located in south central Texas and is a component of the Metropolitan Statistical Area ("MSA") of San Antonio. The San Antonio MSA is one of the nation's largest MSAs and the third largest MSA in Texas. The principal city within the County is San Antonio, the county seat. The City was founded in the early eighteenth century and was incorporated by the Republic of Texas in 1837. The City covers approximately 467 square miles and is located in south central Texas approximately 80 miles south of Austin, the state capital. The City's 2010 census population of 1,327,407 makes it the second largest city in Texas and the seventh largest in the United States.

The following table provides, at the dates shown, the population of the City, the County, and the Area MSA, which includes Bexar, Comal, Wilson and Guadalupe Counties.

Calendar Year	City of San Antonio	Bexar County	Area MSA
1930	231,542	292,533	333,442
1940	253,854	338,176	376,093
1950	408,442	500,460	542,209
1960	587,718	687,151	736,066
1970	654,153	830,460	888,179
1980	786,023	988,870	1,088,881
1990	935,933	1,185,394	1,407,745
2000	1,144,646	1,392,931	1,711,703
2010	1,327,407	1,714,773	2,142,508
2017	1,511,964	1,958,575	2,473,974

Source: U.S. Census of Population.

Economic Factors

The County has a diversified economic base which is composed of financial services, healthcare, agriculture, manufacturing, construction, military, and tourism. Support for these economic activities is demonstrated by the County's ongoing commitment to economic development projects along with ongoing infrastructure improvements to support the County's growing population. As Bexar County has continued to add jobs it has also fared better than the nation with the current unemployment issues. Bexar County's unemployment rate in September 2018 was 3.3%, up slightly from 3.2%[1] the same month in 2017, and still well below the national unemployment rate in September 2018 of 3.6%.[2] Another economic factor attracting companies and families to the San Antonio area is the low cost of living. For metropolitan areas San Antonio is ranked among the lowest in cost of living with a composite score of 88.1, 11.9% below the national average.[3] With one of the lowest cost workforces of any major cities in the United States, Bexar County is continually positioned to increase employment across various industries.

[1] U.S Bureau of Labor Statistics - https://www.bls.gov/regions/southwest/summary/blssummary_sanantonio.pdf
[2] U.S Bureau of Labor Statistics - https://www.bls.gov/regions/southwest/summary/blssummary_sanantonio.pdf
[3] San Antonio EDF - http://www.sanantonioedf.com/why-san-antonio/data

Financial Services

The finance industry is an important and stable component of the Bexar County economy. There are eight financial institutions headquartered in San Antonio and four regional headquarters located in the City. As of October 2018, the financial activities, alone, employed more than 90,300[4] people within the San Antonio-New Braunfels SA Metropolitan Statistical Area.

San Antonio is a major insurance center in the southwest, serving as the headquarters for several insurance companies, including United Services Automobile Association (USAA). As of 2018, USAA was the nation's 5th largest automobile insurer and the 5th largest homeowner's insurer. Not just an insurance company, USAA is also the 11th largest credit card provider in the nation and the 20th largest commercial bank and saving institution (based on assets). USAA has also been ranked in the Fortune Magazine's List of 100 Best Companies to Work For a total of 13 times since Fortune published the list in 1998. With its main campus nearly full, the company has begun construction to open another campus. The company has also purchased 63,000 square feet of office space downtown at One Riverwalk Place, which will house 600 employees by the end of 2018. In 2017 the Bexar County based company reported $2.4 billion in net income on revenue of $30.0 billion in 2017. USAA's net worth rose to $30.6 billion in 2017, an increase from $28.8 billion in 2016.

In October 2009, Nationwide selected San Antonio for its consolidation and expansion of operations. Nationwide has invested nearly $90 million in capital to the project and created over 800 jobs when the regional corporate campus was completed. As of June 2014, Nationwide reported that it employs over 1,330 employees at its Westover Hills location.

In February 2010, Allstate Insurance announced its decision to open a new $11.6 million customer information center and plans to hire 600 people in San Antonio. The 75,000 square foot facility houses a customer operations call center and sells additional insurance products to existing clients. The facility opened in June 2010 with over 280 employees with hiring ongoing to fully staff the operation.

In December 2015, GM Financial announced that it would build a $26.5 million dollar, 100,000 sq. ft. financial services center in Westover Hills where the company will employ nearly 500 people. GM Financial broke ground on the facility in early 2016, with construction completed in October 2017.

Banking also has a large presence in Bexar County with numerous banking headquarters and regional operation centers. Frost Bank, Broadway Bank, and previously mentioned USAA Bank have their banking headquarters in San Antonio. Companies with large regional operations centers in San Antonio include Bank of America, J.P. Morgan Chase, Wells Fargo, and Citigroup.

J.P. Morgan Chase currently employs 2,300 at its Chase Retail Operations Center and 1,700 people at its Chase Card Center. These operations centers handle inbound from retail customers and small-business owners, as well as outbound calls and collections.

Wells Fargo has more than 6,000 employees in the San Antonio area, with more than 3,500 employees at a 112-acre, 10 building campus, which was acquired from the acquisition of Wachovia Corp. Customer service representatives at this location process loan-applications and work with customers who are facing delinquent payments.

Cullen/Frost Bankers, the holding company of Frost Bank, employs nearly 4,000 people locally and has its corporate headquarters in downtown San Antonio. In 2015 Frost announced a public-private partnership with Weston Urban, a real estate development firm, and the City of San Antonio that includes the building of a new downtown office tower that will become the new headquarters of Frost Bank. The new tower will be 23 stories high and add roughly 420,000 sq. ft. of downtown office space to San Antonio. The initial figures estimated that the tower will cost $142 million with a projected completion in late 2018 or 2019.

Financial and insurance companies are not the only companies with operations centers within Bexar County. In April 2010, the Kohl's department store chain signed a 10-year lease to occupy a 102,000 square-foot office center. This operation center handles customer service, e-commerce and credit card services and employs over 1,000 people. Kohl's completed an additional 90,000 square-foot facility next to the leased office center in the spring of 2012.

Other companies with call centers in San Antonio are Spain-based Atento and West Business Services. Atento, the world's second-largest call center company expanded its San Antonio operations to 2,000 workers from fewer than 400 in 2012. West Business Services added 700 full-time employees in October 2010 and has since hired an additional 275 employees for inside sales and account-management services for Fortune 1000 companies.

Healthcare & Bioscience

The medical and bio-medical industry is now the number one economic generator in the County, having an economic impact of $30.6 billion on the local economy in 2017, maintained a $9.8 billion payroll and employed 182,112 persons. One of every six City employees works in the health care and bio-medical industry.[5] The key components of the health care industry are three major military medical centers, the South Texas Medical Center, the Southwest Research Institute, and the Southwest Foundation for Biomedical Research.

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[4] *'Texas Workforce Commission - https:tracer.2.com/admin/uploadedpublications/1729_sanantoniomsa.pdf*

[5] *Greater San Antonio Chamber of Commerce, "San Antonio's Health Care and Bioscience Industry, Economic Impact 2017"*

The 900-acre South Texas Medical Center (STMC) boasts the region's largest concentration of medical treatment, research, education and related activity. Its more than 75 medical-related facilities comprise approximately $2.8 billion in infrastructure values and employ over 27,000 medically related personnel.[6] Approximately 27,386 Medical Center employees provided care for over 5.38 million patients. The Medical Center has almost 300 acres of undeveloped land still available for expansion. Capital projects planned for the Medical Center total approximately $1.031 billion.

The Southwest Research Institute (SwRI), headquartered in San Antonio, is one of the oldest and largest, independent, nonprofit, applied research and development (R&D) organizations in the United States and is internationally renowned. SwRI occupies more than 2 million square feet of office and laboratory space on a more than 1,200-acre site in San Antonio. Historically more than 4,000 projects are open at the Institute at any one time with funding almost equally between the government and commercial sectors. The SwRI total revenue for fiscal year 2017 was $528 million and the staff numbered 2,574, including 264 professionals who hold doctorate-level degrees and 502 with master's degrees.[7]

Independent of the SwRI, but only one mile away, is the Texas Biomedical Research Institute (formerly known as the Southwest Foundation for Biomedical Research). This research organization conducts biomedical research, specializing in genetics, virology and immunology. The Institute also houses the world's largest nonhuman primate colonies used to study human diseases, The Southwest National Primate Research Center, which maintains 3,000 nonhuman primates and provides specialized facilities and expertise in research with nonhuman primates internationally. For 2017, the Institute had total revenue of $125.1 million.

The Texas Biomedical Research Institute is also home to the nation's only privately owned biosafety level 4 (BSL-4) laboratory. This maximum containment lab allows for safe research on lethal pathogens for which there are no treatments or vaccines, including potential bio-terror agents and emerging diseases. Another resource that puts the Foundation on the cutting edge of biomedical research is the AT&T Genomics Computing Center, which houses the world's largest computer cluster for human genetic and genomic research. This high-performance computing facility allows scientists to search for disease-influencing genes at record speed.

A number of highly successful private companies, such as Mission Pharmacal, DPT Laboratories, Ltd., and Genzyme Oncology, Inc., operate their own research and development groups and act as guideposts for numerous biotech startups, bringing new dollars into the area's economy. A notable example of the results of these firms' research and development is Genzyme Oncology, Inc., which has developed many recent cancer drugs approved for general use by the United States Food and Drug Administration.

Agriculture

Agribusiness is still a leading industry in the County. The agricultural industry is not limited to farmers and ranchers but includes storage, processing and distribution of farm commodities and products made from them.

Manufacturing

Manufacturing has been a major economic driver in San Antonio for more than two decades, growing from a $13 billion industry in 2001 to $24.7 billion in 2011 and $31.1 billion in 2016.[8] According to the San Antonio Manufacturers Association's 2016 Economic Impact Study, San Antonio's manufacturing industry employs a total of 51,904 people with an near $3 billion annual payroll and an average salary of $57,707.

The cornerstone of the manufacturing sector is the Toyota Tundra manufacturing facility which celebrated its 15th anniversary in San Antonio in October 2018. In November 2006, the first Toyota Tundra rolled off the assembly line in the City and the facility has produced over 2.2 million Tacoma and Tundra trucks since opening in 2003. The Toyota manufacturing plant produces approximately 200,000 trucks annually and has a payroll exceeding $37 million for more than 3,000 employees. The facility covers 2,000 acres and represents an investment of $850 billion. The 23 on-site suppliers employ more than 4,000 people, and Toyota has made additional investments totaling over $300 million. people and represent an additional investment of over $300 million (Source: Toyota). As the trucks roll off the line, the jobs also spin off, possibly adding 5,300 to 13,000 new jobs to Bexar County in associated industries (Source: Texas Workforce Commission). Union Pacific's new intermodal railroad facility near the Toyota plant opened in 2008, and the company invested in infrastructure improvements to railways in and around Bexar County (Source: United Pacific).

Toyota's presence in San Antonio increased in 2009 when Toyota confirmed it was moving the production of the Tacoma pickup to its San Antonio facility. The move added as many as 2,000 new jobs and returned the plants on-site suppliers to full capacity employing hundreds more. The addition of a second vehicle, estimated to be 100,000 Tacoma pickups yearly, returns the plant to two shifts and means that 80% of Toyota's pickups will be made in San Antonio. Production commenced for the Toyota Tacoma on August 6, 2010. Toyota and its 23 on-site suppliers, located on San Antonio's south side, have created and retained 6,856 jobs through March 2016, with an annual impact of over $1.7 billion. Additionally, as a result of increased dealer demand for its pickups, in September 2014 Toyota announced that it will be expanding production to six days a week starting in the second quarter of 2016. The expansion to a sixth day has the potential to create 400 new jobs between Toyota and its various suppliers.

[6] *BioMed San Antonio – http://www.biomedsa.org/health_services*
[7] *Southwest Research Institute - http://www.swri.org/6swsa/work/facts.htm*
[8] *San Antonio Economic Chamber of Commerce*

HVHC Inc., parent company of optical retailer Visionworks, the largest wholly owned and operated U.S. based optical company, announced in April 2013 that it would open a new optical manufacturing plant and distribution center in San Antonio. The facility is expected to employ 600 individuals and produce more than two million pairs of eyeglasses per year when fully operational. The company will also grow its downtown headquarters by leasing extra space at the IBC Centre and create an additional 150 jobs in San Antonio.[9]

Information Technology

Headquartered in the County, Rackspace Managed Hosting was founded in San Antonio in 1998 and manages more than 22,000 servers in seven data centers in Europe and the United States. Rackspace was awarded a $22 million grant from the Texas Enterprise Fund as part of an incentive package to help Rackspace relocate within Bexar County and create up to 4,000 new jobs. The company has spent more than $100 million to convert a 1.2 million square foot mall located on a 68 acre-tract and has already converted over 600,000 square feet of the former mall. Rackspace has nearly 3,300 local employees. Apollo Global Management, a private equity firm, recently purchased Rackspace for $4.3 billion. The company plans on maintaining their operations in Bexar County.

In December 2013, Microsoft chose to expand its data center operations investment in San Antonio. The new data center includes an additional $250 million of real and personal investment and the creation of 20 new full-time jobs with an average annual salary of $80,000. Microsoft broke ground on a third Bexar County data center in early 2016, with construction to be completed sometime in 2017.

Founded in 1977 and headquartered in Redwood City, California, Oracle Corporation is a global provider of enterprise software and computer hardware products and services with over $37 billion in revenue in 2013. A fortune 500 company, it employs over 120,000 people worldwide, including an estimated 35,000 developers and engineers, 18,000 support personnel, and 18,000 consulting experts. In response to the continued growth due to the acquisition of new customers and the expansion of existing client relationships, Oracle evaluated a number of sites throughout the Southwest United States for the expansion of its information technology services and business process support operations and decided to expand in San Antonio. The City of San Antonio approved the expansion in March of 2014.[9] Oracle Corporation, the second-largest software company in the world, committed to creating 200 new full-time jobs, paying a minimum annual wage of $70,000 for at least 10 years.

Hospitality

San Antonio's hospitality industry continues to be a driving force in the local economy. The latest study using data from 2013 shows an economic impact of $13 billion.[10] The estimated annual payroll for the industry is $2.4 billion, and the industry employs more than 122,500 people.

The JW Marriott, which is currently the number one producing hotel for the County in terms of hotel occupancy tax collections, embarked on a $16 million expansion project in 2015. The project, which was completed in the Spring of 2016, includes two water slides, a whirlpool, an artificial sand beach, and a 13,000 square foot pavilion. This is the first major expansion that resort has undertaken since it opened in January 2010.

Tourism

The list of attractions in the San Antonio area include, among many others, the Alamo & the other 4 Spanish Missions that are part of the 2015 UNESCO World Heritage Site Designation (as well as other sites of historic significance), the River Walk, and three major theme parks (Six Flags Fiesta Texas, SeaWorld San Antonio, and Morgan’s Wonderland). San Antonio attracted 32.5 million visitors in 2015. Of these, over 15 million were overnight leisure visitors, placing San Antonio as one of the top United States destinations in Texas. Some of the recent fiscal year 2014 accomplishments contributing to this success is the launch of the Unforgettable Campaign to consumers in October 2013, the Synchronicities Three City Partnership, and the San Antonio Tourism Ambassadors Program which teaches how to turn every encounter into a positive experience.

The San Antonio River Improvement Project, an investment by the County, the City, and the United States Army Corps of Engineers with the San Antonio River Authority providing project and technical management, recently completed the two major portions of its flood control, amenities, ecosystem restoration and recreational improvements to the San Antonio River. The Museum Reach, as the northern portion is known, extends from the downtown area north to the San Antonio Museum of Art and the 125-year-old Pearl Brewery complex, where shopping, dining, and entertainment venues have been built and continue to be expanded. The southern portion, known as the Mission Reach, connects the downtown river area to the UNESCO world heritage Spanish Missions in the southern part of San Antonio. Additionally, the City of San Antonio and Bexar County will invest nearly $176 in revitalizing a 2 mile stretch of San Pedro Creek, a waterway on the west side of downtown.

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[9] *Bloomberg BusinessWeek*
[10] *San Antonio Economic Chamber of Commerce*

The tourism Index has a current growth rate of +7.3 percent vs 9.2 percent in 2011, which qualifies as a historically healthy rate. Hotel/motel room demand remains strong, with an above par 5.4 percent growth following its 2011 rate of 7.1 percent. Despite the fact that average room rates have stabilized in the $97 range, room demand by convention and visitor and business travelers has generated hotel/motel monthly revenues of $94.3 million through August, 2012[11].

Conventions

The City is considered one of the top convention cities in the country. To build upon that reputation, in 2016 San Antonio completed a $325 million expansion increasing exhibition space by 20% to a total of 514,000 sq. ft. of exhibition space including the largest ballroom in Texas. With the previous expansion of the Grand Hyatt Hotel to 1,003-rooms and with the opening of the1,002-room JW Marriott the City will be able to host larger conventions and meetings, and more of them, in the years to come. The City continues to be proactive in attracting convention business through its management practices and marketing efforts.

The following table shows both overall City performance as well as convention activity booked and hosted by the San Antonio Convention & Visitors Bureau for the calendar years indicated:

Calendar Year	Hotel Occupancy [1]	Hotel (RevPAR) [1]	Room Nights Sold [1]	Convention Attendance [2]	Convention Room Nights [2]	Convention Delegate Expenditures (Millions) [2]
2007	66.3%	$69.90	7,397,123	455,256	647,386	$473.1
2008	64.6%	$70.82	7,669,475	563,164	691,525	$607.5
2009	57.1%	$55.94	7,167,603	399,408	660,736	$474.5
2010	59.3%	$57.02	7,768,002	535,400	736,325	$636.1
2011	61.3%	$58.08	8,236,019	499,171	637,593	$593.0
2012	63.5%	$60.79	8,651,826	449,202	635,829	$533.7
2013	63.1%	$63.44	8,610,676	712,577	734,190	$846.6
2014	65.3%	$67.03	8,874,090	652,443	725,333	$775.1
2015	65.7%	$69.55	8,913,575	699,662	773,569	$831.2
2016	65.9%	$72.12	9,116,363	637,658	676,501	N/A[3]
2017	66.0%	$73.45	9,268,201	823,561	816,582	N/A[3]

[1] Data obtained from Smith Travel Research ("STR") based on hotels in the San Antonio selected zip code.

[2] Reflects only those conventions hosted by the City of San Antonio, Convention and Visitors Bureau.

[3] The Convention Delgate Expenditures for 2016 are not currently available from Visit San Antonio. Visit San Antonio is in the process of reviewing and recalibrating the methodology for calculating the Convention Delgate Expenditures and the County can make no representation as to when, or if, such calibrations will again be made.

Source: City of San Antonio, Convention and Visitors Bureau.

Oil, Gas, & Renewables

San Antonio is the largest metropolitan area adjacent to the Eagle Ford Shale and will continue to receive economic benefits, despite the low price of oil. Beyond the Eagle Ford Shale field Bexar County is home to Valero Energy, the largest refiner of petroleum in the US, and Andeavor (formerly Tesoro) the 5th largest. The County benefits from refinery operations both here and in the Corpus Christi area. In 2022, it is projected that Bexar County will use 14,000 barrels of oil per day for refining. Additionally, in 10 years, the gross county product will be an estimated $3.92 billion and the total output will be an estimated $6.65 billion. For the estimated 24,280 jobs supported, the total payroll will have increased to $1.1 billion.

In June 2014, San Antonio officials gave their support for the export of liquefied natural gas, saying its international trade could generate $86 billion in U.S. economic benefit over the next 20 years. Natural gas offers significant benefits for San Antonio as a transportation fuel. Liquefied natural gas has been working for Texas and its natural gas vehicles (NGS). NGVs offer increased fuel efficiencies, lower operating cost, and has a significant higher octane rating than conventional fuel. Natural gas is helping keep dollars in Bexar County resident's wallet. Natural Gas is cleaner than both diesel/gasoline, and coal.

On the renewable energy front San Antonio ranked 7th per capita nationally, and 1st in Texas, for installed solar power capacity. Solar capacity in the area increased 23% in 2015 with further capacity planned. CPS Energy expects to use renewable sources to provide 20% of its power by 2020, up from 15% in 2015.

[11] *San Antonio Chamber of Commerce*

Military Industry

The military represents a significant component of the County's economy with an annual economic impact over $48.7 billion for the County and providing 77,659 direct and 205,336 indirect defense-related jobs. The active military installations in the County include Fort Sam Houston and Lackland and Randolph Air Force Bases, as well as the "privatized" installation of Brooks.

The BRAC 2005 established Joint Base San Antonio ("JBSA"), which consolidated installation management at the three military bases in San Antonio, thereby creating the largest base equalization in the Department of Defense ("DoD"). JBSA services more DoD students than any other installation, houses the DoD's largest hospital, and supports more than 250,000 personnel, including 425 retired general officers. Additionally, the 2005 BRAC established an internationally renowned teaching and research hospital in San Antonio, thus creating the largest school for training medical technicians in the world. Each year, San Antonio will graduate over 152,000 students across all three installations. BRAC 2005 also brought management and command centers for the Army North, Army South, Military Property Management, and Military Health Care. As a result, it provides jobs in six targeted industries: health care, health care education, communications, technology, intelligence, and security.

Fort Sam Houston

The recommendations significantly expanded Fort Sam Houston, and its component field traning ground Camp Bullis, to become the nation's premier military medical training base and the home of Army Installation Management Command, and management of family support activities and community programs. The economic impact from Fort Sam Houston due to the BRAC 2005 expansion has been tremendous at nearly $8.3 billion. The economic impact is mainly due to the enormous amount of construction that has been taking place on post to accommodate the new missions and accounts for approximately 80% of the impact at $6.7 billion. While the construction impact will be relatively short-lived, once BRAC 2005 is completed the economic impact from the operation of Fort Sam Houston will increase by nearly $1.6 billion annually. The completion of BRAC 2005 brought 7,648 military personnel and 1,624 civilian personnel to Fort Sam Houston from another economic area, for a total force of 161,971 as of 2015.

Currently, all U.S. Army combat medic training is conducted at Fort Sam Houston. As a result of BRAC 2005, all military combat medic training will be undertaken at the new Medical Education and Training Campus at Fort Sam Houston Army Base.

Brooke Army Medical Center (BAMC) conducts treatment and research in a 1.5 million square foot facility at Fort Sam Houston Army Base, providing health care to nearly 640,000 military personnel and their families annually. BAMC is a Level I trauma center (the only one in the Army medical care system) and contains the world-renowned Center for Battlefield and Health Trauma. BAMC also conducts bone marrow transplants in addition to more than 600 ongoing research studies.

The San Antonio Military Medical Center (SAMMC) has been established as a result of the 2005 Base Realignment and Closure ("BRAC 2005") and combines the Level 1 Trauma elements of BAMC and Wilford Hall. Wilford Hall has been renamed SAMMC-South and BAMC has been renamed SAMMC-North. SAMMC-North is doubling its Level 1 trauma facility by incorporating the Level 1 trauma missions from SAMMC-South. SAMMC-South is an outpatient only facility and has received outpatient missions from SAMMC-North. Wilford Hall Medical Center was replaced with the Lackland Ambulatory Care Center. Completed in 2013, this $486 million Care Center will provide world-class medical care for the community.

In addition, San Antonio received new medical research missions. BRAC 2005 transformed the United States Army Institute of Surgical Research (USAISR) into a tri-service Joint Center of Excellence for Battlefield Health and Trauma Research. This new research facility will be adjacent to SAMMC-North. The new mission will continue its cutting edge research in the areas of robotics, prosthetics, and regenerative medicine.

Lackland Air Force Base

Lackland AFB is situated on 9,700 acres in southwest Bexar County. Lackland is home to the 502nd Installation Support Group (Air Force wide installation management), the 24th Air Force (cyber), 25th Air Force (intelligence), and 737th Training Group (training) Lackland supports a total force of 117,994 and as the sole installation for US Air Force enlisted basic traning. Lackland AFB will graduate nearly 40,000 trainees per year.

Randolph Air Force Base

Randolph AFB is located in north west Bexar County and supports a total force of 15,942 people. Randolph is headquarters to the Air Education and Training Command (pilot training, the Air Force Personnel Center (Air Force HR), and several other smaller units.

Port San Antonio

In 2001, Kelly Air Force Base officially closed and the land and facilities were transferred to the Greater Kelly Development Authority, a local redevelopment authority responsible for overseeing the redevelopment of the base into a business and industrial park. The business park is now known as Port San Antonio (the "Port"). Port San Antonio is a tax-exempt, self-sustaining enterprise that uses no public tax dollars to run its operations. It was incorporated in 1997 by the City of San Antonio as a separate political jurisdiction of the State of Texas. Its 11-member Board of Directors is appointed by the Mayor and City Council Port San Antonio has immediate access to rail and highway systems that connect Mexico and Canada, the east and west U.S. coasts, and which extend to Corpus Christi on the Gulf of Mexico. Given its 11,000-foot runway at Kelly Field, dual rail access at its 350-acre East Kelly Railport, and Foreign-Trade Zone designation across both, Port San Antonio is considered to be an ideal manufacturing and distribution site.

In February 2009, the Port opened an on-site U.S. Customs and Homeland Security facility to enable international air cargo to develop at Kelly Field Industrial Airport. Mexpress International, Inc. now provides air cargo service between Mexico and San Antonio on a three-times-per-week basis. Air cargo service also complements the East Kelly Railport, which opened with a 360,000 square foot speculative building offered by a private developer that today is at full occupancy. The developer, Santa Barbara Development, also completed construction on a second 265,000 square foot building in 2009. With over 11 million square feet of industrial/commercial space, the Port is the largest commercial property-leasing firm in San Antonio. With a stable tenant base of over 70 companies and seven remaining Air Force agencies, the Port has over 12,000 workers.

BRAC 2005 has brought an additional 2,900 military and DoD civilian personnel to the Port. The Air Force maintains a significant presence at the former Kelly Air Force Base as it continues to lease over 70 facilities (over 2,000,000 square-feet) and 213 acres of property. In addition, the Air Force and the Port jointly utilize the Kelly Field runway for military and commercial airfield operations.

The largest Air Force leaseback is at Building 171, a facility previously closed from the 1995 Base Realignment and Closure of Kelly AFB. Much of the new BRAC 2005 growth occurring on PSA property will be at Building 171. The Air Force & the Port spent $100 million to renovate the building, 450,000 square feet of office space.

In September 2009, Boeing Global Services and Support, San Antonio, Texas, was awarded a $150 million contract for programmed depot maintenance, un-programmed depot level maintenance, and modifications installations on the C/KC-135 series aircraft, resulting in the retention of approximately 400 aerospace jobs at the Port. Boeing also brought a portion of their 787 Dreamliner workload to the Port for follow-on refurbishment and testing following manufacturing. This new investment will create up to another 400 aerospace jobs in 2011. In addition, the first of six new 747-8 tankers arrived at Boeing's Port facility in 2011 where they underwent change incorporation through 2013. Based on the success of this project, the Port San Antonio Boeing facility will continue to incorporate commercial maintenance, repair, and overhaul into their operations.

In early 2016 the Port announced proposals that could expand facilities that complement the operations of existing tenets with the potential of 500,000 sq. ft. of office space. Other major commercial employers at the Port include Affiliated Computer Services, Lockheed Martin, General Dynamics, Standard Aero, Pratt & Whitney, Chromalloy, Gore Design Completions, and EG&G. At the end of 2015, the tenant employee base had grown to over 12,000 as a result of these companies' presence and expansions.

Brooks City-Base

The property of Brooks Air Force Base was transferred from the U.S. Air Force to Brooks Development Authority in 2002, as part of the Brooks City-Base Project. Even though the Air Force missions have relocated over the last decade, Brooks City-Base, now known as just Brooks, continues to draw private business investment. In addition, Brooks is continuing its goal of sustainability by creating a Tax Increment Reinvestment Zone ("TIRZ"), which will utilize the tax increments generated to assist in funding street infrastructure projects.

Dermatological Products of Texas Laboratories' has developed a new site at Brooks which is a combination research and development warehouse and production facility of nearly 450,000 square feet. The project involved two new buildings with a capital investment of $15 million and was completed in May 2010.

In July 2008, Vanguard Health Systems, Inc. and its affiliate Baptist Health System purchased 28 acres at Brooks and have an option for an additional 20 acres under contract. The new Mission Trail Baptist Hospital, completed in June 2011, replaced the Southeast Baptist Hospital. The new $80 million medical campus spans over 220,000 sq. ft. with 110 licensed beds and four operating rooms.

A $24.5 million Emergency Operations Center (EOC) began operations at Brooks in December 2007. The EOC was financed through Bexar County and the City of San Antonio bond funds and will be a campus of City, County, Regional, State, and Federal departments and/or personnel.

Other Military & Government

The County also is home to Camp Bullis which offers nearly 28,000 acres of unparalleled training infrastructure to ensure the readiness of military and government agencies. The demand for training at Camp Bullis is strong, particularly in light of the ongoing global war on terror and its capacity to support joint military operations and homeland security missions.

The National Trauma Institute (NTI), a collaborative military-civilian trauma institute involving SAMMC-North, SAMMC-South, University Hospital, the UT Health Science Center, and the USAISR, is also located in San Antonio. The NTI coordinates resources from the institutions to most effectively treat the trauma victims and their families. The NTI received $3.8 million in grants in 2008.

Audie L. Murphy Memorial Veterans Hospital, located in the Medical Center, is an acute care facility and supports a nursing home, the Spinal Cord Injury Center, an ambulatory care program, the Audie L. Murphy Research Services (which is dedicated to medical investigations) and the Frank Tejeda Veterans Administration Outpatient Clinic (serves veterans located throughout South Texas). The two military medical care facilities and the Veterans Hospital collaborate in a variety of ways, including clinical research and the provision of medical care to military veterans. In September 2007, the Veterans Administration announced plans to build a new $67 million Level 1 Polytrauma Center at the Audie L. Murphy Veterans Administration hospital campus. The expansion was completed in October of 2011 and these two facilities now serve over 80,000 Veterans in the South Texas area.

The National Security Agency (NSA) also has a formidable presence in South Texas employing over two thousand people in San Antonio. The NSA established a new facility at an old Sony microchip plant that is now known as the Texas Cryptology Center. The 470,000-square-foot facility represents an investment of over $100 million by the NSA to renovate the old plant which houses a data center geared toward cybersecurity.

Trade with Mexico

The County is approximately 150 miles from the United States/Mexico border cities of Del Rio, Eagle Pass, and Laredo. The County's proximity to Mexico provides favorable conditions for international business relations in the areas of agriculture, tourism, manufacturing, wholesale and retail markets. Approximately fifty percent of U.S. exports to Mexico and fifty percent of Mexican imports to the U.S. pass through San Antonio. U.S. goods exports to Mexico in 2014 reached a record of $240.2 billion, up 6 percent from the previous year.[12] Corresponding U.S. imports from Mexico were $294.1 billion, up 5 percent.[13] The increase in trade between the U.S. and Mexico is largely attributed to the passage of the North American Free Trade Agreement (NAFTA) in 1993. Under this free trade agreement, NAFTA countries progressively eliminated tariffs and nontariff barriers to trade, improved access for services, established strong rules on investment, and strengthened protection of intellectual property rights. Pursuant to the terms of NAFTA, all remaining duties and quantitative restrictions were eliminated, as scheduled, on January 1, 2008.[14]

San Antonio is also the headquarters for the North American Development Bank (NADB), a bi-national institution created by NAFTA. The intended purpose of NADB is to help finance environmental infrastructure projects within 60 to 100 miles of the US/Mexican border to further the goals of NAFTA. The Border Environment Cooperation Commission (BECC) and the NADB are working with almost 150 communities throughout the United States-Mexico border region to address their needs for environmental infrastructure. With a lending capacity of $3 billion, NADB finances projects including water, wastewater and solid waste programs. As of June 30, 2016, the NADB had a total of $1.4 billion in loans outstanding and/or grant resources to finance 71 infrastructure projects certified by the BECC.[15]

Employment Statistics

The following table indicates the total civilian employment in the County for the period 2013 through 2017.

	Annual 2017	Annual 2016	Annual 2015	Annual 2014	Annual 2013
Civilian Labor Force	924,590	903,856	878,118	866,455	854,655
Total Employment	892,277	870,020	844,697	825,960	804,941
Total Unemployment	32,313	33,836	33,421	40,495	49,714
Unemployment Rate	3.5%	3.7%	3.8%	4.7%	5.8%
Texas Unemployment Rate	4.3%	4.6%	4.4%	5.1%	6.3%

Source: Texas Workforce Commission.

[12] *Bureau Trade in Goods with Mexico - http://www.census.gov/foreign-trade/balance/c2010.html*
[13] *www.ustr.gov. "2014 National Trade Estimate Report on Foreign Trade Barriers"*
[14] *www.ustr.gov. "2012 Trade Policy Agenda and 2011 Annual Report"*
[15] *North American Development Bank Quarterly Status Report June 2017*

The following table shows employment estimates by industry in Bexar County annually for the years 2013 through 2017.

Industry	2017	2016	2015	2014	2013
Natural Resources and Mining	7,600	6,800	8,500	8,600	6,000
Construction	51,800	51,400	50,000	46,200	43,800
Manufacturing	48,400	47,800	46,900	46,300	46,300
Trade, Transportation and Utilities	182,100	178,300	173,600	166,100	158,10
Information	20,700	21,200	21,400	21,400	21,300
Financial Activities	89,500	87,400	84,100	80,500	77,700
Professional Business Services	134,600	130,700	125,000	120,800	114,70
Education and Health Services	161,100	156,900	150,300	144,500	139,40
Leisure and Hospitality	134,100	128,800	124,100	119,500	116,50
Other Services	37,900	37,000	36,400	36,200	35,600
Federal	35,600	35,200	34,500	34,300	35,000
State	21,300	21,700	22,200	22,100	22,000
Local	114,500	113,400	110,800	108,200	106,29
Total Employment	1,039,300	1,016,400	987,800	954,700	922,60

Source: 'Texas Labor Market Information Tracer, San Antonio-New Braunfels MSA, 2017'

Education

The County encompasses 19 independent school districts, which includes over 400 schools. Enrollment ranges anywhere from nearly 900 in Lackland ISD to over 91,000 in Northside ISD, the fourth largest independent school district in Texas. Students attend school districts in which they reside with no busing in effect. In addition, San Antonio has over 150 private and parochial schools at all education levels. San Antonio has 20 institutions of higher learning offering degrees in all major fields of study, many at the graduate level. Among universities, the University of Texas at San Antonio (UTSA) has over 30,000 students enrolled and has represented many first-time college students within their family. In May of 2009, the Texas A&M University San Antonio became the newest four-year college in San Antonio. Among junior colleges, Alamo Colleges includes five colleges, San Antonio, Palo Alto, St. Philips, Northeast Lakeview, and Northwest Vista, totaling over 60,000 students enrolled.

Year	School Enrollment[(a)]	University Enrollment[(b)]
2009	314,801	113,307
2010	324,015	119,283
2011	330,259	119,352
2012	338,933	119,710
2013	334,351	120,273
2014	344,548	119,482
2015	350,256	120,242
2016	354,665	115,582
2017	354,828	120,950

Source: [(a)] *Texas Education Agency*
[(b)] *Figures Represent Fall Enrollment for the calendar year*

Electric & Gas Services

Electric and gas services to the Bexar County area are provided by CPS Energy ("CPS"), an electric and gas utility owned by the City of San Antonio (the "City") that maintains and operates certain utilities infrastructure. This infrastructure includes a 16-generating unit electric system and the gas system that serves the Bexar County area. CPS also owns a 40% interest in the South Texas Project ("STP") two existing nuclear generating Units 1 and 2 which generates 1,350 megawatts of power for CPS Energy customers. CPS Energy has invested in a 7.625 percent share of two additional units at STP, once loan guarantees are approved by the federal government the additional units should online by 2017 and will provide an additional 200 megawatts of power for customers. These nuclear units supplied 34.6% of the electric system native load for the fiscal year ending January 31, 2010. CPS operations and debt service requirements for capital improvements are paid from revenues received from charges to its customers.[16]

[16] *CPS Energy*

Water Supply

Historically and currently, the City obtains all of its water through wells drilled into a geologic formation known as the Edwards Limestone Formation. The portion of the formation supplying water in the City's area has been the "Edwards Underground Water Reservoir" (the "Edwards Aquifer") and since 1978 has been designated by the Environmental Protection Agency as a sole-source aquifer under the Safe Drinking Water Act. The Edwards Aquifer lies beneath an area approximately 3,600 square miles in size, and including its recharge zone, it underlies all or part of 13 counties, varying from 5 to 30 miles in width and stretching over 175 miles in length, beginning in Bracketville, Kinney County, Texas, in the west and stretching to Kyle, Hays County, Texas, in the east. The Edwards Aquifer receives most of its water from rainfall runoff, rivers, and streams flowing across the 4,400 square miles of drainage basins located above it. Much of the Edwards Aquifer region consists of agricultural land, but areas of population ranging from communities with only a few hundred residents to urban areas with well over one million citizens exist as well. The Edwards Aquifer supplies nearly all the water for the municipal, domestic, industrial, commercial, and agricultural needs in its region.

Naturally occurring artesian springs, such as the Comal Springs and the San Marcos Springs, are fed with Edwards Aquifer water and are utilized for commercial, municipal, agricultural, and recreational purposes, while at the same time supporting ecological systems containing rare and unique aquatic life.

The water level of the Edwards Aquifer has never fallen below the uppermost part of the Edwards Aquifer even during extreme and lengthy drought conditions lasting from 1947 to 1956. The maximum fluctuation of water levels at the City's index well has been about 91 feet, with the recorded low of 612 feet above sea level in August 1956 and a recorded high of 703 feet above sea level in June, 1992. In the summer of 2007, the Edwards Aquifer hit 699 feet above sea level. The historical (1934 to 1999) average water level at the index well in San Antonio is approximately 664 feet above sea level. San Antonio Water Supply ("SAWS"), the major water purveyor in the County as the water agency of the City, sets all pumps at 575 feet to insure continuous access to Edwards Aquifer water in any anticipated condition.

The Edwards Aquifer is recharged from streams and by precipitation infiltrating directly into the cavernous, honeycombed, limestone outcroppings in its north and northwestern area. Practically continuous recharge is furnished by spring-fed streams, with storm water runoff adding additional recharge, as well. The historical annual recharge to the reservoir is approximately 679,000 acre-feet. The average annual recharge over the last four decades, however, including the aforementioned drought period, is approximately 791,300 acre-feet. The lowest recorded recharge was 43,000 acre-feet in 1956, while the highest was 2,485,000 acre-feet in 1992. Recharge has been increased by the construction of recharge dams over an area of the Edwards Aquifer exposed to the surface known as the "recharge zone." The recharge dams, or flood-retarding structures, slows flood waters and allows much of the water that would have otherwise bypassed the recharge zone to infiltrate the Edwards Aquifer instead of being lost to the ground.

Enhancing the City's Water Supply

The City has relied on the Edwards Aquifer as its sole source of water since the 1800's. Beginning in the 1980's and continuing today, however, the conservation and regulation of the water in the Edwards Aquifer has been the subject of intense scrutiny that has led to both extensive litigation and federal and state agency initiation of regulatory action.

Based upon population and water demand projections, along with various regulatory and environmental issues, the City recognizes that additional water sources supplementing its use of the Edwards Aquifer will be required to meet the City's long-term water needs.

SAWS' Resource Development department is charged with the responsibility of identifying additional water resources for the City and its surrounding areas. New water resource projects range from optimizing the City's current source through conservation measures to identification and procurement of completely new and independent water sources. These efforts are guided by the 2005 Water Resource Plan, a comprehensive, widely supported water resource plan for the City, which established programs for formulating and implementing both immediate and long-term water plans to enhance the City's water supply. In October 2000, the City Council created a permanent funding mechanism (the "Water Supply Fee") to be used for water supply development and water quality protection. The fee is based upon a uniform rate per 100 gallons of water used and is applied to all customers. The Water Supply Fee is projected to generate sufficient revenue to support approximately $642 million in capital expenditures, as well as sufficient operational funds to conduct the planning, operation, and maintenance of such water resource facilities. The multi-year financial plan will be updated every 3 years to ensure sufficient revenues are available to meet the water resource requirements. An updated Water Resource Plan is currently being formulated.

SAWS has determined that the City's water needs can be met through the implementation of an array of programs and projects, including a critical management plan, conservation, agricultural irrigation efficiencies, reuse, surface water, non-Edwards Aquifer groundwater, enhanced recharge capabilities, and aquifer storage and recovery. SAWS has already initiated and/or implemented many such programs in an effort to increase the supply of water available to the City.

2017 Ten Largest Employers

Firm Name	Total	Category	Percent of County Employment
Joint Base San Antonio[1]	89,661	Government	10.48%
H.E.B. Grocery Company	24,418	Retail	2.74%
USAA	18,305	Finance/Insurance	2.14%
Northside Independent School District	13,977	Services	1.63%
City of San Antonio	11,462	Government	1.34%
Methodist Healthcare System	9,620	Medical	1.12%
Northeast Independent School District	9,292	Services	1.09%
University Health System	8,570	Medical	1.00%
San Antonio Independent School District	7,375	Services	0.86%
Baptist Health System	6,363	Medical	0.75%
Total	198,063		23.14%
Total County Employment for 2017[2]	855,886		

Source: San Antonio Business Journal Book of Lists 2017-18, Greater San Antonio Chamber of Commerce and confirmation from individual corporate human resource offices.

[1] *Under the BRAC Joint Basing Recommendation for San Antonio, installation support functions at the Army's Fort Sam Houston were combined with those at Randolph and Lackland Air Force Bases under a single organization (Joint Base San Antonio). Includes military personnel and civilian personnel.*

[2] *Total County Employment figure for 2017 - Texas Workforce Commission website.*

Growth Indices

As Of 12/31	CPS Energy[a] Electric Customers	CPS Energy[a] Gas Customers	SAWS[b] Water Customers[1]	SAWS[b] Wastewater Customers[1]
2005	617,261	310,699	320,661	349,544
2006	638,344	314,409	331,476	362,113
2007	681,312	319,122	341,220	375,653
2008	693,815	320,321	346,865	385,978
2009	706,235	321,984	350,859	393,245
2010	717,109	324,634	355,085	398,174
2011	728,344	328,314	358,656	402,942
2012	741,556	330,945	362,794	408,389
2013	754,893	333,587	367,338	415,289
2014	770,588	336,367	371,573	420,665
2015	783,767	337,920	479,100	427,596
2016	778,095	337,400	489,649	435,352
2017	804,000	343,000	493,768	442,552

[a] *Source: CPS Energy Customers Annual Report.*

[b] *Source: San Antonio Water System Comprehensive Annual Financial Report 2016.*

[1] *Amounts reflect the merger of SAWS and SAWS District Special Project effective January 1, 2015.*

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APPENDIX C

BEXAR COUNTY, TEXAS
ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2017

BEXAR COUNTY, TEXAS

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

Fiscal Year Ended

September 30, 2017

OFFICIAL ISSUING REPORT
SUSAN T. YEATTS, CPA
COUNTY AUDITOR

The Alamo
Photo by Robert Parker
Https://robert-parker.smugmug.com

Bexar County, Texas
Comprehensive Annual Financial Report
September 30, 2017

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Susan T. Yeatts, CPA
BEXAR COUNTY AUDITOR

March 29, 2018

Honorable District Judges of Bexar County and
Honorable Members of the Bexar County Commissioners Court

The County Auditor's Office is pleased to present the Comprehensive Annual Financial Report ("CAFR") of Bexar County, Texas for the fiscal year ended September 30, 2017. This report was prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board and is in compliance with State law, V.T.C.A., Local Government Codes §114.025 and §115.045.

This report consists of management's representations concerning the finances of the County. Therefore, responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data and information that are included are reported in a manner designed to present fairly the financial position and results of operations of the County in accordance with generally accepted accounting principles of the United States ("GAAP"). We believe the data is accurate in all material respects.

Management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. The County relies on this framework to measure the financial activity of its various funds and to insure that all disclosures, necessary to enable the reader to gain the maximum understanding of the County's financial affairs, have been included. The internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

1. The reliability of financial reporting,
2. The effectiveness and efficiency of operations, and
3. Compliance with existing laws and regulations.

The concept of reasonable assurance recognizes that:

1. The cost of a control should not exceed the benefits likely to be derived, and
2. The evaluation of costs and benefits requires estimates and judgments by management.

Bexar County currently is reporting financial information as promulgated by the Government Accounting Standards Board. Accordingly, the reporting entity consists of the following entities:

- The primary government, Bexar County;
- Component units which are legally separate organizations for which the County is financially accountable (blended); and
- Component units where the nature and significance of the relationship with the County is such that exclusion from the County's financial statements would be misleading or incomplete (discretely presented).

Three component units, Bexar County Housing Finance Corporation (BCHFC), Bexar County Health Facilities Development Corporation (BCHFDC) and Bexar County Industrial Development Corporation (BCIDC) are blended with the County. The Commissioners Court of the County sits as the governing board for all three entities. Accordingly, the Commissioners Court approves the issuance of single-family mortgage bonds for the BCHFC and authorizes the issuance of tax-exempt bonds for the BCHFDC as well as the BCIDC. None of the bond issuances constitute a debt or a pledge of faith or credit by the County.

The University Health System (the Bexar County Hospital District), The Alamo Regional Mobility Authority (RMA), and the Cibolo Canyons Special Improvement District are considered component units for reporting purposes and are discretely presented in the report. The Commissioners Court for the County appoints the seven member board and sets the tax rates for the County's Hospital District. Likewise, the Commissioners Court also appoints the seven member board of the Cibolo Canyons Special Improvement District and it has the statutory requirement to approve any issuance of debt by the Improvement District. The RMA has a seven member board, of which six are appointed by Commissioners Court. In addition, Commissioners Court has the authority to approve RMA transportation projects. For more information on these component units, refer to Note A of the Basic Financial Statements.

The independent audit of the County's financial statements was performed by the firm of Garza/Gonzalez & Associates, a firm licensed as certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of Bexar County for the fiscal year ended September 30, 2017, are free of material misstatements. The independent auditor concluded, based on the examination of the underlying documentation on a test basis and related disclosures, that the County's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America and therefore able to render an unmodified opinion.

The independent audit of the County's financial statements includes a "Compliance Section." The Compliance Section contains information related to the County's annual "Single Audit," which is a required provision of the Single Audit Act of 1984 as amended by the Act of 1996. The Act comes under the oversight of the Office of Management and Budget Circular A-133, *Audits of States and Local Governments, and Non-Profit Organizations and 2 CFR Part 200, Subpart F (the Uniform Guidance),* and the *State of Texas Single Audit Circular.*

The standards governing the Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal control and compliance with legal requirements and special emphasis on internal controls involving the administration of federal and state awards. Information related to this Single Audit can be found within the "Compliance Section" of this report and includes:

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters,
- Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance,
- Schedule of Expenditures of Federal and State Awards,
- Schedule of Findings and Questioned Costs

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

BEXAR COUNTY GOVERNMENT PROFILE

Historical

Bexar County is located in south central Texas in the interior belt of the Coastal Plain of South Central Texas, and is crossed by the Balcones Escarpment. The area northwest of the escarpment, about one-eighth of the County, lies on the Edwards Plateau in high, hilly country - the source of numerous springs and artesian and underground wells. The San Antonio River and San Pedro Creek originate in such springs. The San Antonio River is the County's principal river, and into it, flow a number of smaller streams. One of these smaller streams, Cibolo Creek, forms the boundary between Bexar and Comal Counties on the north and Guadalupe County on the east.

Bexar County comprises 1,248 square miles. The altitude varies from 600 to 1,200 feet. In the far northwestern corner of the County are the Glenrose Hills, in which the highest elevations of the county are found. To the southeast lie the somewhat lower Edwards Flint Hills. The northern third of the County has undulating to hilly, terrain and limy earths with shallow to deep loamy soils. The northern quarter of the County has Edwards Plateau vegetation of tall and medium-height grasses, live oak, juniper, and mesquite. A central strip is Blackland Prairie with vegetation consisting of tall grasses. The remainder of the County has South Texas Plain's vegetation including grasses, live oak, mesquite, thorny bushes, and cacti.[1]

The first Europeans to explore the region came with an expedition in 1691 led by Domingo Terán de los Ríos and Fray Damián Massanet, who evidently reached the San Antonio River near where the San Juan Capistrano Mission was later founded. Prior to the exploration, the land had been inhabited for thousands of years by various tribes of people, collectively referred to as, the Coahuiltecan People. The Indians, as Massanet recorded in his diary, called the place Yanaguana; however, he renamed the site San Antonio de Padua to celebrate the memorial day of St. Anthony (June 13). By 1724, the San Antonio de Valero mission compound, which had originally been located south of San Pedro Springs, was moved to what is referred today as the Alamo Plaza.[2]

In 1772, the government offices of Spanish Texas were moved to Bexar. The mission lands were distributed to the increasing number of Spanish settlers. Most of the better land nearest the settled areas was controlled by the town's elite, which was made up of the descendants of the original Canary Islanders and the presidential soldiers. The missions developed as self-supporting communities, each ringed with farmland irrigated by a comprehensive system of acequias, or irrigation ditches.

During the late colonial period, Bexar continued to serve as the capital of the province of Tejas as well, as the main shipping point for supplies headed for Nacogdoches (to the east) and Santa Fe (to the west). Soon after the first Anglo-American colonists came to Texas, in 1821, San Antonio became the western outpost of settlement. In 1824, Tejas and Coahuila were united by the Mexican government into one state with the capital at Saltillo. The Department of Bexar was created with a political representative appointed to have authority over the Tejas portion of the state. During the late 1820s and early 1830s, increasing numbers of American settlers began moving to San Antonio, though the city remained predominately Mexican at the beginning of the Texas Revolution. In late October 1835, Texas volunteers laid siege to the city, which was garrisoned by the Mexican army. After fierce hand-to-hand fighting, it was occupied by Texian forces. San Antonio was retaken by government forces commanded by Antonio López de Santa Anna during the battle for the Alamo on March 6, 1836. After the subsequent defeat of Santa Anna's army at the battle of San Jacinto, the city was reoccupied by Texian forces, but the area, claimed by both sides, continued to be fought over for the next six years. [3]

The County is best known for being the home of Mission San Antonio de Valero, better known as the Alamo, the Cradle of Texas Liberty. In 1718, a formal military and civilian population settled in the land, and then in 1731, the Canary Islanders established the first civil government. The County is rich in heritage and history. Organized on December 20, 1836, Bexar County was established, with San Antonio as county seat. Bexar County is one of the original counties of the Republic of Texas. In the latest population estimate, the United States Census Bureau estimates the 2016 population of Bexar County at 1.9 million (a 10.7% increase from the 2010 Census), which makes it the fourth largest county in the State. The County contains 27 incorporated cities. The Census Bureau also estimates the population for the greater San Antonio Metropolitan Area to be 2.43 million.[4]

The origin of the Texas county is found in the "municipality", the unit of local government under Spanish and Mexican rule. These municipalities were rather large districts embracing one or more settlements and the surrounding rural territory. The government of the municipality was vested in a council composed of at least one alcalde (judge), varying number of aldermen, an attorney, a sheriff (alguacil), and supported by a secretary.[1]

Under the Republic (1836), the municipalities became counties, but the Spanish-Mexican influence on their government was recognizable. The new local governments were based on the county form of governments as found in the southern part of the United States. The chief governing body of the county during the Republic was a county board, composed of the Chief Justice (appointed) and elective Justices of the Peace. By 1845, four elective Commissioners were substituted for the Justices of the Peace.

[1] The Hand Book of Texas
[2] Ibid
[3] Habig, Marion A., A History of San Antonio's Five Missions
[4] US Census Bureau (www.census.gov)

The County Commissioners Court, or County Board, was established by the Constitution of 1876 and was composed of a county judge as presiding officer, and four commissioners elected from precincts for four-year terms. During the Republic of Texas, the County Board was composed of the chief justice and the justices of the peace of the County; under the Constitutions of 1845, 1861, and 1866, it was composed of the chief justice and four elected Commissioners. During the Reconstruction period, the Constitution of 1869 was issued, and the Board was made of any three of the five justices of the peace of the County.

The Bexar County Commissioners Court has executive as well as judicial functions. It is responsible for establishing a courthouse and jail, making appointments, filling vacancies in the county offices, signing contracts in the name of the county, building and maintaining roads and bridges, administering the county's public welfare services, performing numerous duties in regard to elections, setting the county tax rate, issuing bonds, and adopting the county budget.

Economic

San Antonio is the county seat for Bexar County. San Antonio is currently the second largest city in Texas and the seventh largest city in the United States. In Bexar County, the unemployment rate, as of September 30, 2017, is at 3.2%, which is below the unemployment rate of 3.9%, at September 30, 2016. The County's rate is below the State's rate of 4.0%, for the same period.[5] The County's diverse economic base ranges from agribusiness, advanced manufacturing, technology and cyber security, tourism, to medicine, and the military. San Antonio is ranked among the lowest in cost of living indicators at an 87.2% composite index, which is 12.8% below the national average.[6]

The County continues to provide new industries with one of the lowest cost workforces of any major U.S. city. According to the most recent data, the health care and bioscience, aerospace, advanced manufacturing, tourism and hospitality, new energy economy, and information technology and cyber security industries generate a combined economic impact of an estimated $106.4 billion on the local economy.[7] According to the latest economic impact study, (2015) the health care and bioscience industry is one of San Antonio's largest industries, with nearly one of every six employees working in the industry either directly or indirectly. Direct healthcare services include hospital care, doctor office care, nursing home care, and ambulatory and outpatient care. There are also indirect, but related healthcare industries, such as health insurance providers, pharmaceutical companies, medical equipment producers and manufacturers, civilian and military medical education, biomedical research organizations, residential care and social service providers, and a variety of related endeavors. The 2015 comprehensive estimate of the bioscience and healthcare economic impact is $37 billion, which takes into account the full impact of both academic and military medicine.[6] Government is the largest industry in the County with the military being the predominate employer. Joint Base San Antonio (JBSA) has a substantial impact on the San Antonio and the Texas economies. According to the Texas Comptroller of Public Accounts, JBSA contributed an overall economic impact of $48.7 billion in 2015, and is the single largest employer in San Antonio.[6] According to a 2016 economic impact study, the manufacturing industry contributes $40.5 billion to the local economy, a 28% increase from the 2011 impact study.[8] The manufacturing sector includes transportation, equipment and metal products, diversified product, and materials and electricity. The transportation sector, including $1.5 billion from aerospace, has shown the biggest gain, growing almost 50% since 2011. The latest research indicates that tourism provides an estimated $13.6 billion to the economy from approximately 29.7 million visitors annually.[9] Because the hospitality industry is a major financial contributor of taxes and other revenues to local governments through Hotel Occupancy tax, property taxes, utility fees, and sales tax, taxes paid by residents of the San Antonio Metropolitan area are reduced. In 2015, five Spanish colonial missions in San Antonio were designated a World Heritage Site by the United Nations Educational, Scientific and Cultural Organization (UNESCO). With the World Heritage Site Designation for the San Antonio Missions, there will be even more opportunity for growth in the Hospitality industry. According to the study, *Potential Economic Impact of World Heritage Site Designation for the San Antonio Missions,* over the next ten years, the economic impact is expected to generate up to $105 million in economic activity.[7] Bexar County will be hosting multiple events for the public throughout 2018 to celebrate the 300th anniversary of the County. The financial service industry employs over 60 thousand people and is considered a stable and significant business sector in the San Antonio Metropolitan area. Another major industry leader in Bexar County is the Information Technology and Cyber

[5] Texas LMCI Tracer, Data Link (www.tracer2.com)
[6] San Antonio Economic Development Foundation, (www.sanantonioedf.com)
[7] San Antonio Chamber of Commerce, (www.sachamber.org)
[8] San Antonio Manufacturing Association, (www.sama.org)
[9] San Antonio Area Tourism Council, (sanantoniotourism.com)

Security industry, with an economic impact of $10 billion. In fact, San Antonio has been recognized as a national leader in the Technology and Cyber Security industry with the U.S. Air Force's Intelligence Agency, the National Security Agency, and the Center for Infrastructure Assurance and Security, among many other diverse technology companies are all located within Bexar County.[6] Looking to the future, local leaders are joining together to offer business incentives to encourage growth in the green industry. Leaders are investing in the New Energy Economy (NEE), and as a result, the NEE has led to more than $1.5 billion in annual economic impact. The idea is to have a pro-business government that is also pro-environment.[6]

The County's proximity to Mexico provides favorable conditions for international business relations in the areas of agriculture, tourism, manufacturing, and wholesale and retail markets. At the end of calendar year 2017, trade between the United States and Mexico was over $242 million in exports. This significant trade amount is largely attributed to the passage of the North American Free Trade Agreement (NAFTA) in 1993.[10] San Antonio is also the headquarters for the North American Development Bank (NADBank). This bi-national institution created by NAFTA is intended to help finance environmental infrastructure within 62 miles of the US/Mexican border. With a lending capacity of $3 billion, NADBank finances projects including water, waste management, cleaner and renewable energy, air quality, industrial and hazardous waste, and energy efficiency. The Mexican consulate has been expanded in San Antonio to assist the transition and to facilitate the development of the NAFTA agreement.[11]

FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

The population growth in the incorporated, as well as the unincorporated areas, is considered by the Commissioners Court annually in appropriating funds to support the delivery of services. The County has developed working arrangements with the majority of the incorporated cities within the County to allow the Court to anticipate needs and to establish a cost effective manner to apply available resources.

Commissioners Court is responsible for establishing the tax rates for the County (operations and debt service) as well as to service the flood control projects in the County (operations and debt service). In addition, the County includes in its debt service tax rate, the debt service requirements for certain San Antonio River Authority ("SARA") Channel Improvement Revenue Bonds used for flood control and soil conservation projects in Bexar County. The tax rate, for the year ended, September 30, 2016 was $0.3145 per $100 of valuation, and for the year ended September 30, 2017, the rate is set at $0.30895. The tax rate of $0.304097, for fiscal year ending September 30, 2018, was approved in Commissioners Court on September 12, 2017.

Current financial policies include:

- Reimbursement resolutions are used on an interim basis to finance projects rather than initially issuing long-term bonds;
- Balanced financial operations will be maintained;
- Expenditures are to be budgeted and controlled to insure that at the end of the fiscal year the unassigned fund balance in the general fund is at a minimum 10% of the fiscal year's expenditures;
- All elected officials and department heads are required to keep expenditures within allocated budgets;
- The County is to maintain an open line of communication with rating agencies and seeks to obtain a high debt rating with a stable outlook. The County currently uses the bond rating services of Fitch IBCA, Inc., Standard & Poor's Rating Service, and Moody's Investment Services. At September 30, 2017, the County had been assigned bond ratings of AAA, AAA, and Aaa, respectively.

Current long-term financial policies of the County are listed below:

- Use technological solutions to improve operations;
- Provide an equitable justice system that is responsive to the needs of the County;
- Delivery of services to the constituents;
- Encourage flexibility and accountability in all offices and departments;
- Promote diversity in the workforce;

[10] US Census Bureau, (www.census.gov/foreign-trade/balance)
[11] North American Development Bank, (www.nadb.org)

- Maintain full disclosure and open lines of communications with the rating agencies;
- Develop a highly efficient and effective cash management program to maximize the County's ability to earn an equitable return on its assets, while at the same time maintaining asset protection.

MAJOR INITIATIVES FOR THE YEAR

Flood Control

In 2007, Commissioners Court approved a ten-year, $500 million Flood Control and Capital Improvement program which identified and prioritized multiple flood control projects to be completed over the ten-year period. The County is now in the final stages of the program, with a total cost of $431 million for 83 projects. Of those 83 projects, eight are in design phase, ten are in construction phase, 49 have been completed, 16 were not recommended for construction, and six were considered transportation projects, and these flood control improvements were funded through the capital improvements program. Moving forward, the County is planning to undertake flood control projects on an annual basis in the range of $20 million to $30 million.

New Capital Projects

The County has budgeted $614 million for its capital improvements program for both horizontal (Roads) and vertical (Buildings) construction. This includes funding in the amount of $47.9 million for new capital improvement projects that include, but are not limited to: the Menger Creek Redevelopment Plan and Urban Farm, the Federal Reserve Building (FRB) Parking Garage, a new Agrilife Extension Facility, a new Public Works Facility, Adult Detention Center Maintenance and Improvements, and the Tri-Centennial Celebration Events, including the commencement of the San Pedro Creek improvements project, as well as technology projects, which are discussed below.

Technology

Major technology projects at various stages from planning to implementation include:

- **Digital Evidence Management System Replacement**: This project will provide funding to replace the County's current digital evidence management software, providing a more reliable evidence system.
- **ECM System Enhancements:** This project will provide funding for the procurement and implementation of a new Enterprise Content Management (ECM) platform, which will be used to capture, manage, access, integrate, and store information. This system will consolidate the County's multiple content platforms into one platform.
- **Business Intelligence System Enhancements:** This project will provide funding for an enterprise-wide Business Intelligence (BI) software solution that will help the County complete its reporting requirements and make decisions more quickly.

EMPLOYMENT GROWTH

According to the Texas Workforce Commission, the County's unemployment rate decreased from 3.9% (September 2016) to 3.2% (September 2017). The total jobs created were 11,156. The State's unemployment rate decreased to 4% (September 2017) from 4.8% (September 2016), and 258,500 nonagricultural jobs were created during the same period.

The County experienced some external corporate employment growth (2,970 positions) from various companies. Below is a list of companies that each brought more than 50 positions to the area (2,839 positions in total) in 2017.

Company Name	Positions
TJX Company	1,000
HULU	500
Wells Fargo	350
Capture RX	314
Standard Aero	235
Bakkavor	140

Company Name	Positions
Freedom Security Alliance	100
Coastal Life Technologies	100
Takumi Stamping Texas	80

Source: San Antonio Economic Development Foundation.

The following table reflects the internal and external creation of 11,156 jobs over the last twelve months, ended September 30, 2017.

Employment

Sectors	2016	2017	Percent Increase or (Decrease)
Natural Resource and Mining	4,667	5,275	13.03%
Construction	39,169	38,776	-1.00%
Manufacturing	34,985	36,015	2.94%
Trade, Transportation, Utilities	140,931	141,426	.35%
Information	19,008	18,567	-2.32%
Financial Activities	76,179	76,936	.99%
Professional and Business Services	115,525	117,757	1.93%
Education and Health Services	136,672	139,950	2.40%
Leisure and Hospitality	111,456	113,604	1.93%
Other Services	24,187	24,727	2.23%
Unclassified	319	768	140.75%
Government	141,632	142,085	.32%
Total Jobs	**844,730**	**855,886**	**1.32%**

Source: Texas LMCI, Data Link, QCEW

FINANCIAL INFORMATION

Budgetary Control

Budgets are adopted for the General, Special Revenue, and Debt Service Funds on a budgetary basis. Although this basis departs from generally accepted accounting principles, it provides meaningful feedback and control to management.

The revenue budget for the General, Debt Service, and Special Revenue Funds are established by the County Auditor's Office. The expenditure budget is set by Commissioners Court and controlled by the County Auditor at the appropriation level by a review of estimated purchase amounts prior to the release of purchase orders to vendors. A purchase order, which would result in an overrun of an appropriation unit, is not released until additional appropriations are made available.

Under State law, the budget cannot be exceeded in any expenditure category. Grants from the Criminal Justice Division (CJD) may overrun a category allowance by 5%, but the total of the grant may not overrun. In Community Development Block Grant Funds (CDBG), the budget cannot be exceeded in any one project. In the Grants-In-Aid Fund, budget totals are changed during the year as funds are increased and/or decreased due to changes in availability of funds from State or Federal sources.

Debt Administration

Commissioners Court has established policy to provide guidelines to control tax rates levied. Currently limited tax bonds, general obligation bonds, and certificates of obligation are part of the maximum rate of $0.80 per $100 valuation that can be

set by Texas counties. In FY 16, the General Fund maintenance and operation tax rate was set at $0.239991 and the debt service rate was set at $0.057509. The maintenance and operation tax rate for Flood Control was set at $0.0 and at $0.017 for debt service. The overall rate was set at $0.3145 per $100 dollars of taxable appraised value.

For the fiscal year ending September 30, 2017, Commissioners Court set the General Fund maintenance and operation tax rate at $0.236, and the debt service rate at $0.05725. The maintenance and operation tax rate set for Flood Control was set at $0.0 and at $0.0157 for debt service. The overall rate for FY 17 is at $0.30895 per $100 dollars of taxable appraised value. An analysis of the changes in outstanding bonds and obligations is shown in Note H to the financial statements.

Commissioners Court approved the overall rate of $0.304097 per $100 dollars of taxable appraised value, on September 12, 2017, for FY 18. The General Fund maintenance and operation tax rate is set at $0.23625, and the debt service rate is set at $0.054979. The tax rate for Flood Control maintenance and operation is set at $0.001, and for debt service, the tax rate is set at $0.011868.

ACKNOWLEDGEMENTS AND AWARDS

We wish to express our thanks to Commissioners Court and the District Judges for their interest and support in planning and conducting the financial affairs of the County in a responsible and professional manner. The Court, other elected officials, and department heads need to be recognized for their continual support that has been provided as the County continues to refine and implement improved financial changes. The timely completion of this report could not have been achieved without the dedicated efforts of the County Auditor's staff and the professional services provided by our independent auditors, Garza/Gonzalez & Associates.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bexar County for its comprehensive annual financial report for the fiscal year ended September 30, 2016. This was the thirty-first consecutive year that Bexar County has achieved this prestigious recognition.

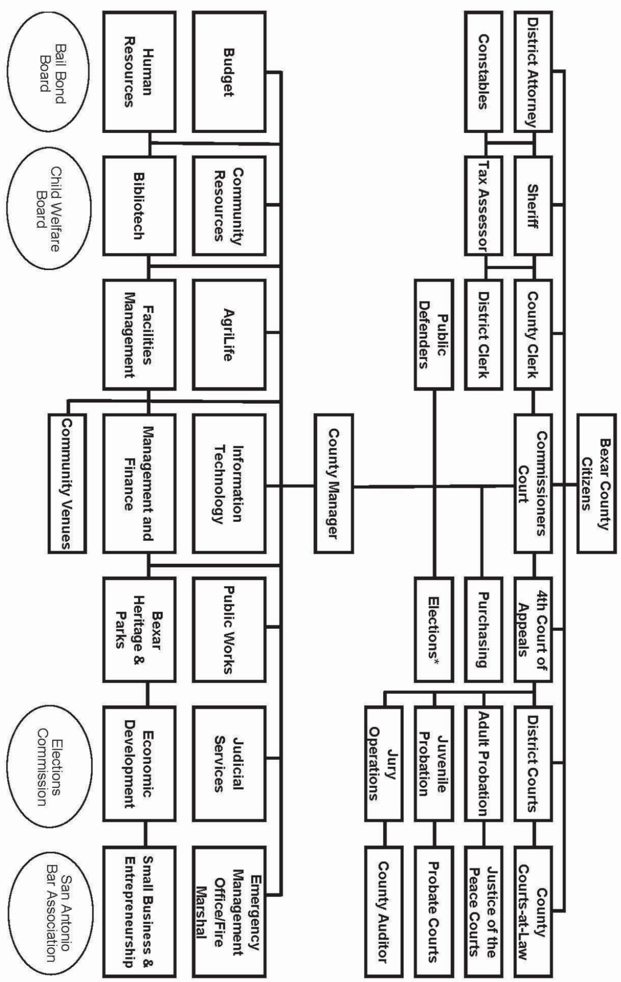
In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

REQUEST FOR INFORMATION

The financial report is designed to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional information should be addressed to the Bexar County Auditor's Office, 101 W. Nueva St., Suite 800, San Antonio, Texas, 78205, or call (210) 335-2441.

Susan T Yeatts

Susan T. Yeatts, CPA
County Auditor



*The Elections Administrator is appointed by the Elections Commission

Bexar County, Texas

PRINCIPAL OFFICIALS

COUNTY JUDGE	NELSON W. WOLFF
COMMISSIONER, PRECINCT 1	SERGIO "CHICO" RODRIGUEZ
COMMISSIONER, PRECINCT 2	PAUL ELIZONDO
COMMISSIONER, PRECINCT 3	KEVIN WOLFF
COMMISSIONER, PRECINCT 4	TOMMY CALVERT, JR.
ASSESSOR-COLLECTOR OF TAXES	ALBERT URESTI
COUNTY CLERK	GERARD C. RICKHOFF
DISTRICT ATTORNEY	NICHOLAS “NICO” LAHOOD
DISTRICT CLERK	DONNA KAY M[c]KINNEY
SHERIFF	JAVIER SALAZAR
COUNTY AUDITOR	SUSAN T. YEATTS
COUNTY MANAGER	DAVID SMITH
PURCHASING AGENT	MARY QUINONES

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Bexar County

Texas

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrill

Executive Director/CEO

Photo by Peter Petroff

Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable County Judge and Commissioners
Bexar County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bexar County, Texas (the County), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the University Health System (the System), the Cibolo Canyons Special Improvement District (the District), and the Alamo Regional Mobility Authority (the Authority), which represent 100 percent of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the System, the District, and the Authority is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the District, audited by other auditors, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

207 Arden Grove
San Antonio, TX 78215
210/227-1389
Fax 227-0716

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information -- general fund, the schedule of funding progress for the Bexar County Retired Employee Healthcare Plan, and the Texas County and District Retirement System pension information, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, schedules of revenues, expenditures and changes in fund balance -- budget and actual, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State of Texas Single Audit Circular and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedules of revenues, expenditures and changes in fund balance – budget and actual, and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, the schedules of revenues, expenditures and changes in fund balance – budget and actual, and the schedule of expenditures of federal and state awards are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2018, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Garza/Gonzalez & Associates

March 29, 2018

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This section of the Bexar County comprehensive annual financial report presents management's discussion and analysis ("MD&A") of the financial performance of the primary government during the fiscal year ended September 30, 2017. The MD&A should be read in conjunction with the transmittal letter at the front of this report and the County's basic financial statements and related notes following this section. The MD&A is a narrative overview and analysis of the financial activities of Bexar County for the fiscal year ended September 30, 2017 offered by management of Bexar County (the County).

For information specific to the University Health System (the System), a significant discretely presented component unit of the County, please refer to the MD&A included in the separately issued financial statements of the System. A copy of those financial statements may be obtained by contacting the University Health System's Financial Offices: 4502 Medical Drive, San Antonio, Texas 78229.

For information specific to Cibolo Canyons Special Improvement District (the District), a discretely presented component unit of the County, please refer to the MD&A included in the separately issued financial statements of the District. A copy of those financial statements may be obtained by contacting the District's General Counsel: 7550 W-IH 10, San Antonio, Texas 78229.

For information specific to the Alamo Regional Mobility Authority (the Authority), a discretely presented component unit of the County, please refer to the MD&A included in the separately issued financial statements of the Authority. A copy of those financial statements may be obtained by contacting the Alamo Regional Mobility Authority c/o Bexar County Public Works: 233 N. Pecos La Trinidad, Suite 420, San Antonio Texas 78207.

FINANCIAL HIGHLIGHTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

- The total government-wide assets and deferred outflows of resources of the County exceeded the liabilities and deferred inflows of resources at September 30, 2017 by $400,224,037 and are reported as total net position of the primary government. This is comparable to the previous year when assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $486,480,593. The total net position is comprised of unrestricted net position (funds that may be used to meet ongoing obligations to citizens and creditors), restricted net position (funds to be used for a specified purpose), and net investment in capital assets.

- The government-wide total net position decreased by $86,256,556 during the fiscal year ending September 30, 2017. The change can be attributed to a decrease in governmental activities of $89,933,748 and an increase in business-type activities of $3,177,192. Comparative changes can be examined as follows:

- Total net position of the primary government is comprised of:

1) Net investment in capital assets, which includes land, buildings, improvements, roads, bridges, equipment, furniture and fixtures as well as construction in progress, net of accumulated depreciation:

September 30, 2017	$1,031,365,933
September 30, 2016	$1,001,809,310

2) Net position restricted by constraints imposed from outside the County such as debt obligations, regulations and/or federal and state laws:

September 30, 2017	$326,139,364
September 30, 2016	$263,659,277

3) Unrestricted net position represents the portion available to meet current requirements and obligations to the County's creditors and citizens:

September 30, 2017	($957,281,260)
September 30, 2016	($778,987,994)

FINANCIAL HIGHLIGHTS (Continued)

FUND FINANCIAL STATEMENTS

- As of September 30, 2017, the County's governmental funds reported combined fund balances of $779,874,225 as compared with $797,488,267 at September 30, 2016. The decrease of $17,614,042 is primarily due to the deficiency of revenues and other financing sources over expenditures and other financing uses of $47,969,844 in the Capital Projects Fund. Approximately 11%, or $85,441,267, of the combined fund balances are unassigned at September 30, 2017 and are available to meet the County's current and future needs. The total fund balance for the Nonmajor Governmental Funds is $58,997,301 at September 30, 2017 and $55,696,764 at September 30, 2016. The fund balance for the Governmental Nonmajor Funds is dedicated to service specific County functions.

- At the end of the current fiscal year, fund balance for the General Fund was $90,650,939 or 23% of total General Fund expenditures for the year ended September 30, 2017. The County's General Fund experienced a $6.5 million increase in fund balance from the prior fiscal period. The increase is due to the excess of revenues over expenditures of $24,745,330 reduced by net transfers out to other funds of $18,264,222.

- At September 30, 2017, the County's Internal Service Funds had a deficit net position of $76,050,196, an increase in the deficit of $6.4 million from the prior year. The increase in the deficit is primarily attributed to the deficiency of operating revenues and transfers in from other funds over operating expenses of $6,439,140, which includes the increase in the net other post-employment benefit (OPEB) obligation of $7,300,708 in the OPEB Fund. Note S to the financial statements discloses this deficit.

LONG-TERM DEBT

During the year, the County issued $93,280,000 and $20,330,000 in Combination Tax and Revenue Certificates of Obligation for the purposes of making permanent public improvements and for other public purposes. Note H to the financial statements provides details of long-term debt and information regarding Fiscal Year 2016-17 debt obligation activity

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to introduce the reader to the County's basic financial statements. These statements are comprised of three basic components:

1) Government-wide financial statements,
2) Fund financial statements, and
3) Notes to the basic financial statements.

Required Supplementary Information is included in addition to the basic financial statements. The County includes its Single Audit report in the Compliance Section.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the financial position of the County in a manner similar to a private-sector business. The statements include a Statement of Net Position and a Statement of Activities. Both of these statements are presented using the accrual basis of accounting; therefore, revenues are recorded when earned and expenses are recorded when a liability is incurred.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

The Statement of Net Position presents information on all County assets, deferred outflows of resources, liabilities and deferred inflow of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position will serve the reader as a useful indicator of whether the financial position of the County is improving or deteriorating (Table 1 – Statistical Section). There are other non-financial factors, such as changes in the County's property tax base (Tables 5 to 8 – Statistical Section) and the condition of the County's roads, which should be considered to assess the overall health of the County. Another important factor to be taken into consideration is the County expenditures for assets owned by other entities. Table 19 in the Statistical Section lists those expenditures beginning with fiscal year 2007.

The Statement of Activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Due to a full accrual presentation, revenues and expenses are reported in this statement for some items that will affect cash flows in future fiscal periods (Table 2 - Statistical Section). Allocated within the governmental activities functions in the Statement of Activities are expenses for services provided by the Internal Service Funds.

Both government-wide financial statements distinguish functions of the County that are governmental activities principally supported by taxes, operating and capital grants, and charges for services that are intended to recover all or in part a portion of their costs through user fees, and investment earnings.

The governmental activities of the County include general government, judicial, public safety, education and recreation, public works, and health and public welfare. The business-type activities of the County include various community venue activities and the AT&T Center, which is the home court of the San Antonio Spurs and the Stock Show and Rodeo, the Commissary operated by the Sheriff's office for inmates, two County owned parking facilities and the operation of a firing range.

Component units are included in the County's basic financial statements and consist of legally separate entities for which the County is financially accountable. Three component units - Bexar County Housing Finance Corporation, Bexar County Health Facilities Development Corporation and Bexar County Industrial Development Corporation - are blended with the County. The three discretely presented component units are the University Health System (the System), Cibolo Canyons Special Improvement District (the District) and Alamo Regional Mobility Authority (the Authority). The System is reported as a discretely presented component unit because Commissioners Court appoints members of the System's Board and approves the System's tax rate, annual budget and issuance of bonded debt. The District is reported as a discretely presented component unit because Commissioners Court appoints and reappoints the seven member board of directors and is statutorily required to approve the issuance of any debt by the District. The Authority is reported as a discretely presented component unit because Commissioners Court appoints and reappoints six of its seven members of its board of directors. The seventh member, the Chairman, is appointed by the Governor of the State of Texas. Additionally, the Commissioners Court, by statute, approves the projects that the Authority funds with its primary revenue source, the vehicle registration fee. For more detailed information on these component units, refer to Note A of the basic financial statements.

FUND FINANCIAL STATEMENTS

The fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

FUND FINANCIAL STATEMENTS (Continued)

Governmental Funds (Continued)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This will allow the reader to better understand the long-term impact of the government's near-term financing decisions. The governmental funds' Balance Sheet and the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities and can be found on pages 35 and 37. Information is presented separately in the governmental funds' Balance Sheet and in the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances for the major funds: General Fund, Debt Service Fund, and Capital Projects Fund.

Data from the Nonmajor Governmental Funds, which include 29 special revenue funds and three blended component units, are combined into a single, aggregated presentation. Individual fund data for each of these Nonmajor Governmental Funds is provided in the combining statements which can be found on pages 124-136.

The County maintains various special revenue funds - virtually all are created by statute and are required to annually submit a budget to the Commissioners Court for review and adoption. Most of these funds receive financial resources from fees specifically designated by the State's legislature to be used for a specified purpose.

In addition, the County is awarded grants by the State and the Federal governments. These grants cover periods as short as six months to multiple years. All grant programs have formal budgets which are reviewed annually.

Various law enforcement agencies, including the District Attorney's Office, are awarded forfeited funds either by the State of Texas or the Federal government. These funds are to be used to support the law enforcement activity of the office. While there is no requirement for the federal funds to be budgeted, State law requires all public funds to be appropriated and presented to Commissioners Court. Therefore, every year the departments appropriate funds on hand that will be used in the following year.

Proprietary Funds

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County's proprietary funds are maintained in two formats:

- An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements.

  The Community Venue Fund is considered to be a major enterprise fund of the County. The fund is used to account for proceeds derived by the County from its sale of venue project revenue bonds for the primary purpose of financing a portion of the costs of certain projects authorized at the 2008 Venue election.

  The Sheriff's Commissary Fund is used to account for commissary sales to inmates housed in the Bexar County jail.

  The Parking Facilities Fund is used to account for the operation and maintenance of parking facilities. The facilities are intended to be financed primarily through user charges.

  The Firing Range Fund is used to account for the operation and maintenance of a firing range. The facility is intended to be financed primarily through user charges.

- An Internal Service Fund is used to account for goods or services provided to one department by another on a cost reimbursement basis. The fund is profit and loss oriented and hence follows accrual accounting.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

FUND FINANCIAL STATEMENTS (Continued)

Proprietary Funds (Continued)

The County uses internal service funds to account for: the maintenance of County vehicles; other post-employment benefits; the administration of the County's self-insurance programs for health, workers compensation and property liability claims; and the records management facility. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements on pages 176-180. The County's four internal service funds are combined into a single, aggregated presentation in the proprietary funds' financial statements.

Fiduciary Funds

A Fiduciary fund (Trust or Agency) is used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support programs and services provided by the County. The County's fiduciary funds are agency funds which are purely custodial and thus do not involve measurement of results of operations. The County's fiduciary financial information is reported in a separate Statement of Fiduciary Net Position on page 43. Individual fund data for the agency funds is provided with the combining statements on pages 182-188.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. Notes to the financial statements begin on page 47.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information is presented to reflect budgetary compliance for the County's General Fund. The County adopts an annual budget for this fund. A budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. This section also includes the Schedule of Funding Progress for the Retired Employee Healthcare Plan, the Schedule of Changes in Net Pension Liability and Related Ratios and the Schedule of Employer Pension Contributions. Required supplementary information begins on page 104.

COMPLIANCE SECTION

The compliance section contains the report on compliance with the U.S. Office of Management and Budget (OMB) Circular Compliance Supplement and the State of Texas Single Audit Circular that are applicable to each major federal and state program for the fiscal year ended September 30, 2017, along with the schedule of expenditures of federal and state awards, and schedule of federal and state award findings and questioned costs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The current financial reporting model focuses on net position and serves as a useful indicator of a government's financial position. For the primary government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $400,224,037 at the close of the most recent fiscal year as compared to $486,480,593 at the close of the last fiscal year. This represents a $86,256,556, or 18%, decrease.

Bexar County, Texas
Management Discussion & Analysis
For Year Ended September 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following are condensed statements of net position for fiscal years 2017 and 2016.

Condensed Statement of Net Position
September 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Current and other assets	$ 873,288,280	$ 85,425,737	$ 958,714,017
Noncurrent assets	9,700,000	30,518,115	40,218,115
Capital assets	1,678,769,436	215,818,195	1,894,587,631
Total assets	2,561,757,716	331,762,047	2,893,519,763
Deferred outflows of resources	111,751,370	3,471,293	115,222,663
Current and other liabilities	145,303,286	9,308,429	154,611,715
Noncurrent liabilities	2,056,214,725	389,700,597	2,445,915,322
Total liabilities	2,201,518,011	399,009,026	2,600,527,037
Deferred inflows of resources	7,931,792	59,560	7,991,352
Net position:			
Net investment in capital assets	965,387,857	65,978,076	1,031,365,933
Restricted net position	301,680,655	24,458,709	326,139,364
Unrestricted net position	(803,009,229)	(154,272,031)	(957,281,260)
Total net position	$ 464,059,283	$ (63,835,246)	$ 400,224,037

Condensed Statement of Net Position
September 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Current and other assets	$ 886,130,456	$ 84,586,040	$ 970,716,496
Noncurrent assets	9,217,908	30,786,331	40,004,239
Capital assets	1,620,886,669	219,767,185	1,840,653,854
Total assets	2,516,235,033	335,139,556	2,851,374,589
Deferred outflows of resources	136,218,891	4,369,962	140,588,853
Current and other liabilities	137,222,068	10,287,057	147,509,125
Noncurrent liabilities	1,955,356,685	396,187,391	2,351,544,076
Total liabilities	2,092,578,753	406,474,448	2,499,053,201
Deferred inflows of resources	6,382,140	47,508	6,429,648
Net position:			
Net investment in capital assets	934,396,266	67,413,044	1,001,809,310
Restricted net position	239,180,510	24,478,767	263,659,277
Unrestricted net position	(620,083,745)	(158,904,249)	(778,987,994)
Total net position	$ 553,493,031	$ (67,012,438)	$ 486,480,593

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

For governmental activities, total net position of $464,059,283 reflects a 16%, or $89,433,748, decrease from the prior fiscal year. The decrease is primarily due to an increase in operational expenses of $45,558,314 and a decrease in program revenues of $29,592,139 in charges for services and, both operating and capital grants and contributions.

For business-type activities, total net position deficit of $63,835,246 reflects a 5%, or $3,177,192, deficit decrease from the prior fiscal year. The decrease in the net position deficit is primarily due to a combination of a decrease in operational expenses of $4,233,724 and an increase in program revenues of $3,122,921 in charges for services and capital grants and contributions.

Net pension liability increased by $4,608,110 from $161,362,850 in the prior fiscal year to $165,970,960 in the current fiscal year. Deferred outflows of resources related to net pension liability decreased by $15,150,183 from $108,857,375 in the prior fiscal year to $93,707,192 in the current fiscal year. Deferred inflows of resources related to net pension liability increased by $1,561,704 from $6,429,648 in the prior fiscal year to $7,991,352. See Note N for more details.

The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $400,224,037 at September 30, 2017 which is an 18%, or $86,256,556, decrease over the prior fiscal year. The following is a further analysis of the decrease.

Net investment in capital assets of $1,031,365,933 represents the County's investment in capital assets such as buildings, infrastructure, land, construction and equipment in progress, net of accumulated depreciation and related debt. Although the County's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be externally provided from other sources. Liquidation of capital assets is not an alternative to providing funds to service debt and other related liabilities.

Restricted net position of $326,139,364 represents resources that are subject to external restrictions as to the use of the funds. For governmental activities, net position is restricted as follows:

1) The largest portion of restricted net position is $183,002,698 for capital projects.

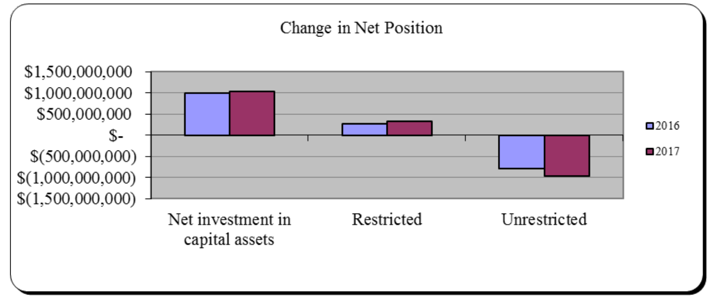
2) The County has net position in various grant programs totaling to $13,998,857; however, this net position is to be used to fund continual budgets related to specific federal and state programs. Excess funding is returned at the end of the grant programs.

3) Legislative net position of $44,172,699 is comprised of a majority of the special revenue funds that were created through the establishment of fees by the State Legislature or through federal funding to serve specific purposes. Accordingly, those revenues generated may only be used as directed by legislation.

4) Net position restricted for debt service is $84,965,110.

The deficit balance in unrestricted net position of $957,281,260 is comprised of a deficit balance of $803,009,229 in governmental activities and $154,272,031 in business-type activities. The deficit balances are primarily attributed to County expenses for assets owned by other entities. The County issues bonds to finance these projects that do not get capitalized on the County's financial statements. The net effect of these transactions leaves a liability balance on the County's financial statements for the bonds the County is still obligated to pay. The total balance for expenses on assets owned by other entities is $1,007,590,424 at September 30, 2017. See Table 19 in the Statistical Section for detailed balances.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)



The difference between total fund balance in the governmental fund Balance Sheet (fund financial statements) and total net position for governmental activities in the Statement of Net Position (government-wide) is a decrease of $315,814,942. This variance exists because of items that are presented in the government-wide financial statements that are not presented in the fund financial statements, such as:

- Capital assets used in governmental activities of $1,678,194,557
- Investments in joint ventures of $9,700,000
- Adjustments to recognize unavailable revenues of $23,325,835
- Long-term liabilities of ($1,950,985,138)
- Net position of the Internal Service Funds ($76,050,196)

A detailed reconciliation can be found in the Basic Financial Statements, page 35.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The condensed statement of activities reflects the changes in net position for fiscal years ended September 30, 2017 and 2016.

Condensed Statement of Activities
For the Fiscal Year Ended September 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues:			
Charges for service	$ 105,715,688	$ 7,853,831	$ 113,569,519
Operating grants and contributions	44,649,367	-	44,649,367
Capital grants and contributions	115,519,024	2,089,354	117,608,378
General revenues:			
Ad valorem taxes	416,975,864	-	416,975,864
Motor vehicle taxes	16,399,324	9,673,817	26,073,141
Other taxes	10,910,187	18,237,592	29,147,779
Investment earnings	8,295,219	864,943	9,160,162
Miscellaneous	19,980,840	10,570	19,991,410
Total Revenues	738,445,513	38,730,107	777,175,620
Expenses			
General government	138,112,719	-	138,112,719
Judicial	113,574,714	-	113,574,714
Public safety	239,226,903	-	239,226,903
Education and recreation	7,712,093	-	7,712,093
Public works	225,090,295	-	225,090,295
Health and public welfare	26,302,915	-	26,302,915
Interest and other charges	77,974,335	-	77,974,335
Unallocated depreciation	114,711	-	114,711
Community venue	-	29,423,382	29,423,382
Commissary	-	4,954,319	4,954,319
Firing range	-	183,283	183,283
Parking facilities	-	762,507	762,507
Total Expenses	828,108,685	35,323,491	863,432,176
Excess (deficiency) before other items and transfers	(89,663,172)	3,406,616	(86,256,556)
Transfers	229,424	(229,424)	-
Change in net position	(89,433,748)	3,177,192	(86,256,556)
Net position - beginning	553,493,031	(67,012,438)	486,480,593
Net position - ending	$ 464,059,283	$ (63,835,246)	$ 400,224,037

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Condensed Statement of Activities
For the Fiscal Year Ended September 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues:			
Charges for service	$ 107,676,290	$ 6,820,264	$ 114,496,554
Operating grants and contributions	39,529,589	-	39,529,589
Capital grants and contributions	148,270,339	-	148,270,339
General revenues:			
Ad valorem taxes	387,473,659	-	387,473,659
Motor vehicle taxes	16,272,869	9,754,326	26,027,195
Other taxes	10,922,880	17,475,219	28,398,099
Investment earnings	5,188,258	347,395	5,535,653
Miscellaneous	12,308,641	72,476	12,381,117
Total Revenues	727,642,525	34,469,680	762,112,205
Expenses			
General government	130,047,303	-	130,047,303
Judicial	104,620,926	-	104,620,926
Public safety	222,339,298	-	222,339,298
Education and recreation	8,120,117	-	8,120,117
Public works	206,348,816	-	206,348,816
Health and public welfare	26,081,172	-	26,081,172
Interest and other charges	84,878,028	-	84,878,028
Unallocated depreciation	114,711	-	114,711
Community venue	-	34,080,868	34,080,868
Commissary	-	4,439,412	4,439,412
Firing range	-	194,346	194,346
Parking facilities	-	842,589	842,589
Total Expenses	782,550,371	39,557,215	822,107,586
(Deficiency) before other items and transfers	(54,907,846)	(5,087,535)	(59,995,381)
Transfers	269,314	(269,314)	-
Change in net position	(54,638,532)	(5,356,849)	(59,995,381)
Net position - beginning	608,131,563	(61,655,589)	546,475,974
Net position - ending	$ 553,493,031	$ (67,012,438)	$ 486,480,593

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

REVENUE ANALYSIS (Continued)

For the year ended September 30, 2017, total revenues for the primary government were $777,175,620 compared to $762,112,205 for the year ending September 30, 2016, a net increase of $15,063,415. Governmental activities provided revenues of $738,445,513 and $727,642,525 in 2017 and 2016, respectively, while business-type activities provided revenues of $38,730,107 and $34,469,680 in 2017 and 2016, respectively.

Property taxes represented the largest revenue source for the governmental activities for the two periods. The tax rate for fiscal year 2017 was $0.30895 and in 2016 it was $0.3145 per hundred ($100) dollars of valuation as authorized by Commissioners Court.

A comparative overview of ad valorem tax revenue, appraised values, and taxable values for the current and prior fiscal periods is as follows:

	Year Ended September 30, 2017	Year Ended September 30, 2016	Percentage Change From Prior Year
Ad Valorem Tax Revenue	$ 416,975,864	$ 387,473,659	7.61%
Appraised Value	$ 149,992,953,069	$ 137,469,970,330	9.11%
Taxable Value	$ 139,279,867,321	$ 127,275,282,650	9.43%

Program revenues for the primary government are principally derived from the program that the revenues service and thereby reduce the cost of the function to the County. For the fiscal years ended September 30, 2017 and 2016 program revenues for the County were $275,827,264 and $302,296,482, respectively. Program revenue is made up of charges for services and operating and capital grants and contributions. Comparative overviews of these revenues are as follows:

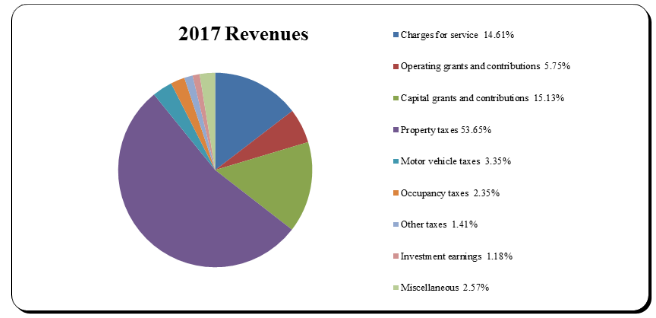
	Year Ended September 30, 2017	Year Ended September 30, 2016	Percentage Change From Prior Year
Charges for Services	$ 113,569,519	$ 114,496,554	-0.81%
Operating and Capital Grants and Contributions	$ 162,257,745	$ 187,799,928	-13.60%

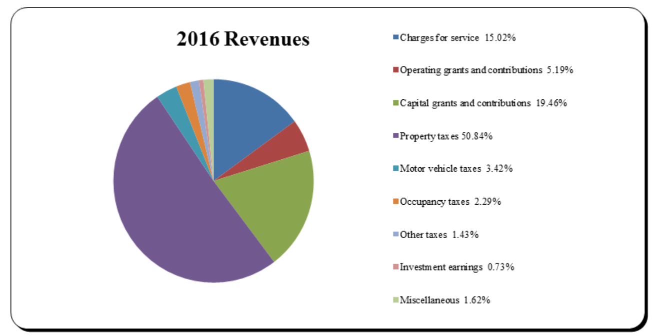
General revenues are revenues that are not assigned to support a specific function, but are available to provide financial resources as necessary. Included in general revenues are ad valorem taxes (discussed previously), other tax related revenues, interest earned from investments, and miscellaneous income. Overall, general revenues for the primary government increased by $41,532,633 compared to the prior fiscal period. The largest increases to general revenues were to ad valorem taxes of $29,502,205. The increase to ad valorem taxes was due to the increase in appraised and taxable values as noted above.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

REVENUE ANALYSIS (Continued)

Government-Wide Revenues by Resource
For the Years Ended September 30,





EXPENSE ANALYSIS

For the year ended September 30, 2017, the function and program costs for the governmental activities were $828,108,685 and $35,323,491 for the business-type activity. Comparative figures for the prior fiscal year are $782,550,371 and $39,557,215, respectively.

Operating expenses for the governmental activities during the fiscal year increased by $45,558,314 over the previous fiscal year due primarily to the following:

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

EXPENSE ANALYSIS (Continued)

- Public safety expenses increased by $16,887,605. The increase is primarily due to a cost of living adjustment, separation payouts, and due to an increase in jail population, mandatory staff overtime, detention services and inmate meals increased.
- Public works expenses increased by $18,741,479. The majority of the increase was attributable to the increase in construction costs of various major capital improvement projects which are not County-owned. Construction costs and project descriptions are listed in detail on Table 19 (County Expenditures for Assets Owned by Other Entities) of the Statistical Section.

Expenses for the business-type activities during the fiscal year decreased by $4,233,724 compared to the previous fiscal year. Most of the decrease is attributed to a onetime capital asset disposal of $11,500,000 recorded in 2016. Such transfer did not occur again in 2017.

The difference between the governmental funds net change in fund balance in the Statement of Revenues, Expenditures and Changes in Fund Balances (fund financial statements) and the change in net position in the Statement of Activities (government-wide) is a decrease of $71,819,706. The variance exists because of items that are presented in the government-wide financial statements that are not presented in the fund financial statements and items reported in the fund financial statements that are not reported in the government-wide financial statements, such as:

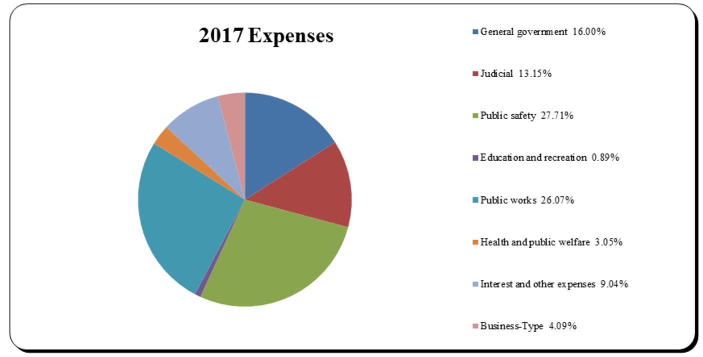
- Expenditures of $77,613,158 at the fund level for capital outlays that are capitalized at the government-wide level.
- Capital donations of $75,005,257 recorded at the government-wide level only.
- Depreciation expense of $94,622,105 recorded at the government-wide level only.
- Investments in a joint venture of $482,092 are recorded at the government-wide level only.
- Recording of transactions associated with long-term debt and liabilities differ at the fund and government-wide levels for a net decrease to net position of $123,985,111.
- Other adjustments due to the change in the basis of revenue recognition that increases net position and a decrease in net position of the Internal Service Funds reported as governmental activities at the government-wide level of $110,573 and $6,423,570, respectively.

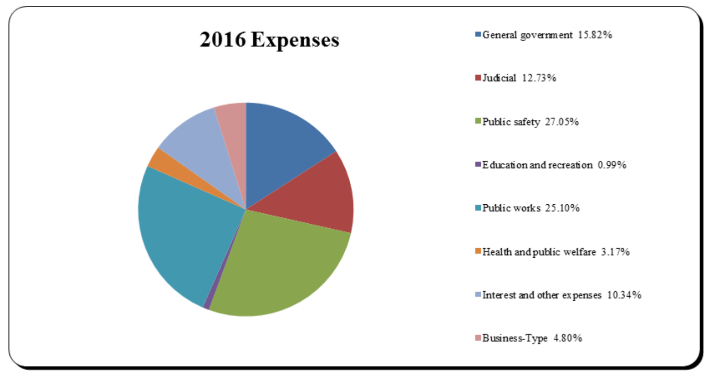
A detailed reconciliation can be found in the Basic Financial Statements, page 37.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

EXPENSE ANALYSIS (Continued)

Government-Wide Expenses by Function
For the Year Ended September 30,





FINANCIAL ANALYSIS OF FUNDS

MAJOR GOVENMENTAL FUNDS

The County's governmental functions are contained in the General, Debt Service, Capital Project, and Nonmajor Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At September 30, 2017, the County's governmental funds reported a combined fund balance of $779,874,225 and at September 30, 2016, reported $797,488,267, a decrease of $17,614,042 or 2%. Of the total fund balance, $85,441,267 or 11% constitutes unassigned fund balance, which is available to meet the County's current and future needs of its citizens. Restricted fund balance of $688,397,541 or 88% of total fund balance is restricted for debt service in the amount of $60,482,700, capital expenditures in the amount of $569,743,285 and special revenue funds in the amount of $58,171,556. Committed fund balance of $825,745 is attributed to a special revenue fund. The remainder of fund balance is in nonspendable form of $5,209,672.

The following schedule compares the revenues by source of the County's governmental funds for fiscal years ending September 30, 2017 and 2016.

Revenues Classified by Source
Governmental Funds
September 30,

	2017	2016	Increase (Decrease)
Revenues by source:			
Ad valorem taxes	$416,185,808	$ 387,534,025	$ 28,651,783
Other taxes, licenses, and permits	44,771,993	43,949,171	822,822
Intergovernmental revenue	73,512,073	70,825,628	2,686,445
Court costs and fines	20,942,708	20,532,249	410,459
Fees on motor vehicles	21,843,855	23,566,635	(1,722,780)
Other fees	38,236,799	35,545,865	2,690,934
Commissions from governmental units	4,850,594	4,678,422	172,172
Revenues from use of assets	24,555,514	20,936,751	3,618,763
Sales, refunds and miscellaneous	19,176,269	11,701,866	7,474,403
Total revenues	$664,075,613	$ 619,270,612	$ 44,805,001

The General Fund

The General Fund is the chief operating fund of the County and a major governmental fund. At September 30, 2017, the total fund balance was $90,650,939, of which $85,441,267 was unassigned and $5,209,672 was in nonspendable form. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total expenditures and other financing uses. Unassigned fund balance is 20% of the combined total of General Fund expenditures and other financing uses. This is in compliance with the County's policy that the unassigned fund balance in the General Fund is to be maintained at a minimum 10% of the expenditures of the fiscal year.

The Debt Service Fund

The Debt Service Fund, a major governmental fund, accounts for receipts and disbursements of funds related to the County's long-term debt obligations for governmental activities. Expenditures include principal and interest payments on County debt, San Antonio River Authority bonds (see Note K to the financial statements), and bond issuance costs. Restricted fund balance increased by $20,574,157, or 52%, from prior year. The increase is primarily due to the excess of other financing sources from the transfers in for debt service over the excess of revenues over expenditures. For more information on the County's long-term debt, see Note H in the Notes to the Financial Statements.

FINANCIAL ANALYSIS OF FUNDS (Continued)

MAJOR GOVENMENTAL FUNDS (Continued)

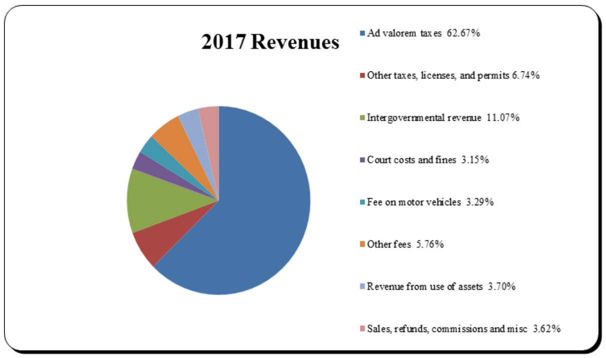
The Capital Project Fund

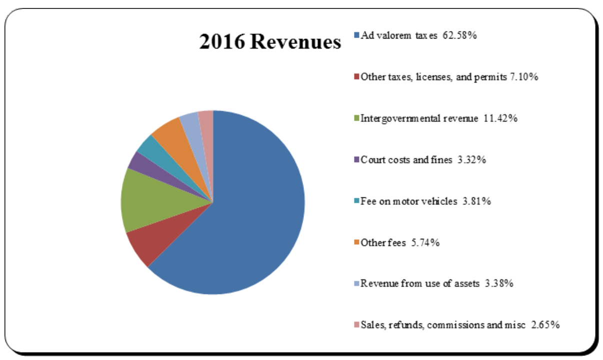
The Capital Project Fund, a major governmental fund, is used to account for receipts and disbursements relating to the acquisition or construction of major capital projects, including assets to be owned by other entities (see Statistical Section, Table 19). At the end of fiscal year 2017, the fund balance was $569,743,285 compared with the 2016 fund balance of $617,713,129, a decrease of $47,969,844. This decrease is primarily attributable to an in increase in capital expenditures of $12,266,431 and an increase in public works expenditures of $12,361,178. More detailed information concerning capital improvement activity can be found in the Notes to the Financial Statements, Notes A, G, and Q.

FINANCIAL ANALYSIS OF FUNDS (Continued)

MAJOR GOVENMENTAL FUNDS (Continued)

**Governmental Funds Revenues by Resource
For the Years Ended September 30,**



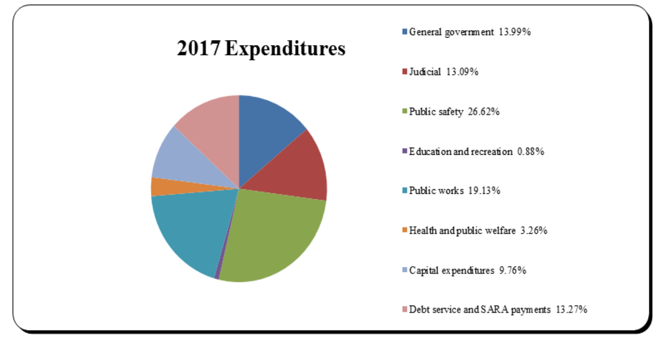


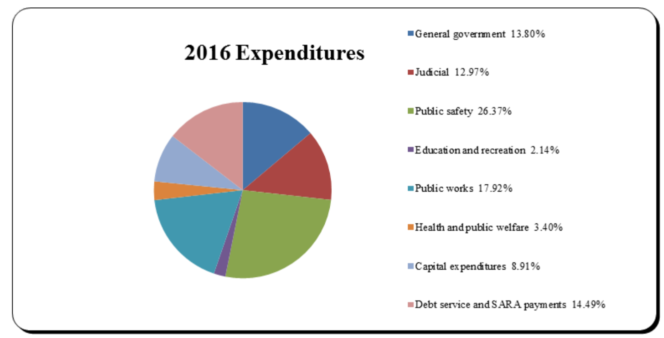
Bexar County, Texas
Management Discussion & Analysis
For Year Ended September 30, 2017

FINANCIAL ANALYSIS OF FUNDS (Continued)

MAJOR GOVENMENTAL FUNDS (Continued)

**Governmental Funds Expenditures by Function
For the Years Ended September 30,**





FINANCIAL ANALYSIS OF FUNDS (Continued)

PROPRIETARY FUNDS

The County accounts for five proprietary funds – four business-type activities (the Community Venue Fund, the Sheriff's Commissary Fund, the Parking Facilities Fund and the Firing Range Fund), and one governmental activity (Internal Service Funds). The County's proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail.

Community Venue Fund (Venue Fund)

The Community Venue Fund currently is the County's only major business-type proprietary fund. This fund is used to account for proceeds derived by the County from its sale of venue project revenue bonds and receipts from visitor taxes - hotel occupancy tax and short-term motor vehicle tax - for the construction, improvements and financing of the various community projects approved by voters in the May 2008 election. The May 2008 bond election authorized the County to issue $415 million in venue bonds to fund 24 projects within the County to include: San Antonio River improvements, construction of youth and amateur athletic facilities, community arena enhancements and renovations to the performing and cultural arts center. As of September 30, 2017, the County had issued $397,950,000 of the $415,000,000. The debt is secured by and payable, in whole or in part, from the revenues derived by the County by imposing and collecting visitor taxes.

As of September 30, 2017 the Venue Fund's net position of ($66,147,984) is made up of $65,751,053 in net investment in capital assets, $24,458,709 of restricted net position for debt service and grant payments, and ($156,357,746) of unrestricted net position. The change in net position was an increase of $2,732,186 from the previous fiscal year which is primarily attributed to an increase in net non-operating revenues and expneses of $12,875,855. Net non-operating revenues ad expenses in 2017 are $8,442,274 compared to a deficit of $4,433,581 in 2016. The major difference between both years is that in 2016 the Venue Fund disposed of an asset with a value of $11,500,000 thus pushing the total non-operating revenues into a deficit.

The Sheriff's Commissary Fund (Commissary Fund)

The Commissary Fund supports the inmates that are in the County Jail. All goods and services of the Commissary Fund are priced out at market value and are available for the inmates to purchase if they have funds available in their Inmate Trust account. The profits made from the sales of goods and services are to be used to support services for the inmates as well as to support the personal needs of indigent inmates.

At September 30, 2017, the Commissary Fund had total net position of $968,500 compared with $641,726 at September 30, 2016. The increase in net position from 2016 is primarily attributed to an operating gain in 2017 of $317,417.

The Parking Facilities Fund

The Parking Facilities Fund is used to account for the operation and maintenance of parking facilities. The facilities are intended to be financed primarily through user charges.

At September 30, 2017, the Parking Facilities Fund had total net position of $1,300,970 compared with $1,226,006 at September 30, 2016. The increase in net position from 2016 is primarily attributed to operating income of $513,810 reduced by transfers to other funds of $450,000, respectively, in 2017.

The Firing Range Fund

The Firing Range Fund is used to account for the operation and maintenance of a firing range. The facility is intended to be financed primarily through user charges. The increase in net position from 2016 of $43,268 is primarily attributed to the deficit of a $178,423 operating loss over a transfer of $220,576 from the General Fund.

FINANCIAL ANALYSIS OF FUNDS (Continued)

PROPRIETARY FUNDS (Continued)

Internal Service Funds

The County uses Internal Service Funds to support activities of the General Fund as well as activities of the Special Revenue Funds and Capital Projects Fund. For the year ended September 30, 2017, the funds reflected a total deficit in net position of $76,050,196 as compared to $69,626,626 at September 30, 2016. Revenues were provided through $49,422,385 in premiums, fees, charges for services, sales and other income. Operating expenses for the current fiscal year were $68,277,834. The largest expenses were claims paid through self-insurance funds of $53,625,546 and $7,300,708 accrued for the net increase in the other post employment benefits liability. The decrease in net position is primarily due to an increase in healthcare expenses and the accrual of the net increase in the other postemployment benefits obligation. For more information, see the combining statements on pages 176-180.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's original and final revenue budget was $418,187,726 with actual revenues of $426,180,212. The difference of $7,992,486 is primarily due to the County receiving $2,921,813 more than estimated for other fees, $1,942,698 more than estimated for sales, refunds and miscellaneous and $1,429,683 more than estimated for court cost and fines.

The final amended expenditure budget was $412,079,714 and actual expenditures were $401,434,882, a difference of $10,644,832. This variance was primarily due to savings in payroll, computer supplies, postage, personnel training and a carry forward to FY2018 of equipment purchases. There was no significant variance between the original expenditure budget and the final budget.

The following table summarizes the General Fund's budgeted and actual amounts for fiscal year 2017.

General Fund Budget vs. Actual
Fiscal Year 2017

	Original Budget	Final Budget	Actual
Revenues			
Ad valorem taxes	$ 314,760,160	$ 314,760,160	$316,601,943
Other taxes, licenses, and permits	28,304,000	28,304,000	28,034,095
Intergovernmental revenue	7,778,389	7,778,389	7,355,123
Court costs and fines	14,237,500	14,237,500	15,667,183
Fees on motor vehicles	6,179,885	6,179,885	5,976,435
Other fees	22,554,025	22,364,025	25,285,838
Commissions from governmental units	4,868,817	4,868,817	4,850,594
Revenues from use of assets	16,885,000	16,880,200	17,651,553
Sales, refunds and miscellaneous	2,619,750	2,814,750	4,757,448
Total revenues	418,187,526	418,187,726	426,180,212
Expenditures	412,143,918	412,079,714	401,434,882
Transfers			
Interfund transfers in	200	-	-
Interfund transfers out	(18,200,006)	(18,264,222)	(18,264,222)
Total transfers	(18,199,806)	(18,264,222)	(18,264,222)
Net change in fund balance	$ (12,156,198)	$ (12,156,210)	$ 6,481,108

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

The capital assets of the County are those assets (land, right-of-way, buildings, improvements, roads, bridges, machinery, and equipment) which are used by the County in performance of the County's functions. At September 30, 2017, capital assets (net of depreciation) for the governmental activities of the County were $1,678,769,436 and at September 30, 2016 it was $1,620,886,669. Retirements for the County were $2,424,843 and $3,456,346, for 2017 and 2016, respectively.

Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal year for the governmental activities was $94,735,655 as compared to $91,119,787 for the year ended September 30, 2016. At September 30, 2017, the County's governmental activities had $275,899,514 invested in ongoing construction in progress compared to $253,863,973 at the end of the prior fiscal year.

The balance in capital assets in the County's business-type activity at September 30, 2017 was $215,818,195, as compared to $219,767,185 at September 30, 2016. The depreciation provided for the current fiscal year was $5,812,998 and $4,500,463 for the prior fiscal period.

Major capital activity during the current fiscal year included additions of approximately $75,005,264 in donated roads and $77,613,158 in expenditures for construction costs associated with roads, buildings and major renovations to existing buildings for governmental activities. For additional information related to capital asset activity, see Note G to the Notes of the Financial Statements.

A condensed analysis of the County's capital assets is as follows:

Capital Assets
(net of accumulated depreciation)

	September 30, 2017	September 30, 2016	Increase (Decrease)
Governmental Activities:			
Land	$ 83,192,193	$ 80,165,955	$ 3,026,238
Buildings	345,805,588	331,608,600	14,196,988
Machinery and Equipment	18,664,151	21,477,432	(2,813,281)
Infrastructure	902,481,036	884,900,481	17,580,555
Construction in Progress	328,626,468	302,734,201	25,892,267
Totals	1,678,769,436	1,620,886,669	57,882,767
Business-Type Activities:			
Buildings	215,591,172	116,340,774	99,250,398
Equipment	227,023	287,652	(60,629)
Construction in Progress	-	103,138,759	(103,138,759)
Totals	215,818,195	219,767,185	(3,948,990)
Total Capital Assets, net	$1,894,587,631	$1,840,653,854	$ 53,933,777

Bexar County, Texas
Management Discussion & Analysis
For Year Ended September 30, 2017

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

LONG-TERM DEBT

At September 30, 2016, the County had total long-term debt and other liabilities outstanding of $2,334,136,091 as compared to $2,241,112,259 in the prior year:

	Outstanding At September 30, 2017	Outstanding At September 30, 2016
Governmental Activities:		
Bonds Payable	$ 585,140,000	$ 600,740,000
Certificates of Obligations	1,087,760,000	985,980,000
Unamortized Premium and Discount	153,772,980	149,402,015
Compensated Absences	40,928,803	39,480,142
OPEB Obligation	71,539,203	64,238,495
Total Governmental Activities	$ 1,939,140,986	$ 1,839,840,652
Business-Type Activities:		
Tax Exempt Bonds	$ 348,610,000	$ 353,140,000
Taxable Bonds	39,100,000	40,620,000
Unamortized Premium and Discount	7,285,108	7,511,609
Total Business-Type Activities	$ 394,995,108	$ 401,271,609

During the current fiscal period for governmental activities, the County issued $93,280,000 and $20,330,000 in Combination Tax and Revenue Certificates of Obligation. Also during the current fiscal year, the County retired $15,600,000 in general obligation bonds and $11,830,000 in certificates of obligation. See Note H and Note R for more information.

For business-type activities, the County retired $6,050,000 in venue debt. See Note H of the financial statements for further information about the County's long-term debt.

County officials, citizens and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position in Tables 9 and 10 of the statistical section of this report.

The County is currently in compliance with all required bond covenants. The County continues to enjoy a favorable debt rating. The bond rating services have assigned Bexar County the following long-term bond ratings:

- Standard & Poor's Rating Services — AAA
- Fitch IBCA, Inc. — AAA
- Moody's Investor Service, Inc. — Aaa

ECONOMIC FACTORS

For the fiscal year ending September 30, 2017, the current tax rate is $0.30895 per $100 valuation. It is anticipated that ad valorem revenues for fiscal year 2018 will be approximately $434,805,120 with actual ad valorem revenues totaling $416,185,808 for fiscal year 2017. For the General Fund in fiscal year 2018, both total available funds and the adopted expenditure budget, including appropriated fund balance, were estimated to be approximately $531,105,853.

Bexar County, Texas
Management Discussion & Analysis
For Year Ended September 30, 2017

ECONOMIC FACTORS (Continued)

The County's unemployment rate decreased from 3.9% to 3.2%, according to the Texas Workforce Commission. The County's unemployment rate is below the State's unemployment rate of 4%. In addition, the County enjoyed some external corporate employment growth (2,970 positions) from various sectors. See the letter of transmittal for the more information.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 101 W. Nueva Street, Suite 800, San Antonio, Texas 78205.

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GOVERNMENT

WIDE

FINANCIAL

STATEMENTS

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Bexar County, Texas
STATEMENT OF NET POSITION
September 30, 2017

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Current Assets:				
Cash, cash equivalents, and temporary investments	$ 130,257,480	$ 23,836,165	$ 154,093,645	$ 229,105,828
Investments	691,142,751	52,355,419	743,498,170	243,415,317
Receivables:				
Delinquent taxes, net of allowance for uncollectable accounts	11,457,716	-	11,457,716	269,844,155
Accounts and other	38,361,722	4,378,435	42,740,157	215,419,716
Inventories	519,818	-	519,818	-
Restricted Assets:				
Cash and cash equivalents	-	4,455,912	4,455,912	-
Accrued interest	1,363,970	-	1,363,970	-
Prepaid assets	23,390	399,806	423,196	-
Deposits	161,433	-	161,433	-
Total Current Assets	873,288,280	85,425,737	958,714,017	957,785,016
Noncurrent Assets:				
Cash and cash equivalents	-	-	-	386,936,000
Investments	-	-	-	30,470,351
Restricted assets:				
Cash and cash equivalents	-	25,030,820	25,030,820	13,872,060
Investments	-	-	-	52,668,495
Other assets	-	-	-	17,004,068
Prepaid assets	-	5,487,295	5,487,295	-
Capital assets:				
Land	83,192,193	-	83,192,193	20,864,000
Equipment and construction in progress	328,626,468	-	328,626,468	47,520,902
Other capital assets, net of depreciation	1,266,950,775	215,818,195	1,482,768,970	1,224,332,315
Investment in joint venture	9,700,000	-	9,700,000	-
Total Noncurrent Assets	1,688,469,436	246,336,310	1,934,805,746	1,793,668,191
TOTAL ASSETS	2,561,757,716	331,762,047	2,893,519,763	2,751,453,207
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refundings	18,742,581	2,772,890	21,515,471	15,144,000
Pension	93,008,789	698,403	93,707,192	37,223,000
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 111,751,370	$ 3,471,293	$ 115,222,663	$ 52,367,000

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET POSITION
September 30, 2017

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	$ 62,571,244	$ 366,223	$ 62,937,467	$ 266,684,786
Due to other governmental units	3,554,687	8,951	3,563,638	-
Unearned revenue	525,561	-	525,561	1,763,023
Current portion of:				
Long-term liabilities	10,232,200	-	10,232,200	34,425,000
Payable from restricted assets:				
Contract retainage payable	7,213,729	-	7,213,729	-
Current portion of long-term debt	38,400,901	6,531,501	44,932,402	-
Accrued interest payable	22,804,964	2,401,754	25,206,718	1,815,752
Total Current Liabilities	145,303,286	9,308,429	154,611,715	304,688,561
Noncurrent Liabilities				
Long-term liabilities	1,890,507,885	388,463,607	2,278,971,492	916,572,898
Due to other governments	-	-	-	17,974,789
Net pension liability	164,733,970	1,236,990	165,970,960	139,998,000
Claims payable	972,870	-	972,870	-
Estimated self-insurance reserves	-	-	-	2,902,000
Total Noncurrent Liabilities	2,056,214,725	389,700,597	2,445,915,322	1,077,447,687
TOTAL LIABILITIES	2,201,518,011	399,009,026	2,600,527,037	1,382,136,248
DEFERRED INFLOWS OF RESOURCES				
Pension	7,931,792	59,560	7,991,352	-
Property taxes	-	-	-	398,797,000
Supplemental Medicaid Funding	-	-	-	5,277,000
TOTAL DEFERRED INFLOWS OF RESOURCES	7,931,792	59,560	7,991,352	404,074,000
NET POSITION				
Net investment in capital assets	965,387,857	65,978,076	1,031,365,933	510,296,108
Restricted for:				
Debt service	60,506,401	24,458,709	84,965,110	-
Grants	13,998,857	-	13,998,857	-
Capital projects	183,002,698	-	183,002,698	-
Health care	-	-	-	28,057,000
Legislative	44,172,699	-	44,172,699	-
Restricted obligations	-	-	-	5,444,961
Unrestricted	(803,009,229)	(154,272,031)	(957,281,260)	473,811,890
TOTAL NET POSITION	$ 464,059,283	$ (63,835,246)	$ 400,224,037	$ 1,017,609,959

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF ACTIVITIES
For Fiscal Year Ended September 30, 2017

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
					Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Governmental activities:								
General government	$ 138,112,719	$ 35,859,657	$ 631,563	$ -	$ (101,621,499)	$ -	$ (101,621,499)	$ -
Judicial	113,574,714	16,021,342	6,704,154	-	(90,849,218)	-	(90,849,218)	-
Public safety	239,226,903	33,508,474	13,385,549	-	(192,332,880)	-	(192,332,880)	-
Education and recreation	7,712,093	548	322,723	-	(7,388,822)	-	(7,388,822)	-
Public works	225,090,295	19,581,006	3,480,417	115,519,024	(86,509,848)	-	(86,509,848)	-
Health and public welfare	26,302,915	744,661	20,124,961	-	(5,433,293)	-	(5,433,293)	-
Interest and other fees	77,974,335	-	-	-	(77,974,335)	-	(77,974,335)	-
Unallocated depreciation	114,711	-	-	-	(114,711)	-	(114,711)	-
Total governmental activities	828,108,685	105,715,688	44,649,367	115,519,024	(562,224,606)	-	(562,224,606)	-
Business-type activities:								-
Venue Fund	29,423,382	1,300,000	-	2,089,354	-	(26,034,028)	(26,034,028)	-
Commissary Fund	4,954,319	5,275,977	-	-	-	321,658	321,658	-
Firing Range Fund	183,283	3,070	-	-	-	(180,213)	(180,213)	-
Parking Facilities Fund	762,507	1,274,784	-	-	-	512,277	512,277	-
Total business-type activities	35,323,491	7,853,831	-	2,089,354	-	(25,380,306)	(25,380,306)	-
Total primary government	863,432,176	113,569,519	44,649,367	117,608,378	(562,224,606)	(25,380,306)	(587,604,912)	-
Component Units:								
University Health System	$ 1,557,041,000	$ 1,253,751,000	$ -	$ -				$ (303,290,000)
Cibolo Canyons Special Improvement District	9,272,389	-	-	-				(9,272,389)
Alamo Regional Mobility Authority	4,580,786	-	-	30,662				(4,550,124)
Total component units	$ 1,570,894,175	$ 1,253,751,000	$ -	$ 30,662				$ (317,112,513)
General revenues:								
Taxes:								
Property taxes					394,856,774	-	394,856,774	370,873,669
Flood control taxes					22,119,090	-	22,119,090	-
Bingo taxes					1,124,906	-	1,124,906	-
Motor vehicle taxes					16,399,324	9,673,817	26,073,141	16,177,450
Occupancy taxes					-	18,237,592	18,237,592	5,752,472
Mixed drink taxes					9,785,281	-	9,785,281	-
Sale and use taxes					-	-	-	1,334,856
Unrestricted investment earnings					8,295,219	864,943	9,160,162	-
Investment income					-	-	-	5,641,625
Miscellaneous					19,980,840	10,570	19,991,410	13,808,000
Transfers between governmental and business-type activities					229,424	(229,424)	-	-
Total general revenues, special items, and transfers					472,790,858	28,557,498	501,348,356	413,588,072
Change in net position					(89,433,748)	3,177,192	(86,256,556)	96,475,559
Net position - beginning					553,493,031	(67,012,438)	486,480,593	920,709,400
Prior Period Adjustment					-	-	-	425,000
Net position - ending					$ 464,059,283	$ (63,835,246)	$ 400,224,037	$ 1,017,609,959

The accompanying notes are an integral part of this statement.

The accompanying notes are an integral part of this statement.

Bexar County, Texas

BALANCE SHEET - GOVERNMENTAL FUNDS

September 30, 2017

	Major Funds				
	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and temporary investments	$ 6,516,831	$ 8,824,693	$ 97,321,475	$ 12,811,069	$ 125,474,068
Investments	94,114,218	51,521,428	499,138,247	46,368,850	691,142,743
Receivables:					
Taxes, net	8,607,731	2,780,978	69,007	-	11,457,716
Accounts receivable, net	13,759,181	-	1,657,772	61,851	15,478,804
Due from other funds	447,840	-	-	-	447,840
Advances to other funds	4,840,184	-	-	-	4,840,184
Due from other governmental units	5,658,871	356,953	7,664,088	9,203,006	22,882,918
Accrued interest	1,363,970	-	-	-	1,363,970
Prepaid assets	21,174	-	-	-	21,174
Inventories	348,314	-	-	-	348,314
Deposits	151,433	-	-	-	151,433
TOTAL ASSETS	$ 135,829,747	$ 63,484,052	$ 605,850,589	$ 68,444,776	$ 873,609,164
LIABILITIES					
Vouchers payable	$ 5,367,503	$ 602	$ 10,755,548	$ 2,229,805	$ 18,353,458
Accrued liabilities	15,996,588	-	13,751,198	6,227,369	35,975,155
Due to other funds	-	-	-	56,330	56,330
Advances from other funds	-	-	4,330,184	400,000	4,730,184
Due to other governmental units	3,553,989	-	-	698	3,554,687
Unearned revenues	1,143	-	-	524,419	525,562
Contract retainage payable	-	-	7,204,875	8,854	7,213,729
TOTAL LIABILITIES	24,919,223	602	36,041,805	9,447,475	70,409,105
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	8,153,837	2,643,797	65,499	-	10,863,133
Unavailable revenue - court costs and fines	12,105,748	-	-	-	12,105,748
Unavailable revenue - other	-	356,953	-	-	356,953
TOTAL DEFERRED INFLOWS OF RESOURCES	20,259,585	3,000,750	65,499	-	23,325,834
FUND BALANCE					
Nonspendable	5,209,672	-	-	-	5,209,672
Restricted	-	60,482,700	569,743,285	58,171,556	688,397,541
Committed	-	-	-	825,745	825,745
Unassigned	85,441,267	-	-	-	85,441,267
TOTAL FUND BALANCE	90,650,939	60,482,700	569,743,285	58,997,301	779,874,225
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 135,829,747	$ 63,484,052	$ 605,850,589	$ 68,444,776	$ 873,609,164

The accompanying notes are an integral part of this statement.

Bexar County, Texas

Reconciliation of Balance Sheet - Governmental Funds to Statement of Net Position

September 30, 2017

Total Fund Balances - Governmental Funds		$ 779,874,225
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		1,678,194,550
Investments in joint ventures are not financial resources and therefore are not reported as assets in governmental funds.		9,700,000
Certain receivables are not available and, therefore, are reported as deferred inflows of resources in governmental funds.		12,462,701
Certain receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in governmental funds.		10,863,133
Internal service funds are used by the County's management to charge the cost of self-insurance, fleet maintenance, records management, and other post-employment benefits to individual funds. The assets and liabilities of the internal service funds are included with governmental activities in the Statement of Net Position but are not included at the fund level.		(76,050,196)
Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Bonds	(1,672,900,000)	
Deferred charge on refunding (to be amortized as interest expense)	18,742,581	
Issuance premium (to be amortized as interest expense)	(153,772,980)	
Accrued interest	(22,804,964)	
Compensated absences	(40,928,803)	
Deferred outflows of resources - pension	92,616,461	
Deferred inflows of resources - pension	(7,898,333)	
Net pension liability	(164,039,092)	
		(1,950,985,130)
Total Net Position - Governmental Activities		$ 464,059,283

The accompanying notes are an integral part of this statement.

Bexar County, Texas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For Fiscal Year Ended September 30, 2017

	Major Funds				
	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Ad valorem taxes	$316,601,943	$ 99,526,937	$ 56,928	$ -	$ 416,185,808
Other taxes, licenses, and permits	28,034,095	-	16,737,898	-	44,771,993
Intergovernmental revenue	7,355,123	2,755,189	21,551,993	41,849,768	73,512,073
Court costs and fines	15,667,183	-	559,117	4,716,408	20,942,708
Fees on motor vehicles	5,976,435	-	15,867,420	-	21,843,855
Other fees	25,285,838	-	769,213	12,181,748	38,236,799
Commissions from governmental units	4,850,594	-	-	-	4,850,594
Revenues from use of assets	17,651,553	5,551,787	901,538	450,636	24,555,514
Sales, refunds and miscellaneous	4,757,448	30,407	14,227,209	161,205	19,176,269
TOTAL REVENUES	426,180,212	107,864,320	70,671,316	59,359,765	664,075,613
EXPENDITURES					
Current					
General government	88,982,391	-	16,305,964	5,991,976	111,280,331
Judicial	97,131,934	-	-	6,969,647	104,101,581
Public safety	196,872,158	-	159,529	14,733,034	211,764,721
Education and recreation	6,000,928	-	253	994,391	6,995,572
Public works	6,284,502	-	140,539,062	5,370,523	152,194,087
Health and public welfare	5,357,421	-	6,100	20,583,951	25,947,472
Capital expenditures	805,548	-	76,356,725	450,885	77,613,158
Debt service:					
Principal	-	27,430,000	-	-	27,430,000
Interest	-	74,023,589	-	-	74,023,589
Bond issuance cost	-	1,043,539	-	-	1,043,539
Debt service SARA	-	3,081,120	-	-	3,081,120
TOTAL EXPENDITURES	401,434,882	105,578,248	233,367,633	55,094,407	795,475,170
Excess (deficiency) of revenues over expenditures	24,745,330	2,286,072	(162,696,317)	4,265,358	(131,399,557)
OTHER FINANCING SOURCES (USES)					
Interfund transfers in	-	17,315,685	5,206,074	988,289	23,510,048
Interfund transfer out	(18,264,222)	-	(15,479,601)	(1,953,110)	(35,696,933)
Issuance of long term debt	-	-	113,610,000	-	113,610,000
Premium on bond issues	-	972,400	11,390,000	-	12,362,400
TOTAL OTHER FINANCING SOURCES (USES)	(18,264,222)	18,288,085	114,726,473	(964,821)	113,785,515
Net change in fund balances	6,481,108	20,574,157	(47,969,844)	3,300,537	(17,614,042)
FUND BALANCE - BEGINNING	84,169,831	39,908,543	617,713,129	55,696,764	797,488,267
FUND BALANCE - ENDING	$ 90,650,939	$ 60,482,700	$569,743,285	$ 58,997,301	$ 779,874,225

The accompanying notes are an integral part of this statement.

Bexar County, Texas

Reconciliation of Changes in Fund Balances - Governmental Funds to Statement of Activities

For the Fiscal Year Ended September 30, 2017

Net Change in Fund Balances - Total Governmental Funds		$ (17,614,042)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		77,613,158
Depreciation expense for capital assets that is allocated over their estimated useful lives.		(94,622,112)
Capital asset donations		75,005,264
Investments in joint ventures are reported as expeditures in governmental funds.		482,092
The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Debt issued:		
General obligation bonds	-	
Certificates of obligation	(113,610,000)	
Deferred charges	-	
Premiums	(12,362,400)	
		(125,972,400)
Repayments to paying agent for bond principal		27,430,000
Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Accrued interest on debt	(1,484,803)	
Amortization of debt premium	7,991,435	
Amortization of deferred charges	(9,423,264)	
Compensated absences	(1,448,661)	
Net pension liability	(21,077,418)	
		(25,442,711)
Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred inflows of resources decreased by this amount in the current period.		110,573
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.		(6,423,570)
Change in Net Position - Governmental Activities		$ (89,433,748)

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2017

	Enterprise Funds			
	Community Venue Fund	Nonmajor Enterprise Fund	Total	Internal Service Funds
ASSETS				
Current assets:				
Cash, cash equivalents	$ 23,398,564	$ 437,601	$ 23,836,165	$ 4,783,412
Investments	49,868,630	2,486,789	52,355,419	8
Receivables:				
Accounts	-	101,678	101,678	-
Due from other governmental units	4,276,757	-	4,276,757	-
Inventories	-	-	-	171,504
Restricted assets:				
Cash and cash equivalents	4,455,912	-	4,455,912	-
Deposits	-	-	-	10,000
Prepaid assets	399,806	-	399,806	2,216
Accrued interest	-	-	-	-
TOTAL CURRENT ASSETS	82,399,669	3,026,068	85,425,737	4,967,140
Noncurrent assets:				
Prepaid assets	5,487,295	-	5,487,295	-
Restricted assets:				
Cash and cash equivalents	25,030,820	-	25,030,820	-
Capital assets:				
Construction in progress	-	-	-	-
Buildings and improvements	281,281,306	-	281,281,306	125,708
Equipment	12,174,366	565,559	12,739,925	1,072,650
Reference library	-	38,960	38,960	-
Less: Accumulated depreciation	(77,864,500)	(377,496)	(78,241,996)	(623,471)
TOTAL NONCURRENT ASSETS	246,109,287	227,023	246,336,310	574,887
TOTAL ASSETS	328,508,956	3,253,091	331,762,047	5,542,027
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refundings	2,772,890	-	2,772,890	-
Pension	29,655	668,748	698,403	392,328
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 2,802,545	$ 668,748	$ 3,471,293	$ 392,328

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2017

	Enterprise Funds			
	Community Venue Fund	Nonmajor Enterprise Fund	Total	Internal Service Funds
LIABILITIES				
Current liabilities:				
Accounts payable	$ 6,556	$ 170,379	$ 176,935	$ 247,104
Claims payable	-	-	-	7,922,633
Accrued liabilities	1,012	188,276	189,288	72,894
Due to other funds	-	-	-	391,510
Due to other governmental units	-	8,951	8,951	-
Payable from restricted assets:				
Contract retainage payable	-	-	-	-
Accrued interest payable	2,401,754	-	2,401,754	-
Revenue bonds payable	6,531,501	-	6,531,501	-
TOTAL CURRENT LIABILITIES	8,940,823	367,606	9,308,429	8,634,141
Noncurrent liabilities:				
Advances from other funds	-	-	-	110,000
Revenue bonds payable	388,463,607	-	388,463,607	-
Net pension liability	52,526	1,184,464	1,236,990	694,878
Claims payable	-	-	-	972,870
OPEB obligation	-	-	-	71,539,203
TOTAL NONCURRENT LIABILITIES	388,516,133	1,184,464	389,700,597	73,316,951
TOTAL LIABILITIES	397,456,956	1,552,070	399,009,026	81,951,092
DEFERRED INFLOWS OF RESOURCES				
Pension	2,529	57,031	59,560	33,459
TOTAL DEFERRED INFLOWS OF RESOURCES	2,529	57,031	59,560	33,459
NET POSITION				
Net investment in capital assets	65,751,053	227,022	65,978,075	574,879
Restricted for debt service and grant payments	24,458,709	-	24,458,709	-
Unrestricted	(156,357,746)	2,085,716	(154,272,030)	(76,625,075)
TOTAL NET POSITION	$ (66,147,984)	$ 2,312,738	(63,835,246)	$ (76,050,196)

The accompanying notes are an integral part of this statement.

Bexar County, Texas

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

ALL PROPRIETARY FUNDS

For Fiscal Year Ended September 30, 2017

	Enterprise Funds			
	Community Venue Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES				
Premiums	$ -	$ -	$ -	$ 46,230,565
Records management storage fees	-	-	-	100,000
Employee clinic fees	-	-	-	15,770
Commissary sales	-	5,275,977	5,275,977	-
Fleet maintenance sales	-	-	-	790,727
License fees	1,300,000	-	1,300,000	-
User fees	-	1,277,854	1,277,854	-
Other income	7,238	3,332	10,570	2,285,323
TOTAL OPERATING REVENUES	1,307,238	6,557,163	7,864,401	49,422,385
OPERATING EXPENSES				
Administrative fees	-	-	-	3,469,876
Claims expenses	-	-	-	53,625,546
Insurance expenses	-	-	-	1,929,478
OPEB costs	-	-	-	7,300,708
Personnel costs	92,138	2,479,298	2,571,436	1,413,889
Rent and utilities	411	-	411	76,477
Purchased services	3,115,542	3,081,201	6,196,743	199,279
Supplies	-	220,896	220,896	74,159
Repairs and maintenance	-	62,335	62,335	74,881
Depreciation and amortization	5,898,589	60,629	5,959,218	113,541
TOTAL OPERATING EXPENSES	9,106,680	5,904,359	15,011,039	68,277,834
Net operating income (loss)	(7,799,442)	652,804	(7,146,638)	(18,855,449)
NON-OPERATING REVENUES (EXPENSES)				
Hotel occupancy tax	18,237,592	-	18,237,592	-
Motor vehicle tax	9,673,817	-	9,673,817	-
Grant payments	(197,443)	-	(197,443)	-
Investment income	843,317	21,626	864,943	15,570
Interest expenses	(20,019,978)	-	(20,019,978)	-
Amortization	(95,031)	-	(95,031)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	8,442,274	21,626	8,463,900	15,570
Income (loss) before transfers and contributions	642,832	674,430	1,317,262	(18,839,879)
Interfund transfers in	-	220,576	220,576	12,416,309
Interfund transfers out	-	(450,000)	(450,000)	-
Contributions	2,089,354	-	2,089,354	-
TOTAL TRANSFERS AND CONTRIBUTIONS	2,089,354	(229,424)	1,859,930	12,416,309
Change in net position	2,732,186	445,006	3,177,192	(6,423,570)
Net position at beginning of year	(68,880,170)	1,867,732	(67,012,438)	(69,626,626)
Net position at end of year	$ (66,147,984)	$ 2,312,738	$ (63,835,246)	$ (76,050,196)

The accompanying notes are an integral part of this statement.

Bexar County, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For Fiscal Year Ended September 30, 2017

	Enterprise Funds			
	Community Venue Fund	Nonmajor Enterprise Funds	Total Business-type Activities	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for premiums	$ -	$ -	$ -	$ 47,333,602
Cash received for employee clinic fees				15,770
Cash received for fleet maintenance services	-	-	-	795,445
Cash received for records management storage	-	-	-	100,000
Cash received for commissary sales	-	5,326,131	5,326,131	-
Cash received for parking fees	-	1,276,317	1,276,317	-
Cash received for firing range fees	-	4,860	4,860	-
Cash received for license fee	1,300,000		1,300,000	-
Receipts from other governmental units		1,029	1,029	-
Payments to suppliers	(3,108,715)	(3,694,942)	(6,803,657)	(6,653,155)
Payments to employees for services	(110,526)	(2,286,703)	(2,397,229)	(1,334,611)
Claims paid	-	-	-	(53,506,162)
Net cash provided (used) for operating activities	(1,919,241)	626,692	(1,292,549)	(13,249,111)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes received	27,982,966	-	27,982,966	-
Transfer from other funds	-	220,576	220,576	12,416,309
Payments for Venue projects	(49,358)	-	(49,358)	-
Principal payments on noncapital debt	(2,965,000)	-	(2,965,000)	-
Interest payments on noncapital debt	(11,633,238)	-	(11,633,238)	-
Net cash provided for noncapital financing activities	13,335,370	220,576	13,555,946	12,416,309
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on capital debt	(3,085,000)	-	(3,085,000)	-
Interest payments on capital debt	(7,854,743)	-	(7,854,743)	-
Developer contributions	2,089,354		2,089,354	-
Transfer to other funds	-	(450,000)	(450,000)	-
Purchase of capital assets	(2,200,340)	-	(2,200,340)	-
Net cash (used) for capital and related financing activities	(11,050,729)	(450,000)	(11,500,729)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment purchases	(9,936,050)	(324,924)	(10,260,974)	(8)
Investment sales	-	-	-	4,862,533
Investment earnings	843,328	21,626	864,954	15,570
Net cash provided (used) for investing activities	(9,092,722)	(303,298)	(9,396,020)	4,878,095
Net increase (decrease) in cash and cash equivalents	(8,727,322)	93,970	(8,633,352)	4,045,293
Cash and cash equivalents - beginning of year	61,612,618	343,631	61,956,249	738,119
Cash and cash equivalents - end of year	$ 52,885,296	$ 437,601	$ 53,322,897	$ 4,783,412

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2017

	Enterprise Funds			
	Community Venue Fund	Nonmajor Enterprise Funds	Total Business-type Activities	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided for operating activities:				
Operating income (loss)	$ (7,799,442)	$ 652,804	$ (7,146,638)	$ (18,855,449)
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities:				
Amortization expense	146,220	-	146,220	-
Depreciation expense	5,752,370	60,628	5,812,998	113,541
Change in net position:				
(Increase) in inventories	-	-	-	(11,711)
Decrease in accounts receivable	-	50,145	50,145	-
(Increase) in prepaids	-	-	-	(2,209)
(Decrease) in accounts payable	-	(437,853)	(437,853)	(331,099)
Increase (Decrease) in accrued liabilities	(2,543)	121,409	118,866	(484,601)
(Decrease) in due to other funds	-	-	-	(1,177,568)
Increase in claims payable	-	-	-	119,384
Increase (Decrease) in net pension liability	(15,846)	178,530	162,684	79,893
Increase in OPEB obligation	-	-	-	7,300,708
Increase in due to other governmental units	-	1,029	1,029	-
Net cash provided (used) for operating activities	$ (1,919,241)	$ 626,692	$ (1,292,549)	$ (13,249,111)
Reconciliation of cash and cash equivalents on Statement of Cash Flows to Statement of Net Position				
Cash and cash equivalents	$ 23,398,564	$ 437,601	$ 23,836,165	$ 4,783,412
Restricted cash and cash equivalents	29,486,732	-	29,486,732	-
Cash and cash equivalents	$ 52,885,296	$ 437,601	$ 53,322,897	$ 4,783,412

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2017

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 108,447,121
Accounts receivable	7,213,414
Deferred outflows of resources - pension	7,991,439
Due from other governmental units	707,030
TOTAL ASSETS	$ 124,359,004
LIABILITIES	
Vouchers payable	$ 581,309
Accrued liabilities	16,070,833
Due to participants	60,217,718
Deferred inflows of resources - pension	681,510
Due to other governmental units	46,807,634
TOTAL LIABILITIES	$ 124,359,004

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET POSITION - COMPONENT UNITS
September 30, 2017

	University Health System	Cibolo Canyons Special Improvement District	Alamo Regional Mobility Authority	Total
ASSETS				
Current Assets:				
Cash, cash equivalents, and temporary investments	$ 207,491,000	$ 5,237,822	$ 16,377,006	$ 229,105,828
Investments	215,543,000	-	27,872,317	243,415,317
Receivables:				
Delinquent taxes, net of allowance for uncollectible accounts	269,830,000	14,155	-	269,844,155
Accounts and other	213,198,000	747,633	1,474,083	215,419,716
Total Current Assets	906,062,000	5,999,610	45,723,406	957,785,016
Noncurrent Assets:				
Cash and cash equivalents	386,936,000	-	-	386,936,000
Investments	27,957,000	-	2,513,351	30,470,351
Restricted assets:				-
Cash and cash equivalents	-	-	13,872,060	13,872,060
Investments	-	-	52,668,495	52,668,495
Other assets	16,783,000	-	221,068	17,004,068
Capital assets:				
Land	20,864,000	-	-	20,864,000
Equipment and construction in progress	29,610,000	-	17,910,902	47,520,902
Other capital assets, net of depreciation	1,148,815,000	75,517,315	-	1,224,332,315
Total Noncurrent Assets	1,244,029,000	75,517,315	87,185,876	1,793,668,191
TOTAL ASSETS	2,150,091,000	81,516,925	132,909,282	2,751,453,207
DEFERRED OUTFLOWS OF RESOURCES				
Loss on bond refunding	15,144,000	-	-	15,144,000
Pension	37,223,000	-	-	37,223,000
TOTAL DEFERRED OUTFLOWS OF RESOURCES	52,367,000	-	-	52,367,000
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	266,315,000	14,334	355,452	266,684,786
Unearned revenue	-	-	1,763,023	1,763,023
Current portion of:				
Long-term liabilities	30,265,000	2,315,000	1,845,000	34,425,000
Payable from restricted assets:				
Accrued interest payable	-	187,271	1,628,481	1,815,752
Total Current Liabilities	296,580,000	2,516,605	5,591,956	304,688,561
Noncurrent Liabilities				
Long-term liabilities	673,505,000	112,371,075	130,696,823	916,572,898
Due to other governments	-	-	17,974,789	17,974,789
Net pension liability	139,998,000	-	-	139,998,000
Estimated self-insurance costs	2,902,000	-	-	2,902,000
Total Noncurrent Liabilities	816,405,000	112,371,075	148,671,612	1,077,447,687
TOTAL LIABILITIES	1,112,985,000	114,887,680	154,263,568	1,382,136,248
DEFERRED INFLOWS OF RESOURCES				
Property taxes	398,797,000	-	-	398,797,000
Supplemental Medicaid Funding	5,277,000	-	-	5,277,000
TOTAL DEFERRED INFLOWS OF RESOURCES	404,074,000	-	-	404,074,000
NET POSITION				
Net investment in capital assets	502,112,000	6,721,240	1,462,868	510,296,108
Restricted for:				
Health care	28,057,000	-	-	28,057,000
Restricted obligations	-	5,444,961	-	5,444,961
Unrestricted	542,166,000	(45,536,956)	(22,817,154)	473,811,890
TOTAL NET POSITION	$ 1,072,335,000	$ (33,370,755)	$ (21,354,286)	$ 1,017,609,959

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF ACTIVITIES
COMPONENT UNITS
For Fiscal Year Ended September 30, 2017

	University Health System	Cibolo Canyons Special Improvement District	Alamo Regional Mobility Authority	Total
Expenses	$ 1,557,041,000	$ 9,272,389	$ 4,580,786	$ 1,570,894,175
Total expenses	1,557,041,000	9,272,389	4,580,786	1,570,894,175
Revenues				
Program Revenues:				
Charges for services	1,253,751,000	-	-	1,253,751,000
Capital grants and contributions	-	-	30,662	30,662
Total program revenues	1,253,751,000	-	30,662	1,253,781,662
Total program	(303,290,000)	(9,272,389)	(4,550,124)	(317,112,513)
General Revenues				
Taxes:				
Property taxes	366,930,000	3,943,669	-	370,873,669
Motor vehicles taxes	-	-	16,177,450	16,177,450
Occupancy taxes	-	5,752,472	-	5,752,472
Sales and use taxes	-	1,334,856	-	1,334,856
Investment income	4,686,000	6,585	949,040	5,641,625
Miscellaneous	13,808,000	-	-	13,808,000
Total general revenues	385,424,000	11,037,582	17,126,490	413,588,072
Change in net position	82,134,000	1,765,193	12,576,366	96,475,559
Net position, beginning	990,201,000	(35,560,948)	(33,930,652)	920,709,400
Prior Period Adjustment	-	425,000	-	425,000
Net position, ending	$ 1,072,335,000	$ (33,370,755)	$ (21,354,286)	$ 1,017,609,959

The accompanying notes are an integral part of this statement.

Doorway at the Alamo
Photo by Robert Parker
Https://robert-parker.smugmug.com

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Bexar County (the County) have been prepared in conformance with generally accepted accounting principles (GAAP) as applicable to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for establishing governmental accounting and financial reporting standards. The following is a summary of the more significant policies of the County.

1. The Reporting Entity

The County (the primary government in these financial statements) is governed by Commissioners Court. The Court is comprised of five elected officials consisting of the County Judge (elected County-wide) and four commissioners (elected by precinct).

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No.14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity:Omnibus*. In accordance with these standards, a financial reporting entity consists of the primary government and its component units. Component units are legally separate entities for which the elected officials of the County are financially accountable, or the relationship to the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Although blended component units are legally separate entities, they function as an integral part of the primary government and have their data blended with the primary government. All discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements.

The criteria used to determine whether an organization is a component unit of the County and whether it is a discretely presented or a blended component unit includes: whether the County appoints a voting majority of the component's board and has the ability to impose its will on the component unit or a financial benefit or burden relationship exists between the County and component unit; whether the component unit is fiscally dependent on the County and a financial benefit or burden relationship exists; whether the component unit has substantively the same governing body as the primary government and a financial benefit or burden relationship exists or management (below the level of elected officials) of the primary government has operational responsibility for the activities of the component unit; whether services are provided entirely or almost entirely to the primary government; and whether the total debt of the component unit is repayable (almost) entirely from resources of the primary government.

Blended with the Primary Government The relationship between the following component units and the County meet the criteria, for inclusion as part of the reporting entity as blended component units.

Bexar County Housing Finance Corporation
The Bexar County Housing Finance Corporation (BCHFC) is a Texas public, non-profit corporation created in accordance with the Texas Housing Finance Corporations Act. Pursuant to the Act, the BCHFC is authorized to finance residential housing by issuing its tax-exempt revenue bonds to acquire mortgage loans made to low or moderate income persons, and to pledge such mortgage loans as security for the payment of the principal and interest of such revenue bonds. The tax-exempt bonds issued by the BCHFC do not constitute a debt or a pledge of faith or credit of the BCHFC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCHFC is governed by a five-member Board of Directors which is comprised of the Bexar County Commissioners Court. In addition, management (below the level of the elected officials) of the primary government has operational responsibility for the activities of the component unit.

Bexar County Health Facilities Development Corporation
The Bexar County Health Facilities Development Corporation (BCHFDC) is a Texas public, non-profit corporation created on April 21, 1983 in accordance with the Texas Health Facilities Development Act of 1981. The BCHFDC's purpose is to acquire, construct, provide, improve, finance and refinance health facilities to assist the maintenance of the public health. The tax-exempt bonds issued by the BCHFDC do not constitute a debt or a pledge of faith or credit of the BCHFDC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCHFDC is governed by a five-member Board of Directors which is comprised of the Bexar County Commissioners Court. In addition, management

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. The Reporting Entity (Continued)

Bexar County Health Facilities Development Corporation (Continued)
(below the level of the elected officials) of the primary government has operational responsibility for the activities of the component unit.

Bexar County Industrial Development Corporation
The Bexar County Industrial Development Corporation (BCIDC) is a Texas public, non-profit corporation created on July 29, 1981, in accordance with the Texas Development Corporation Act of 1979. The BCIDC's purpose is to issue bonds on behalf of the County, to finance projects as defined in the Act in order to promote and develop industrial and manufacturing enterprises thus encouraging employment and improving the public welfare. The tax-exempt bonds issued by the BCIDC do not constitute a debt or pledge of faith or credit of the BCIDC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. Interest received on the bonds is generally exempt from federal income tax under Section 103 of the Internal Revenue Code. The BCIDC is governed by a five-member Board of Directors which is comprised of the Bexar County Commissioners Court. In addition, management (below the level of the elected officials) of the primary government has operational responsibility for the activities of the component unit.

Separate, audited financial statements for these corporations are available from the County Auditor's Office, 101 W. Nueva Street, Suite 800, San Antonio, Texas 78205.

Discretely Presented Component Units The relationship between the following component units and the County is such that they meet the criteria, as set forth in GASB Statement No. 14, for inclusion as discretely presented component units in the reporting entity:

University Health System (The System)
The Bexar County Hospital District, d/b/a University Health System, Bexar County, Texas (the System), is a political subdivision of the State of Texas, and is comprised of University Hospital, University Health System – Robert E. Green Campus, University Family Health Centers, University Center for Community Health, University Dialysis Centers, and Correctional Health Care Services. The System receives support from its supporting organization, the University Health System Foundation (the Foundation), a non-profit corporation established in 1984 to provide charitable, scientific and educational activities, and to raise funds on behalf of the System. The System serves as the major teaching facility for The University of Texas Health Science Center (UTHSC). The System is exempt from federal income taxes under section 115(a) of the Internal Revenue Code. The System formed Community First Health Plans, Inc. (CFHP), a non-profit corporation which operates as an HMO. CFHP is exempt from federal income tax under Section 501(c) (4) of the Internal Revenue Code. CFHP has agreements with plan sponsors, including the System, to arrange health service benefits for subscribing participants. Under these agreements, CFHP receives monthly capitation payments based on the number of each plan sponsor's participants, regardless of services performed. In addition, CFHP receives supplementary delivery payments under the Medicaid program. The System is presented as an enterprise fund type.

The criteria used to determine inclusion as a significant discretely presented component unit are: Commissioners Court appoints members of the System's Board of Managers; Commissioners Court approves the System's tax rate and annual budget; and, the System cannot issue bonded debt without Commissioners Court approval. Furthermore, the System's total net position in relation to the total primary government's net position is such that to exclude essential disclosures from the County's financial statements as they pertain to the System would be misleading. Therefore, relevant disclosures have been included in the County's financial statements. The System's financial information presented in the government-wide financial statements is as of, and for the year ended, December 31, 2016, which is the latest audited System financial information available. Complete financial statements of the System may be obtained from the component unit's administrative office:

University Health System
4502 Medical Drive
San Antonio, Texas 78229

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. The Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Cibolo Canyons Special Improvement District (The District)
The Cibolo Canyons Special Improvement District (the District) is a public improvement district created by an order of the Commissioners Court of Bexar County on September 1, 2005, pursuant to Chapter 372 of the Texas Local Government Code. The purpose of the District was to induce the developer to construct a major hotel and two golf courses as well as supporting infrastructure and to provide land and construct facilities for conservation, parks, recreation and open space within the District.

The criteria used to determine inclusion as a discretely presented component unit are: The Board of Directors is comprised of seven-members, as appointed by Commissioners Court, and the District cannot issue bonded debt without Commissioners Court approval. The District's financial information presented in the government-wide financial statements is as of, and for the year ended, September 30, 2016, which is the latest audited District financial information available. Complete financial statements of the District may be obtained from the component unit's administrative office:

The District's General Counsel
7550 W-IH 10
San Antonio, Texas 78229

Alamo Regional Mobility Authority (The Authority)
The Bexar County Regional Mobility Authority was approved by the Texas Department of Transportation ("TxDOT") on December 18, 2003 as a political subdivision of the State of Texas under the Texas Transportation Code, Chapter 370. The County formally approved the conditions of TxDOT on January 14, 2004. The Bexar County Regional Mobility Authority held its first meeting on April 13, 2004. On October 14, 2004, the Bexar County Regional Mobility Authority formally changed its name to Alamo Regional Mobility Authority (The Authority).

The Authority's powers and duties are enumerated under Texas Transportation Code, Chapter 370, and include authority to borrow monies and issue bonds to finance transportation projects. The Authority is governed by a seven-member Board of Directors. Six are appointed by Bexar County Commissioners Court, and the Chairman is appointed by the Governor of the State of Texas. In fiscal year 2013, the County took over the day-to-day business activity of the Authority. The Authority is currently being managed by the Office of the County Manager and Public Works Department. David Smith, the Bexar County Manager, was named Executive Director of the Authority.

The Authority was established by the Bexar County Commissioners Court with the intent to partner with the Texas Department of Transportation (TxDOT); the San Antonio-Bexar County Metropolitan Planning Organization (MPO); and the County to leverage funding and bring needed relief to the congestion impacting the Bexar County Area.

The criteria used to determine inclusion as a discretely presented component unit are: The Authority is governed by a seven-member Board of Directors. Six are appointed by Bexar County Commissioners Court, and the Chairman is appointed by the Governor of the State of Texas. The Authority's financial information presented in the government-wide financial statements is as of, and for the year ended, September 30, 2016. Complete financial statements of the Authority may be obtained from the component unit's administrative office:

Alamo Regional Mobility
c/o Bexar County Public Works
233 N. Pecos La Trinidad, Suite 420
San Antonio, TX 78207

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide Financial Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities are supported by taxes and intergovernmental revenues. They are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded at the time liabilities and deferred inflows are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses of the County's programs are offset by those programs' revenues. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or function. Program revenues for governmental activities include those generated from general government, judicial, public safety, education and recreation, public works, and health and public welfare. Taxes and other items not properly included among program revenues are reported instead as general revenues.

For proprietary funds, all revenues and expenses are classified as operating revenues and expenses except for taxes, investment income, interest expense, grant payments and amortization expense which are classified as nonoperating revenues and expenses.

The effects of interfund direct activity for changes based on actual use are not eliminated whereas indirect expense allocations are reversed and have been eliminated for the government-wide financial statements.

3. Fund Level Financial Statements

All governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. The County considers revenues as available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property tax revenues, the County's primary revenue source, is susceptible to accrual and is considered available to the extent of delinquent taxes collected within 60 days of the fiscal year end. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year, and any unliquidated items are reported at year end as a reservation of fund balance.

Governmental funds are accounted for on a spending "financial flow" measurement focus. This means that only current assets and deferred outflows, and current liabilities and deferred inflows are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All proprietary funds, including the enterprise funds and internal service funds are accounted for using the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. This means that all assets and deferred outflows and liabilities and deferred inflows (whether current or non-current) associated with their activity are included in the funds' statement of net position. The agency funds are also reported using the accrual basis of accounting. The agency funds are custodial in nature and involve no measurement of results of operations.

The County's accounts are organized based on funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets and deferred outflows, liabilities and deferred inflows, net position/fund balance, revenues and expenditures or expenses. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. The County reports various Agency Funds which are

3. Fund Level Financial Statements (Continued)

fiduciary in nature, accordingly the fiduciary funds are excluded from the government-wide financial statements. The County reports the following major funds:

GOVERNMENTAL FUNDS

General Fund
The General Fund accounts for the resources used to finance the fundamental operations of the County. It is the basic fund of the County and covers all activities for which a special revenue fund has not been established.

Debt Service Fund
This fund is used to account for the accumulation of resources for and the payment of principal and interest on long-term debt of governmental funds.

Capital Projects Fund
This fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities and is principally financed by the sale of bonds or certificates of obligation, certain vehicle registration fees, and capital grants.

PROPRIETARY FUNDS

Community Venue Fund
The Community Venue Fund is used to account for the development, financing, construction, leasing, management, operations and marketing of a multi-purpose arena and its related infrastructure. Additionally, the taxpayers of Bexar County approved an expanded use of the Venue tax in May 2008. As a result, numerous sports and tourist related facilities have been constructed and/or improved throughout the County. See Note F for County expenses on assets owned by other entities. The tax revenues and construction costs are recorded in the Community Venue Fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses are the result of providing services in connection with a proprietary fund's principal ongoing operations. The principal operating expenses for the enterprise funds include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Nonmajor enterprise funds consist of the Sheriff's Commissary Fund, the Parking Facilities Fund, and the Firing Range Fund. The Sheriff's Commissary Fund is used to account for commissary sales to inmates housed in the Bexar County Jail. The Parking Facilities Fund is used to account for the operation and maintenance of the parking facilities. The Firing Range Fund is used to account for the operation and maintenance of the firing range. The parking facilities and firing range are intended to be financed primarily through user charges.

Additionally, the County uses internal service funds to account for County vehicle maintenance, self-insurance (medical benefits, workers' compensation, and property and liability insurance coverage), other post-employment benefits, and the expenses of a records management center facility. The principal operating revenue of the County's internal service funds are from user fees assessed to participants or service fees charged to other funds.

The principal operating expenses for the internal service funds include administrative, claims, insurance, and personnel expenses. A complete description of the County's internal service funds can be found on page 177.

The County also uses various revenue funds to account for the proceeds of specific revenue sources for specified purposes.

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds. A complete description of the County's agency funds can be found on page 183.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Budget

Primary Government

Annual budgets are legally approved and adopted for the general fund, special revenue funds, and debt service fund. Annual budgets are adopted for the special revenue and grant funds at the aggregate level by function. Budgets for grants are employed as a management control device in order to comply with granting agencies' provisions. All appropriations expire at the end of the fiscal year except for grant and capital project funds, many of which are funded for periods longer than one year.

Formal budgetary integration is employed for the general fund, special revenue funds, and the debt service fund. Capital project programs with the capital project fund are project oriented rather than by period. Therefore, project-length budgets are adopted based on resource allocation, and appropriations at year-end are carried forward to subsequent periods until the project is completed. Formal budget integration is employed by the County with regards to the internal service funds. All budgets are prepared on the modified accrual basis.

Commissioners Court historically adopts an annual budget and appropriates a portion of the available unassigned fund balance to provide resources for those issues that arise during the fiscal year that could not be anticipated at the time the budget was adopted. An expenditure line item is created to serve as a contingency to draw from as needed. At year end, the County closes the unused portion of the revenue and expenditure line items to budgetary fund balance.

The Bexar County Housing Finance Corporation, the Bexar County Health Facilities Development Corporation, and the Bexar County Industrial Development Corporation funds do not have legally adopted budgets.

5. Proprietary Fund Accounting

Primary Government

The County has implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30,1989 FASB and AICPA Pronouncements.*

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Recent Accounting Pronouncements

Primary Government

The GASB has issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." This Statement was issued to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. The implementation of GASB 74 is reflected in the financial statements.

The GASB has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This Statement was issued to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement is effective for fiscal years beginning after June 15, 2017. GASB 75 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

The GASB has issued Statement No. 77, "Tax Abatement Disclosures." This Statement was issued to improve financial reporting by users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Users will be better equipped to understand how tax abatements affect a government's future ability to raise resources and meet its financial obligations and the impact those abatements have on a government's financial position and economic condition. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. The implementation of GASB 77 is reflected in the financial statements.

The GASB has issued Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans." The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The implementation of GASB 78 is reflected in the financial statements.

The GASB has issued Statement No. 81, "Irrevocable Split-Interest Agreements." This Statement was issued to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. The implementation of GASB 81 is reflected in the financial statements.

The GASB has issued Statement No. 82, "Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73." This Statement was issued to address certain issues with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. The implementation of GASB 82 is reflected in the financial statements

The GASB has issued Statement No. 83, "Certain Asset Retirement Obligations." This statement was issued to address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. GASB 83 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Recent Accounting Pronouncements (Continued)

Primary Government (Continued)

The GASB has issued Statement No. 84, "Fiduciary Activities." The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. GASB 84 will be implemented by the County in fiscal year 2019 and the impact has not yet been determined.

The GASB has issued Statement No. 85, "Omnibus 2017". The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement address a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. GASB 85 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

The GASB has issued Statement No. 86, "Certain Debt Extinguishment Issues." The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. GASB 86 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

The GASB has issued Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provision of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. GASB 87 will be implemented by the County in fiscal year 2020 and the impact has not yet been determined.

7. Cash, Cash Equivalents and Temporary Investments

Primary Government

For purposes of the Statement of Cash Flows, cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. Temporary investments consist of a money market fund and funds invested in local government investment pools, which is permitted under the Public Funds Investment Act. Investments in local government investment pools are stated at net asset value or amortized cost which approximates fair value, as permitted under GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, or are stated at Net Asset Value (NAV), in accordance with the Fair Value Measurement guidelines established by GASB Statements No. 72 and 79.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Inventories and Prepaid Items

Primary Government

The County accounts for inventories using the consumption method. The cost of inventories for internal service funds are determined by the average cost method.

Any payments to vendors applicable to future accounting periods would be recorded as prepaid items in both government-wide and fund financial statements.

9. Restricted Assets and Liabilities

Primary Government

Certain proceeds of the revenue bonds issued for the County's Community Venue Fund, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because they are maintained in separate bank accounts and their use is restricted by applicable bond covenants. The "tax-exempt debt service" and the "taxable debt service" accounts are used to segregate resources for the respective principal and interest amounts currently outstanding. The "tax-exempt reserve" account and the "taxable reserve" accounts are used to set aside resources to subsidize potential deficiencies in the debt service accounts. The construction accounts are used to report those proceeds of revenue bonds that are restricted for the four voter-approved propositions. The County's policy is to apply restricted resources first if both restricted and unrestricted resources are available for the same activity.

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Capital Assets

Primary Government

Capital assets include land, land improvements, right-of-way land, infrastructure, buildings, building improvements, site improvements, leasehold improvements, vehicles, machinery, furniture, equipment, other systems, animals, works of art and historical treasures that are used in operations and benefit more than a single fiscal period. Infrastructure assets, such as roads, bridges, and drainage systems, are long-lived assets that normally are stationary in nature and typically can be preserved for a significantly greater number of years than most capital assets. Capital assets are defined by the County as equipment with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Building improvements and infrastructure projects with an estimated cost to exceed $100,000 are capitalized.

When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements. When historical records are available, capital assets are valued at cost. When no historical records are available, the County estimates the cost by applying back-trended inflation rates to a similar asset. Donated capital assets are valued at their estimated fair market value on the date received except when received in respect to a service concession arrangement where they would be reported at acquisition value.

Improvements to capital assets that materially extend the life of the asset or add to the value are capitalized. Other repairs and normal maintenance are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized in the governmental activities on the government-wide financial statements; however, capitalization of interest is required for business-type activities.

Capital assets are depreciated over the useful lives of the assets or classes of assets on a straight-line basis as follows:

Building and improvements	20 - 40 years
Machinery and equipment	3 – 10 years
Infrastructure	20 – 35 years

The System

The System's capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives. The following estimated useful lives are being used by the System:

Land Improvements	5 - 15 years
Building and improvements	10 -30 years
Equipment	5 - 15 years

The District

Capital assets, which include construction in progress and public improvements, are reported in the governmental activities column in the District's government-wide financial statements. All costs associated with public improvement projects are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvement are capitalized as projects are constructed. Public improvements are depreciated using the straight line method over an estimated useful life of 50 years.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Capital Assets (Continued)

The Authority

The Authority's capital assets are stated at historical cost. Donated capital assets are valued at their estimated fair market value on the date received. For equipment, the Authority's capitalization policy includes all items with a unit cost of $20,000 or more and an estimated useful life in excess of one year. Development in progress includes personnel cost that are directly attributable to a specific project in development. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Currently, the Authority has no assets other than the cost associated with projects in development.

11. Compensated Absences

Primary Government

The County allows employees to accumulate compensatory time, vacation, and sick leave with certain limitations. At September 30, 2017, the accumulated compensated absences amount to $40,928,803. For governmental funds, accrued compensated absences are recorded as expenditures in the respective funds to the extent it has matured. The majority of these have typically been liquidated from the general fund in previous years. A liability for these amounts is reported in governmental funds in the event of termination. Accumulated leave is reported in the government-wide Statement of Net Position as both a current and noncurrent liability.

12. Property Taxes

Primary Government

Property taxes for the County and Flood Control are levied each October 1 on the taxable value as of the preceding January 1, the date a lien attaches, for all taxable real and personal property located in the County. Taxes are due by January 31 following the October 1 assessment date and become delinquent on February 1, at which time they begin accruing penalty and interest. The enforceable legal claim date for property taxes is the assessment date; therefore, the County did not record a receivable for accrual of future taxes at year end. Accordingly, no current taxes receivable are reported. On July 1, unpaid taxes are subject to additional penalties for collection expenses. Appraised values are determined by the Bexar County Appraisal District and are equal to 100% of the appraised market value as required by the State Property Tax Code.

Taxes have been reported in the financial statements net of the allowance for uncollectible taxes. Tax revenues are recognized as they become available. Accordingly, an amount equal to taxes not yet available (not collectible within 60 days after year end) has been reported as deferred inflows of resources – unavailable revenue at the governmental fund level.

The System

The Commissioners Court of Bexar County levies for the System a tax as provided under state law on properties within the County. These taxes are collected by the Bexar County Tax Assessor-Collector and are remitted to the System when received. The System's tax rate is levied and becomes collectible in October of each year based on the certified assessed value as of the previous January 1. Taxes levied on October 1 are designated to support the System's operations for the following calendar year. The System records the levy, net of an assessment fee and allowance for uncollectible amounts, as a current receivable and deferred tax revenue in the year levied.

The District

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Code. Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period. The adjusted assessed value of the property tax roll upon which the levy for the 2016 fiscal year was based was $751,408,995.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Deferred Outflows/Inflows of Resources

The deferred outflows of resources related to pension expense include: differences between expected and actual experience with regard to economic or demographic factors (differences between expected and actual experience) in the measurement of total pension liability; differences between projected and actual earnings on pension plan investments; and contributions to the pension plan from the employer subsequent to the measurement date of the net pension liability and before the end of the reporting period.

The differences between expected and actual experience are recognized in pension expense, beginning in the current reporting period, using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active and inactive employees) determined as of the beginning of the measurement period. The portion not recognized in pension expense is reported as deferred outflows of resources.

The differences between projected and actual earnings on pension plan investments are recognized in pension expense using a systematic and rational method over a closed five-year period, beginning in the current reporting period. The amount not recognized in pension expense is reported as deferred outflows of resources.

NOTE B – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Primary Government

As of September 30, 2017, the carrying amount of the County's cash and cash equivalents is:

Cash in Bank	$	14,674,975
Money Market		59,483,686
TexPool		35,381,496
TexStar		74,040,220
Total	$	183,580,377

Custodial Credit Risk-Deposits: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. It is the County's policy to collateralize deposits at 110% of the deposit amount. As of September 30, 2017, the County's bank balances of $20,236,507 were fully collateralized by federal depository insurance and/or collateral held by the County or its agent in the name of the County.

The County's cash balances in the bank that are above certain limits are invested overnight in money market fund sweep accounts. These money market funds meet the requirements of the Public Funds Investment Act since they only invest in U.S. Treasury bills, notes and other obligations issued or guaranteed as to the principal and interest by the U.S. Government, its agencies or instrumentalities, and repurchase agreements secured by such obligations or cash.

The County has deposits in two different local government investment pools, TexPool and TexStar. TexPool is a public funds investment pool created by the Treasurer of the State of Texas acting by and through the Texas Treasury Safekeeping Trust Company. It is empowered to invest funds and act as a custodian of investments purchased with local investment funds.

TexStar has the same authority as TexPool. It was organized and established pursuant to an Interlocal Agreement between participating government entities. The County has an undivided beneficial interest in the pool of assets held by TexStar. These assets include obligations guaranteed or insured by the United States Government or its agencies, collateralized repurchase agreements and reverse repurchase agreements and no-load money market funds which meet the requirements of the Public Funds Investment Act.

NOTE C –INVESTMENTS

Primary Government

The County's investment policy provides that funds may be invested in:

- Obligations of the United States, its agencies and instrumentalities.
- Direct obligations of the State of Texas or its agencies.
- Other obligations insured by the State of Texas or the United States or their respective agencies and instrumentalities.
- Obligations of other governmental units with at least an "A" rating.
- Bank certificates of deposits that are guaranteed or insured.
- Guaranteed investment contracts as authorized by the Public Funds Investment Act.
- Commercial paper as authorized by the Public Funds Investment Act.
- Securities lending program as authorized by the Public Funds Investment Act.
- Fully collateralized repurchase agreements as authorized by the Public Funds Investment Act.
- SEC registered, no-load money market mutual funds as authorized by the Public Funds Investment Act.
- Public funds investment pools as authorized by the Public Funds Investment Act.

Fair Value of Investments: The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. GASB Statement No.79 created an election for external investment pools and pool participants to continue to utilize amortized cost accounting, rather than fair value, for certain investment pools and eliminated the reference to SEC 2A-7 guidance. Participants in qualifying pools would be permitted to continue measuring investments at amortized cost if they met certain criteria. The County's investment pools (TexPool and TexStar) are both in compliance with GASB Statement No.79. The County's investment pool TexStar has elected to continue to measure its investments at fair value even though TexStar meets all criteria under GASB Statement No.79 to report at amortized cost. The County's investment pool TexPool has elected to continue reporting assets at amortized cost. The County has mirrored these valuations.

The County is required to disclose the fair value level of its investments within the fair value hierarchy established by GASB Statement No.72. In the fair value hierarchy there are three levels:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

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NOTE C –INVESTMENTS (Continued)

Primary Government (Continued)

As of September 30, 2017, the County had the following recurring fair value measurements:

		Fair Value Measurements Using		
	September 30, 2017	Level 1	Level 2	Level 3
Investments				
FHLB	$ 76,374,717	$ -	$ 76,374,717	$ -
FHLMC	115,046,202	-	115,046,202	-
FNMA	9,848,830	-	9,848,830	-
FFCB	49,160,790	-	49,160,790	-
Corporate Commercial Paper	281,556,636	-	281,556,636	-
Local Government Commercial Paper	11,259,652	-	11,259,652	-
US Treasury	68,891,572	-	68,891,572	-
Municipal Bonds	131,359,771	-	131,359,771	-
Total investments	**743,498,170**	**-**	**743,498,170**	**-**
Investment pools				
TexStar (net asset value)	74,040,220	N/A	N/A	N/A
TexPool (valued at amoritized cost)	35,381,496	N/A	N/A	N/A
Total investment pools by fair value	109,421,716			
Money Markets				
Money Market Funds (valued at amortized cost)	59,483,686	N/A	N/A	N/A
Total Money Market Funds by fair value	59,483,686			
Total investments, pools and money markets	**$ 912,403,572**		**$ 743,498,170**	

All of the County's investments, other than investments in the local government investment pools and money market funds, are classified in Level 2 and are valued using proprietary valuation models which may consider market transactions in comparable securities and the various relationships between securities in determining value and/or market characteristics such as benchmark yield curves, option adjusted spreads, credit spreads, estimated default rates, coupon-rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair values.

The County invests in the TexStar and TexPool investment pools which maintains a stable net asset value (NAV) of $1 per share using the fair value method. The County has no unfunded commitments to this pool and may redeem investments at any time.

As of September 30, 2017, the County's investments all were classified as Level 2 according to GASB Statement No. 72, except for the pools and the money market funds which are exempt from the level of fair value disclosure because they are valued either at NAV or amortized cost.

NOTE C –INVESTMENTS (Continued)

Primary Government (Continued)

As of September 30, 2017, the County's investments had the following maturities:

Investment Type	Fair Value	Weighted Average Maturity (Years)	Percentage of Total Fair Value
Federal Home Loan Bank Note (FHLB)	$ 76,374,717	0.9320	8.37%
Freddie Mac (FHLMC)	115,046,202	0.9335	12.61%
Federal National Mortgage Association Note (FNMA)	9,848,830	2.2986	1.08%
Federal Farm Credit Bank (FFCB)	49,160,790	0.3932	5.39%
Corporate Commercial Paper	281,556,636	0.1416	30.86%
US Treasury	68,891,572	0.2938	7.55%
Money Market Fund	59,483,686	N/A	6.52%
Municipal Bonds	131,359,771	0.1777	14.40%
Local Government Commerical Paper	11,259,652	0.1310	1.23%
Investment Pools	109,421,716	N/A	11.99%
Total fair value	$ 912,403,572		100.00%
Portfolio weighted average maturity		0.3348	

The weighted average maturity (WAM) expresses investment time horizons - the time when investments become due and payable weighted to reflect the dollar size of individual investments within an investment type. WAMs are computed for each investment type. The portfolio's WAM is derived by dollar-weighting the WAM for each investment type.

Interest Rate Risk: In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the weighted average maturity of its investments to 365 days with a maximum investment length for any investment to not exceed more than 3 years. In addition, the timing of maturities is monitored to match anticipated cash flow requirements, thereby avoiding the need to sell securities on the open market prior to maturity at a lowered rate of return.

Credit Risk: In accordance with its investment policies, the County limits its investments to the most conservative forms of investments. Investments in agency securities are limited to investments rated not less than A or its equivalent, and investments in investment pools are limited to AAA or AAA-m by a nationally recognized investment rating firm. All investments that are obligations explicitly guaranteed by the U.S. government are not considered to have credit risk. TexPool and TexStar are rated AAAm; the Amegy Bank of Texas Money Market Fund is rated AAA; and Bank of America Money Market Fund is rated AAA.

NOTE C – INVESTMENTS (Continued)

Primary Government (Continued)

As of September 30, 2017, the County's investments had the following Investment Ratings:

Investment	Standard & Poor's Rating	Moody's Rating
Federal Home Loan Bank Note (FHLB)	AA+	Aaa
Freddie Mac (FHLMC)	AA+	Aaa
Federal National Mortgage Association Note (FNMA)	AA+	Aaa
Federal Farm Credit Bank (FFCB)	AA+	Aaa
Corporate Commercial Paper (TOYCC, NESTLE, N.WESTERN UNIV, USAA, GEN ELEC CAP TREAS)	A-1+	P-1
Corporate Commercial Paper (JP MORGAN)	A-1	P-1
Local Government Commericial Paper (BC TX HOSP DISTRICT)	AA+	Aa1
Local Government Commericial Paper (ST OF TX REV ANTIC NOTES)	AAA	Aaa
US Treasury	AA+	Aaa
Municipal Bonds:		
City of Austin	A-1	P-1
Harvard University	A-1+	P-1
University of California at Berkeley	A-1+	P-1
University of Texas System	A-1+	P-1
Yale University	A-1+	P-1
Vanderbilt University	A-1+	P-1
University of Texas Permanent Fund	A-1+	P-1

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County mitigates these risks by emphasizing the importance of a diversified portfolio. All funds must be sufficiently diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The following investments comprise more than 5% of the fair value of the County's total portfolio that includes County and Community Venue investment types: FFCB (5.39%), Investment Pools (11.99%), Municipal Bonds (14.40%), Money Market Fund (6.52%), FHLB (8.37%), FHLMC (12.61%), Corporate Commercial Paper (30.86%) and US Treasury (7.55%).

Custodial Credit Risk – Investment: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The County mitigates these risks since all investments owned by the County are held in the County's name.

Bexar County, Texas
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2017

NOTE D – TAXES AND OTHER RECEIVABLES

The following is a summary of the gross current and delinquent taxes receivable and the allowance for uncollectible taxes:

	Taxes	Allowance for Uncollectible Taxes	Net Taxes
Primary Government			
Delinquent taxes			
General Fund	$ 10,985,731	$ 2,378,000	$ 8,607,731
Debt Service Fund	3,549,978	769,000	2,780,978
Capital Project Fund	87,007	18,000	69,007
Total Primary Government	$ 14,622,716	$ 3,165,000	$ 11,457,716

Other receivables as of year-end for the County's General Fund, Capital Project Funds, and Nonmajor Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Capital Project Funds	Nonmajor Governmental Funds	Total
Court Fines and Fees	$ 92,286,075	-	$ -	$ -	$ 92,286,075
Accounts Receivable	1,653,433	-	1,657,772	61,851	3,373,056
Gross Receivables	93,939,508	-	1,657,772	61,851	95,659,131
Less: Allowance	(80,180,327)	-	-	-	(80,180,327)
Net total receivables	13,759,181	-	1,657,772	61,851	15,478,804
Due from Other Governmental Unit	5,658,871	356,953	7,664,088	9,203,006	22,882,918
Total Accounts and Other	$ 19,418,052	$ 356,953	$ 9,321,860	$ 9,264,857	$ 38,361,722

	Taxes	Allowance for Uncollectible Taxes	Net Taxes
The System			
Current taxes	$ 260,865,163	$ 4,040,082	$ 256,825,081
Delinquent taxes	14,125,115	5,494,716	8,630,399
Penalties and interest	11,007,956	6,632,975	4,374,981
Total System	$ 285,998,234	$ 16,167,773	$ 269,830,461

NOTE E – INTERFUND BALANCES AND TRANSFERS

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. The following is a summary of amounts due from and due to other funds:

Receivable Fund	Payable Fund		Amount
General	Internal Service		$ 391,510
	Nonmajor governmental fund		56,330
		Total	$ 447,840

The outstanding balances between funds result mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems, and (3) payments between funds are made. Balances between governmental funds and internal service funds are eliminated in the government-wide financial statements. Balances between governmental funds and enterprise funds are not eliminated in the government-wide financial statements.

Advances From / To Other Fund

Receivable Fund	Payable Fund	Amount
General	Capital Project	$ 4,330,184
	Nonmajor Governmental Fund	400,000
	Fleet Maintenance *	110,000
	Total	$ 4,840,184

* Internal Service Funds

The amounts payable to the General Fund and Capital Project Fund relate to working capital loans made to other funds that incur expenses before related revenues are received. They are not scheduled to be collected in the subsequent year.

NOTE E – INTERFUND BALANCES AND TRANSFERS (Continued)

The following is a summary of the County's transfers for the year ended September 30, 2017:

TRANSFERS OUT	Debt Service	Capital Projects	Nonmajor Governmental	Enterprise	Internal Service	Total
General	$ 1,324,765	$ 3,706,074	$ 811,029	$ 220,576	$ 12,201,778	$ 18,264,222
Capital Projects	15,309,254	-	170,347	-	-	15,479,601
Nonmajor Governmental	231,666	1,500,000	6,913	-	214,531	1,953,110
Enterprise	450,000	-	-	-	-	450,000
Total Transfers	$ 17,315,685	$ 5,206,074	$ 988,289	$ 220,576	$ 12,416,309	$ 36,146,933

The transfer of $1,324,765 from the General Fund to the Debt Service fund is to pay debt service on bonds issued to pay for roads. The transfer out of the Capital Projects Funds of $15,309,254 was for payment of County debt service related to pass-through financing funded by Advanced Transportation District revenues. The transfer of $450,000 from the Enterprise Fund to the Debt Service Fund is to pay a portion of the principal and interest due semi-annually on the outstanding bonds issued for the construction of the Bexar County parking garages. The transfer of $231,666 between Nonmajor Governmental Funds and the Debt Service Fund is to pay debt service on bonds issued to pay for a new Fire Marshal's Office building. The transfer of $1,500,000 from Nonmajor Governmental to Capital Projects is for the Greenline Project through Brooks City Base Mission Reach. The transfer of $220,576 from the General Fund to the Enterprise Funds was the result of normal transactions between funds. The transfer of $811,029 from the General Fund to Nonmajor Governmental Funds included $339,597 to the Courthouse Security Fund for salary expenses related to the Sheriff's deputies stationed in the courthouse, $178,517 to the Law Library Fund to offset costs due to declining revenues within the fund, $107,251 for the cash match for the Texas Indigent Defense Commission grant, and the remaining transfer of $185,664 is the result of normal transactions between funds. The transfer of $170,347 from the Capital Projects Funds to Nonmajor Governmental Funds is related to a cash match for a Criminal Justice Department Grant. The transfer of $6,913 between the Nonmajor Governmental Funds is the result of normal transactions between funds. The transfer of $3,706,074 from the General Fund to the Capital Project Fund is for the replacements of County-owned vehicles. The transfer of $214,531 between Nonmajor Governmental Funds and Internal Services funds are the result of normal transactions between funds. The transfer of $12,201,778 from the General Fund to Internal Services Funds was to offset estimated shortfalls for the year-ended September 30, 2017.

NOTE F – COUNTY EXPENDITURES FOR ASSETS OWNED BY OTHER ENTITIES

Bexar County has entered into or intends to enter into several inter-local agreements with various entities for the construction of infrastructure and facilities. The County will expend tax revenues and debt resources to complete the projects; however, once projects are substantially complete, ownership and maintenance requirements will be the responsibility of the other entities. These arrangements over time, will result in lowered total net position on the Statement of Net Position because the County will not own the capital assets related to the debt the County incurred to purchase and/or fund the assets. See Table 19 in the Statistical section for a detailed listing of the entities involved and the amount of County expenditures to date.

NOTE G – CAPITAL ASSETS

Primary Government

Capital asset activity for governmental activities for the year ended September 30, 2017 was as follows:

	Balance at October 1, 2016	Additions	Deletions	Balance at September 30, 2017
Capital assets, not being depreciated:				
Land (row, bldg, parks)	$80,165,955	$3,026,238	$ -	$83,192,193
Equipment in progress	48,870,228	5,516,784	(1,660,057)	52,726,955
Construction in progress	253,863,973	66,517,818	(44,482,278)	275,899,513
Total capital assets, not being depreciated	382,900,156	75,060,840	(46,142,335)	411,818,661
Capital assets, being depreciated				
Buildings	516,839,637	32,512,826	-	549,352,463
Depreciable land assets	1,010,202	340,110	-	1,350,312
Machinery and equipment	110,231,592	5,977,227	(2,424,843)	113,783,976
Infrastructure	1,450,386,387	84,869,754	-	1,535,256,141
Total capital assets, being depreciated	2,078,467,818	123,699,917	(2,424,843)	2,199,742,892
Less accumulated depreciation for:				
Buildings	(185,231,037)	(18,315,838)	-	(203,546,875)
Depreciable land assets	(536,781)	(31,949)	-	(568,730)
Machinery and equipment	(88,754,160)	(8,790,508)	2,424,843	(95,119,825)
Infrastructure	(565,959,327)	(67,597,360)	-	(633,556,687)
Total accumulated depreciation	(840,481,305)	(94,735,655)	2,424,843	(932,792,117)
Total capital assets, being depreciated, net	1,237,986,513	28,964,262	-	1,266,950,775
Governmental Activities capital assets, net	$1,620,886,669	$104,025,102	(46,142,335)	$1,678,769,436

NOTE G – CAPITAL ASSETS (Continued)

Primary Government (Continued)

Capital asset activity for business-type activities for the year ended September 30, 2017, was as follows:

Business-type activities:	Balance at October 1, 2016	Additions	Deletions	Balance at September 30, 2017
Capital assets, not being depreciated:				
Construction in progress	$ 103,138,759	$ 1,864,008	$ (105,002,767)	$ -
Total capital assets, not being depreciated	103,138,759	1,864,008	(105,002,767)	-
Capital assets, being depreciated				
Buildings and improvements	176,278,539	105,002,767	-	281,281,306
Reference library	38,960	-	-	38,960
Equipment	12,739,925	-	-	12,739,925
Total capital assets being depreciated	189,057,424	105,002,767	-	294,060,191
Less accumulated depreciation for:				
Buildings and improvements	(59,937,765)	(5,752,369)	-	(65,690,134)
Reference library	(26,298)	(1,948)	-	(28,246)
Equipment	(12,464,935)	(58,681)		(12,523,616)
Total accumulated depreciation	(72,428,998)	(5,812,998)	-	(78,241,996)
Total capital assets, being depreciated, net	116,628,426	99,189,769	-	215,818,195
Business-type activities capital assets, net	$ 219,767,185	$ 101,053,777	$ (105,002,767)	$ 215,818,195

Depreciation expense was charged to functions of the primary government and business-type activities as follows:

Governmental activities:	
General Government	$ 9,052,674
Judicial	2,659,844
Public Safety	12,408,081
Education and Recreation	725,904
Public Works	69,695,170
Health and Public Welfare	79,271
Unallocated	114,711
Total depreciation expense - governmental activities	$ 94,735,655
Business-type activities:	
Venue Fund	$ 5,752,369
Sheriff's Commissary Fund	60,629
Total depreciation expense - business-type activities	$ 5,812,998

NOTE G – CAPITAL ASSETS (Continued)

Primary Government (Continued)

Governmental Activities:

Net investment in capital assets on page 31 is computed as follows:

Net investment in capital assets:		
Capital Assets, net of depreciation		$ 1,678,769,436
Total outstanding capital related debt	$ (1,826,672,980)	
Less expenditures for assets owned by other entities	792,222,611	
Less unspent debt proceeds	321,068,790	(713,381,579)
Net investment in capital assets		$ 965,387,857

The System

The System's capital asset activity for the year ended December 31, 2016 (in thousands) was as follows:

	Balance at January 1, 2016	Additions/ Transfers	Retirements/ Deletions	Balance at December 31, 2016
Land and land improvements	$ 19,449	$ 1,415	$ -	$ 20,864
Buildings and leasehold improvements	1,299,977	37,709	-	1,337,686
Equipment	390,101	26,956	(3,949)	413,108
Construction in progress	17,237	12,373	-	29,610
Total capital assets	$ 1,726,764	$ 78,453	$ (3,949)	$ 1,801,268
Less: accumulated depreciation	(526,508)	(79,119)	3,648	(601,979)
Total capital assets, net	$ 1,200,256	$ (666)	$ (301)	$ 1,199,289

NOTE G – CAPITAL ASSETS (Continued)

The District

The District's capital asset activity for year ended September 30, 2016 was as follows:

	Balance at October 1, 2015	Additions	Deletions	Transfers	Balance at September 30, 2016
Capital assets, not being depreciated					
Construction in progress	$ 67,686,127	$ 3,651,781	$ (201,700)	$ (71,136,208)	$ -
Total capital assets, not being depreciated	67,686,127	3,651,781	(201,700)	(71,136,208)	-
Capital assets, being depreciated					
Public improvements					
Utility System Improvements	6,191,474	-	-	35,089,093	41,280,567
Floodplains and Wetlands	1,207,744	-	-	4,003,833	5,211,577
Roadways	642,799	-	-	32,043,282	32,686,081
Total capital assets, being depreciated	8,042,017	-	-	71,136,208	79,178,225
Less accumulated depreciation for:					
Public improvements					
Utility System Improvements	(807,137)	(1,306,998)	-	-	(2,114,135)
Floodplains and Wetlands	(156,163)	(179,709)	-	-	(335,872)
Roadways	(83,797)	(1,127,106)	-	-	(1,210,903)
Total accumulated depreciation	(1,047,097)	(2,613,813)	-	-	(3,660,910)
Total capital assets, being depreciated, net	6,994,920	(2,613,813)	-	71,136,208	75,517,315
Governmental Activities capital assets, net	$ 74,681,047	$ 1,037,968	$ (201,700)	$ -	$ 75,517,315

The cost of the District's public improvements and construction projects includes $16,854,837 of cumulative interest incurred on the amount due to the Developer, of which includes $3,651,781 incurred in the current year.

NOTE G – CAPITAL ASSETS (Continued)

The Authority

The Authority's capital asset activity for year ended September 30, 2017 was as follows:

	Balance at October 1, 2016	Additions	Deletions	Balance at September 30, 2017
Capital assets, not being depreciated				
Development in progress:				
US 281 North	$ 3,213,159	$ 30,662	$ -	$ 3,243,821
IH 10 from 1604 to Ralph Fair	10,836	-	10,836	-
Loop 1604 EIS	11,710,236	12,039	-	11,722,275
Loop 1604	932,191	69,883	-	1,002,074
Blanco Rd Phase II	11,186	606,951	-	618,137
Evans Rd Phase I	2,782	3,181	-	5,963
Evans Rd Phase II	28,847	658,755	-	687,602
Foster Rd Phase III	84,196	493,894	-	578,090
Talley Road Phase I	-	36,548	-	36,548
West Military Drive	-	13,334	-	13,334
Fischer Road Phase II	-	2,453	-	2,453
Old FM 471/Talley Road	-	605	-	605
Total development in progress	15,993,433	1,928,305	10,836	17,910,902
Total capital assets not being depreciated	15,993,433	1,928,305	10,836	17,910,902
Total capital assets	$ 15,993,433	$ 1,928,305	$ 10,836	$ 17,910,902

NOTE H – LONG-TERM DEBT

Primary Government

Long-term obligations of the County consist of bonds, certificates of obligation, and other liabilities which are payable from the general, debt service and enterprise funds. The changes in the County's governmental and business-type activities long-term liabilities for fiscal year 2017 were as follows:

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Governmental Activities:					
Refunding Bonds					
Limited Tax General Obligation Refunding Bonds, Series 2009					
Date Issued: May 15, 2009					
Interest Rate: 2.00 - 3.25					
Original Amount: $14,890,000					
Maturing Date: June 15, 2019	$ 860,000	$ -	$ 280,000	$ 580,000	$ 285,000
Limited Tax General Obligation Refunding Bonds, Series 2010					
Date Issued: August 18, 2010					
Interest Rate: 2.00 - 5.00					
Original Amount: $36,915,000					
Maturing Date: June 15, 2025	4,660,000	-	2,285,000	2,375,000	2,375,000
Limited Tax General Obligation Refunding Bonds, Series 2011					
Date Issued: October 11, 2011					
Interest Rate: 2.00 - 5.00					
Original Amount: $17,650,000					
Maturing Date: June 15, 2023	14,330,000	-	2,125,000	12,205,000	2,230,000
Limited Tax Refunding Bonds, Series 2013:					
Date Issued: December 19, 2013					
Interest Rate: 2.00 - 5.00					
Original Amount: $18,055,000					
Maturing Date: June 15, 2027	12,885,000	-	80,000	12,805,000	1,155,000
Unlimited Tax Refunding Bonds, Series 2013:					
Date Issued: December 19, 2013					
Interest Rate: 1.75 - 5.00					
Original Amount: $16,835,000					
Maturing Date: June 15, 2027	15,875,000	-	1,420,000	14,455,000	1,495,000
Limited Tax Refunding Bonds, Series 2013:					
Date Issued: December 19, 2013					
Interest Rate: 2.00 - 5.00					
Original Amount: $13,375,000					
Maturing Date: June 15, 2021	9,910,000	-	1,815,000	8,095,000	1,890,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Governmental Activities:					
Refunding Bonds					
Limited Tax Refunding Bonds, Series 2013: Date Issued: December 19, 2013 Interest Rate: 4.00 - 5.00 Original Amount: $16,790,000 Maturing Date: June 15, 2021	14,285,000	-	2,605,000	11,680,000	2,710,000
Limited Tax Refunding Bonds, Series 2014: Date Issued: December 30, 2014 Interest Rate: 3.00 - 5.00 Original Amount: $54,575,000 Maturing Date: June 15, 2028	54,250,000	-	200,000	54,050,000	2,770,000
Unlimited Tax Refunding Bonds, Series 2014: Date Issued: December 30, 2014 Interest Rate: 1.50 - 5.00 Original Amount: $9,360,000 Maturing Date: June 15, 2028	9,360,000	-	-	9,360,000	660,000
Flood Control Tax Refunding Bonds, Series 2014: Date Issued: December 30, 2014 Interest Rate: 4.00 - 5.00 Original Amount: $111,810,000 Maturing Date: June 15, 2038	111,810,000	-	940,000	110,870,000	2,625,000
Flood Control Tax Refunding Bonds, Series 2016: Date Issued: July 21, 2016 Interest Rate: 3.00 - 5.00 Original Amount: $101,740,000 Maturing Date: June 15, 2035	101,740,000	-	-	101,740,000	-
Limited Tax Refunding Bonds, Series 2016: Date Issued: July 21, 2016 Interest Rate: 3.00 - 5.00 Original Amount: $248,415,000 Maturing Date: June 15, 2040	248,415,000	-	2,620,000	245,795,000	1,630,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
General Obligation Bonds					
Unlimited Tax Bonds, Series 2008: Date Issued: June 1, 2008 Interest Rate: 4.125 - 5.00 Original Amount: $15,205,000 Maturing Date: June 15, 2028	695,000	-	695,000	-	-
Limited Tax General Obligation Bonds, Series 2010 Date Issued: August 19, 2010 Interest Rate: 3.00-4.25 Original Amount: $24,020,000 Maturing Date: June 15, 2040	1,665,000	-	535,000	1,130,000	555,000
Total Bonds	$ 600,740,000	$ -	15,600,000	$ 585,140,000	$ 20,380,000
Certificates of Obligation					
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2008: Date Issued: June 1, 2008 Interest Rate: 4.00 - 5.25 Original Amount: $68,975,000 Maturing Date: June 15, 2038	1,560,000	-	1,560,000	-	-
Combination Tax and Revenue Certificates of Obligation, Series 2008: Date Issued: June 1, 2008 Interest Rate: 3.00 - 5.25 Original Amount: $54,675,000 Maturing Date: June 15, 2028	2,440,000	-	2,440,000	-	-
Combination Tax and Revenue Certificates of Obligation, Series 2009A Date Issued: August 1, 2009 Interest Rate: 3.00 - 5.00 Original Amount: $98,445,000 Maturing Date: June 15, 2035	2,360,000	-	115,000	2,245,000	120,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Governmental Activities:					
Certificates of Obligation					
Combination Tax amd Flood Control Revenue Certificates of Obligation, Series 2009A					
Date Issued: August 1, 2009					
Interest Rate: 4.00 - 5.00					
Original Amount: $103,690,000					
Maturing Date: June 15, 2035	2,890,000	-	285,000	2,605,000	295,000
Combination Tax and Revenue Certificates of Obligation, Taxable Series 2009B, Direct Subsidy-Build America Bonds					
Date Issued: August 1, 2009					
Interest Rate: 6.628					
Original Amount: $50,620,000					
Maturing Date: June 15, 2039	50,620,000	-	-	50,620,000	-
Combination Tax and Flood Control Revenue Certificates of Obligation, Taxable Series 2009B, Direct Subsidy-Build America Bonds					
Date Issued: August 1, 2009					
Interest Rate: 6.628					
Original Amount: $50,620,000					
Maturing Date: June 15, 2039	50,620,000	-	-	50,620,000	-
Combination Tax and Revenue Certificates of Obligation, Taxable Series 2010B, Direct Subsidy-Build America Bonds					
Date Issued: August 19, 2010					
Interest Rate: 5.75					
Original Amount: $30,325,000					
Maturing Date: June 15, 2039	30,325,000	-	-	30,325,000	-
Combination Tax and Revenue Certificates of Obligation, Series 2010A					
Date Issued: August 19, 2010					
Interest Rate: 3.00-5.00					
Original Amount: $97,455,000					
Maturing Date: June 15, 2036	8,175,000	-	2,595,000	5,580,000	2,720,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Governmental Activities:					
Certificates of Obligation					
Combination Tax and Revenue Certificates of Obligation, Series 2011					
Date Issued: October 11, 2011					
Interest Rate: 3.00-5.00					
Original Amount: $59,330,000					
Maturing Date: June 15, 2040	2,435,000	-	810,000	1,625,000	815,000
Combination Tax and Revenue Certificates of Obligation, Series 2011A					
Date Issued: December 27, 2011					
Interest Rate: 3.375-5.00					
Original Amount: $51,295,000					
Maturing Date: June 15, 2040	50,335,000	-	605,000	49,730,000	595,000
Combination Tax and Revenue Certificates of Obligation, Series 2011A					
Date Issued: December 27, 2011					
Interest Rate: 3.00-5.00					
Original Amount: $34,095,000					
Maturing Date: June 15, 2037	31,840,000	-	815,000	31,025,000	845,000
Combination Tax and Revenue Certificates of Obligation, Series 2013					
Date Issued: February 14, 2013					
Interest Rate: 3.00-5.00					
Original Amount: $83,955,000					
Maturing Date: June 15, 2043	83,725,000	-	480,000	83,245,000	500,000
Combination Tax and Revenue Certificates of Obligation, Series 2013A					
Date Issued: May 9, 2013					
Interest Rate: 1.00-5.00					
Original Amount: $115,040,000					
Maturing Date: June 15, 2040	114,340,000	-	500,000	113,840,000	500,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Governmental Activities:					
Certificates of Obligation					
Combination Tax and Revenue Certificates of Obligation, Series 2013B					
Date Issued: August 22, 2013					
Interest Rate: 2.00-5.125					
Original Amount: $331,725,000					
Maturing Date: June 15, 2043	331,225,000	-	500,000	330,725,000	500,000
Pass-Through Revenue and Limited Tax Bonds, Series 2015A					
Date Issued: August 13, 2015					
Interest Rate: 2.00 - 5.00					
Original Amount: $17,405,000					
Maturing Date: June 15, 2044	17,010,000	-	345,000	16,665,000	350,000
Pass-Through Revenue and Limited Tax Bonds, Series 2015B					
Date Issued: August 13, 2015					
Interest Rate: 2.00 - 5.00					
Original Amount: $29,385,000					
Maturing Date: June 15, 2045	27,525,000	-	530,000	26,995,000	540,000
Combination Tax and Revenue Certificates of Obligation, Series 2014					
Date Issued: December 30, 2014					
Interest Rate: 3.00 - 5.00					
Original Amount: $87,130,000					
Maturing Date: June 15, 2040	86,880,000	-	250,000	86,630,000	500,000
Combination Tax and Revenue Certificates of Obligation, Series 2016					
Date Issued: August 25, 2016					
Interest Rate: 2.00 - 5.00					
Original Amount: $91,675,000					
Maturing Date: June 15, 2045	91,675,000	-	-	91,675,000	100,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Governmental Activities:					
Certificates of Obligation					
Combination Tax and Revenue Certificates of Obligation, Series 2016					
Date Issued: December 20, 2016					
Interest Rate: 3.00 -5.00					
Original Amount: $93,280,000					
Maturing Date: June 15, 2045	-	93,280,000	-	93,280,000	100,000
Combination Tax and Revenue Certificates of Obligation, Series 2016					
Date Issued: December 20, 2016					
Interest Rate: 3.00 - 5.00					
Original Amount: $20,330,000					
Maturing Date: June 15, 2031	-	20,330,000	-	20,330,000	1,040,000
Total Certificates of Obligation	985,980,000	113,610,000	11,830,000	1,087,760,000	9,520,000
Total Bonds, Certificates of Obligation	$ 1,586,720,000	$ 113,610,000	$ 27,430,000	$ 1,672,900,000	$ 29,900,000

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Other Liabilities					
Compensated absences	39,480,142	11,318,697	9,870,036	40,928,803	10,232,201
OPEB obligation	64,238,495	13,999,290	6,698,582	71,539,203	-
Total Other Liabilities	103,718,637	25,317,987	16,568,618	112,468,006	10,232,201
Total Governmental Activities	$ 1,690,438,637	$ 138,927,987	$ 43,998,618	$ 1,785,368,006	$ 40,132,201

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Business-type Activities:					
Revenue Bonds					
Tax-Exempt Venue Project Revenue Refunding Bonds, Series 2008A Date Issued: September 4, 2008 Interest Rate: 3.50 - 5.25 Original Amount: $42,145,000 Maturing Date: August 15, 2047	38,250,000	-	575,000	37,675,000	595,000
Taxable Venue Project Revenue Refunding Bonds, Series 2008B Date Issued: September 4, 2008 Interest Rate: 3.77 - 6.98 Original Amount: $50,810,000 Maturing Date: August 15, 2032	40,620,000	-	1,520,000	39,100,000	1,610,000
Tax-Exempt Venue Project Revenue Bonds, Series 2008C Date Issued: September 4, 2008 Interest Rate: 3.50 - 5.00 Original Amount: $5,525,000 Maturing Date: August 15, 2037	4,685,000	-	140,000	4,545,000	145,000
Tax-Exempt Venue Project Revenue Bonds, Series 2008D Date Issued: September 4, 2008 Interest Rate: 3.50 - 5.00 Original Amount: $5,985,000 Maturing Date: August 15, 2037	5,075,000	-	150,000	4,925,000	155,000
Tax-Exempt Venue Project Revenue Bonds (MVRT), Series 2009 Date Issued: December 17, 2009 Interest Rate: 2.00 - 5.00 Original Amount: $27,870,000 Maturing Date: August 15, 2039	26,410,000	-	675,000	25,735,000	705,000

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2016	Issued During Year	Retired During Year	Balance Outstanding September 30, 2017	Amount Due Within One Year
Business-type Activities:					
Revenue Bonds					
Tax-Exempt Venue Project Revenue Bonds (CVT), Series 2009 Date Issued: December 17, 2009 Interest Rate: 2.00 - 5.00 Original Amount: $23,020,000 Maturing Date: August 15, 2039	21,710,000	-	550,000	21,160,000	570,000
Tax-Exempt Venue Project Revenue Refunding Bonds (MVRT), Series 2010 Date Issued: December 14, 2010 Interest Rate: 3.00 - 5.50 Original Amount: $27,365,000 Maturing Date: August 15, 2049	25,925,000	-	325,000	25,600,000	340,000
Tax-Exempt Venue Project Revenue Refunding Bonds (CVT), Series 2010 Date Issued: December 14, 2010 Interest Rate: 3.00 - 5.50 Original Amount: $39,695,000 Maturing Date: August 15, 2049	37,605,000	-	470,000	37,135,000	495,000
Tax-Exempt Venue Project Revenue Refunding Bonds (CVT), Series 2013 Date Issued: January 23, 2013 Interest Rate: 2.00-5.00 Original Amount: $92,190,000 Maturing Date: August 15, 2049	91,440,000	-	250,000	91,190,000	250,000
Tax-Exempt Venue Project Revenue Refunding Bonds (MVRT), Series 2013 Date Issued: January 23, 2013 Interest Rate: 2.00-5.00 Original Amount: $25,880,000 Maturing Date: August 15, 2049	24,720,000	-	405,000	24,315,000	415,000
Tax-Exempt Venue Project Rev Ref Bonds, (CVT), Series 2015 Date Issued: November 18, 2015 Interest Rate: 3.00-5.00 Original Amount: $78,935,000 Maturing Date: August 15, 2051	77,320,000	-	990,000	76,330,000	1,025,000
Total Revenue Bonds	$ 393,760,000	$ -	$ 6,050,000	$ 387,710,000	$ 6,305,000
Total Business-type Activities	$ 393,760,000	$ -	$ 6,050,000	$ 387,710,000	$ 6,305,000

NOTE H - LONG-TERM DEBT (Continued)

Primary Government (Continued)

Annual debt service requirements as of September 30, 2017 are as follows:

Fiscal	Governmental Activities			Business-type Activities			Total
Year	Principal	Interest	Total	Principal	Interest	Total	All Debt
2018	29,900,000	77,705,804	107,605,804	6,305,000	19,214,029	25,519,029	133,124,833
2019	35,310,000	76,446,741	111,756,741	6,585,000	18,927,768	25,512,768	137,269,509
2020	38,730,000	74,817,279	113,547,279	6,875,000	18,620,911	25,495,911	139,043,190
2021	40,965,000	72,921,479	113,886,479	7,210,000	18,293,465	25,503,465	139,389,944
2022	38,590,000	70,904,029	109,494,029	7,535,000	17,952,479	25,487,479	134,981,508
2023-2027	249,655,000	322,978,329	572,633,329	43,710,000	83,653,567	127,363,567	699,996,896
2028-2032	339,195,000	257,186,688	596,381,688	56,255,000	71,004,487	127,259,487	723,641,175
2033-2037	411,595,000	178,467,626	590,062,626	65,700,000	55,535,863	121,235,863	711,298,489
2038-2042	379,435,000	77,811,325	457,246,325	68,615,000	38,765,288	107,380,288	564,626,613
2043-2047	109,525,000	6,880,000	116,405,000	78,850,000	21,494,000	100,344,000	216,749,000
2048-2051	-	-	-	40,070,000	3,488,825	43,558,825	43,558,825
	$ 1,672,900,000	$ 1,216,119,300	$ 2,889,019,300	$ 387,710,000	$ 366,950,682	$ 754,660,682	$ 3,643,679,982

In the government-wide financial statements, governmental activities, deferred charges on refundings of bonds (losses) are amortized over the life of the new debt or old debt, whichever is shorter; bond premiums, bond discounts, and prepaid insurance costs are amortized over the life of the debt. Bonds payable are reported net of the applicable bond premiums and bond discounts.

Governmental Activities

Capital assets, net of related debt, include land, equipment and construction in progress, buildings, depreciable land assets, machinery and equipment, and infrastructure, net of accumulated depreciation. The amount is reduced by outstanding bonds, certificates of obligation, net of unspent proceeds, related to improving, purchasing, or constructing capital assets and expenditures for assets owned by the entities.

In prior years, the General Fund has been used to liquidate the liability for compensated absences and net pension obligation whereas the Internal Service Fund has been used to liquidate the net other post-employment benefit obligation.

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
Bonds	$ 600,740,000	$ -	$ 15,600,000	$ 585,140,000	$ 20,380,000
Certificates of obligation	985,980,000	113,610,000	11,830,000	1,087,760,000	9,520,000
	1,586,720,000	113,610,000	27,430,000	1,672,900,000	29,900,000
Unamortized premium	149,402,015	12,362,400	7,991,435	153,772,980	8,500,901
Total bonds payable	1,736,122,015	125,972,400	35,421,435	1,826,672,980	38,400,901
Other liabilities					
Compensated absences	39,480,142	11,318,697	9,870,036	40,928,803	10,232,200
OPEB obligation	64,238,495	13,999,290	6,698,582	71,539,203	-
Total other liabilities	103,718,637	25,317,987	16,568,618	112,468,006	10,232,200
Total Governmental Activities long-term liabilities	$ 1,839,840,652	$ 151,290,387	$ 51,990,053	$ 1,939,140,986	$ 48,633,101

Business-type Activities

In business-type activities, deferred charges on refundings of bonds (losses) are amortized over the life of the new debt or old debt, whichever is shorter; bond premiums, discounts, and the cost of prepaid insurance are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond discount and premiums.

Capital assets, net of related debt include buildings, improvements, and equipment, net of accumulated depreciation. This amount is reduced by the outstanding revenue bonds, net of unspent proceeds, related to constructing, purchasing, or improving capital assets.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-Type Activities:					
Tax-Exempt Rev Ref Bonds	$ 38,250,000	$ -	$ 575,000	$ 37,675,000	$ 595,000
Taxable Rev Ref Bonds	40,620,000	-	1,520,000	39,100,000	1,610,000
Tax-Exempt Revenue Bonds (CVT)	26,395,000	-	690,000	25,705,000	715,000
Tax-Exempt Revenue Bonds (MVRT)	31,485,000	-	825,000	30,660,000	860,000
Tax-Exempt Sub Lien Ref Rev Bonds	25,925,000	-	325,000	25,600,000	340,000
Tax-Exempt Sub Lien Ref Rev Bonds	37,605,000	-	470,000	37,135,000	495,000
Tax-Exempt Rev Ref Bonds (CVT)	91,440,000	-	250,000	91,190,000	250,000
Tax-Exempt Rev Ref Bonds (MVRT)	24,720,000	-	405,000	24,315,000	415,000
Tax-Exempt Sub Lien Rev Bonds (CVT)	77,320,000	-	990,000	76,330,000	1,025,000
	393,760,000	-	6,050,000	387,710,000	6,305,000
Unamortized premium	9,151,738	-	278,838	8,872,900	278,838
Unamortized discount	(1,640,129)	-	(52,337)	(1,587,792)	(52,337)
Total revenue bonds payable	401,271,609	-	6,276,501	394,995,108	6,531,501
Total Business-Type Activities long-term liabilities	$ 401,271,609	$ -	$ 6,276,501	$ 394,995,108	$ 6,531,501

NOTE H – LONG-TERM DEBT (Continued)

Primary Government (Continued)

Fiscal Year 2016-2017 Debt Obligation Activity

Governmental Activities

In December 2016, the County issued $93,280,000 in Combination Tax and Revenue Certificates of Obligation, Series 2016A at a premium of $9,481,798 with the payments of the related principal and interest to be made from an annual ad valorem tax levied against all taxable property within the County. Proceeds from the sale of the Series 2016A Certificates are being used by the County for the purposes of making permanent public improvements and for other public purposes, to-wit: designing, acquiring, constructing, renovating, improving, and equipping the Bexar County Courthouse, Bexar County Jail, the "old" Bexar County Jail, Bexar County Adult Detention Facilities (Annex and Detention Center), Bexar County Juvenile Detention Facilities, Justice of the Peace/Constable Facilities, Forensic Science Center, Technology Centers, Bexar County Crime Lab, Bexar County Sheriff's Department law enforcement facilities, Bexar County Justice Center, Bexar County District Court Facilities, Bexar County Data Center, Bexar County Public Works Facility, and other Bexar County-owned administrative facilities, recreational facilities, and civil and criminal justice facilities; acquiring computer hardware and software and other technology (including information technology system and network upgrades and improvements), communication, and audio/visual equipment and the payment of professional fees relating thereto, including the Countywide Integrated Justice System and Financial Management System; acquiring, constructing, renovating, improving, and equipping parks and recreational facilities and the purchase of park vehicles; acquiring vehicles and equipment for various County offices and departments; acquiring and installing energy conservation equipment for County facilities; designing, constructing, repairing, and improving County roads (including utilities relocation and related bridge and drainage improvements); designing, acquiring, constructing and equipping parking facilities; constructing improvements for flood control purposes, including landscaping, sidewalk, road, and bridge related improvements, acquisition of technology improvements, and purchase of equipment, machinery, land, rights-of-way, materials, and supplies for authorized needs and purposes; the acquisition of conservation easements for County open-space uses; acquiring materials, supplies, equipment, machinery, land, easements, right-of-ways and other interests in real property for authorized needs and purposes relating to any of the foregoing purposes; and the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects. The annual interest rate on the bonds range from 3.00% - 5.00%. Interest accrues semiannually and the bonds mature in fiscal year 2045.

In December 2016, the County issued $20,330,000 in Combination Tax and Revenue Certificates of Obligation, Series 2016B at a premium of $2,880,602 with the payments of the related principal and interest to be made from an annual ad valorem tax levied against all taxable property within the County. Proceeds from the sale of the Series 2016B Certificates are being used by the County for the purposes of making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, and equipping a Bexar County mental health services facility; (2) acquiring materials, supplies, equipment, machinery, land, easements, rights-of-way and other interests in real property for authorized needs and purposes relating to any of the foregoing purposes; and (3) the payment of professional services related to the design, construction, project management, and financing of the aforementioned projects. The annual interest rate on the bonds range from 3.00% - 5.00%. Interest accrues semiannually and the bonds mature in fiscal year 2031.

NOTE H – LONG-TERM DEBT (Continued)

Defeasance of Debt (Continued)

At September 30, 2017, the outstanding principal balance of these defeased bonds was as follows:

Governmental Activities:		
General Obligation Bonds:		
Limited Tax Refunding Bonds, Series 2010	19,940,000	
Limited Tax General Obligations Bonds, Series 2010	19,290,000	
Total General Obligation Bonds		$ 39,230,000
Certificates of Obligation:		
Combination Flood Control Tax & Revenue, Series 2009A	100,525,000	
Combination Tax & Revenue, Series 2009A	95,975,000	
Combination Tax & Revenue, Series 2010A	74,855,000	
Combination Tax & Revenue, Series 2011	56,010,000	
Total Certificates of Obligation		327,365,000
Total Defeased Debt		$ 366,595,000

Arbitrage Rebate

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government on arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The County has no cumulative rebate amount due or payable as of September 30, 2017.

Compensated Absences

Changes in long-term compensated absences for the year ended September 30, 2017 were as follow:

Governmental Activities

Balance October 1, 2016	Additions	Taken/Paid	Balance September 30, 2017	Due in One Year
$ 39,480,142	$ 11,318,697	$ 9,870,036	$ 40,928,803	$ 10,232,200

NOTE H – LONG-TERM DEBT (Continued)

The System

The schedule of changes in the System's long-term debt for 2016 follows:

	Balance at January 1, 2016	Additions	Reductions	Balance at December 31, 2016	Amounts Due Within One Year
Bonds payable:			*(In Thousands)*		
Certificate of obligations, series 2008, net	251,960	-	(221,240)	30,720	6,015
Certificate of obligations, series 2009A, net	13,195	-	(6,450)	6,745	6,745
Certificate of obligations, series 2009B, net	246,395	-	-	246,395	-
Certificate of obligations, series 2010B, net	184,010	-	(2,735)	181,275	3,675
Certificate of obligations, series 2015, net	18,500	-	(8,650)	9,850	9,850
Limited Tax Refunding Bonds, series 2016, net	-	199,240	-	199,240	3,980
	714,060	199,240	(239,075)	674,225	30,265

The combination tax and revenue Certificates of Obligation, series 2008 (the 2008 Certificates) were issued in 2008, and mature in various amounts annually on February 15, from 2009 through 2038. The 2008 Certificates have stated coupon rates ranging from 3.25% to 5.00%, and are collateralized by a levy of ad valorem tax revenue and lien on and pledge of surplus revenues. The tax Certificates of Obligation, series 2009A (the 2009A Certificates) were issued in 2009, and mature in various amounts annually on February 15, from 2010 through 2017, with stated coupon rates ranging from 1.00% to 5.00%. The tax Certificates of Obligation, series 2009B (the 2009B Certificates) were issued in 2009, and mature in various amounts annually on February 15, from 2018 through 2039, with stated coupon rates ranging from 5.269% to 6.904%. The tax Certificates of Obligations, series 2010B (the 2010B Certificates) were issued in 2010, and mature in various amounts annually on February 15, from 2011 through 2040, with stated coupon rates ranging from 0.300% to 5.413%. The 2009B Certificates and 2010B Certificates are designated under the American Recovery and Reinvestment Act of 2009 as "Qualified Build America Bonds" debt. The combination tax and revenue Certificates of Obligation, Series 2015 (the 2015 Certificates) were issued in 2015, and mature in various amounts annually on February 15, from 2016 through 2017, with a stated coupon rate of 0.750% and are collateralized by a levy of ad valorem tax revenue and lien on and pledge of surplus revenues. In August 2016, the System advance refunded $215,485 of the Series 2008 Certificates with the issuance of the Limited Tax Refunding Bonds (the 2016 Bonds). As a result of the refunding, the System decreased its total debt service requirements by $69,350 and incurred an accounting loss of approximately $15,155. The accounting los on the refunding is being amortized into interest expense using a straight-line method over the term of the 2016 Bonds, which mature in 2037. The balance of the deferred loss on the refunding is $15,144 at December 31, 2016 and is included as a deferred outflow of resources in the accompanying balance sheets. The 2016 Bonds were issued in 2016, and mature in various amounts annually on February 15, from 2017 through 2037, with stated coupon rates ranging from 1.5% to 5.0% and are collateralized by a levy of ad valorem tax revenue and lien on and pledge of surplus revenues.

Bexar County, Texas
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2017

NOTE H – LONG-TERM DEBT (Continued)

The District

In September 2009, the District issued $22,520,000 in Limited Ad Valorem Tax Utility System Bonds, Series 2009 for the purpose of reimbursing the Developer for authorized and approved construction costs it incurred within the District. The bonds will be paid over a twenty-five year period with a maturity date of August 15, 2034 and interest rates of ranging from 3.00% - 6.25%. The Limited Ad Valorem Tax Utility System Bonds, Series 2009 matures on August 15, 2034.

In October 2014, the District issued $48,900,000 Hotel Tax and Sales and Use Tax Revenue Bonds Taxable, Series 2014 to reduce the Economic Development Grant from the Developer. The bonds will be paid over a twenty year period with a maturity date of August 15, 2034 and an interest rate of 7.00%.

In December 2014, the District issued $8,965,000 Limited Ad Valorem Tax Road Bonds, Series 2014 to reimburse the Developer for public improvements. The bonds will be paid over a twenty year period with a maturity date of August 15, 2034 and an interest rate ranging from 3.00% - 4.10%.

	Balance at October 1, 2015 (Restated)	Additions	Reductions	Balance at Septermber 30, 2016	(Discount) / Premium Balance at September 30, 2016	Amounts Due Within One Year
Bonds payable:						
Limited Ad Valorem Tax Utility System Bonds:						
Series 2009	$ 19,305,000	$ -	$ 590,000	$ 18,715,000	$ (267,178)	$ 620,000
Limited Ad Valorem Tax Road Bonds:						
Series 2014	8,535,000	-	335,000	8,200,000	3,915	345,000
Subtotal	27,840,000	-	925,000	26,915,000	(263,263)	965,000
Hotel Tax and Sales and Use Tax Revenue Bonds Taxable:						
Series 2014	46,725,000	-	1,760,000	44,965,000	-	1,350,000
Total	$ 74,565,000	$ -	$ 2,685,000	$ 71,880,000	$ (263,263)	$ 2,315,000

The District restated the beginning balance of Bond Payable, Net by $425,000. The decrease was a result of a special mandatory payment made in the prior year on the Hotel Tax and Sales and Use Tax Revenue Bonds Taxable, Series 2014. The resulting prior period adjustment increased the beginning balance of net position.

On January 26, 2006, the District entered into an agreement, with the Developer, for the construction of public improvements and for certain public improvements that had already been undertaken by the Developer prior to the date of the agreement. Interest accumulates on unreimbursed costs at a rate of 9.75% per annum, compounded monthly, from the time the Developer requests reimbursement. As of September 30, 2016, the amount due to the Developer is $43,069,338, which includes $18,192,204 of accrued interest.

A summary of changes in amounts due to developer for the year ended September 30, 2016 follows:

Balance - October 1, 2015	$ 41,025,422
Interest Accrued in the Current Year	3,651,781
Construction in Progress Additions	(201,700)
Current Year Payments	(1,406,165)
Balance - September 30, 2016	$ 43,069,338
Amount due within one year	$ -

NOTE H – LONG-TERM DEBT (Continued)

The Authority

Long-term debt activity for the year ended September 30, 2017 is as follows:

	Balance October 1, 2016	Additions	Reductions	Balance September 30, 2017	Due in One Year
TxDot - FAA 1	913,890	-	-	913,890	-
TxDot - FAA 2	4,542,185	-	-	4,542,185	-
TxDot - FAA 3	128,714	-	-	128,714	-
TxDot - FAA 5	12,390,000	-	-	12,390,000	-
VRF Jr Lien	52,320,000	-	-	52,320,000	-
VRF Sr Lien	62,105,000	-	1,755,000	60,350,000	1,845,000
Premium	21,475,733	-	1,603,910	19,871,823	-
Total long-term liabilities	$ 153,875,522	$ -	$ 3,358,910	$ 150,516,612	$ 1,845,000

On December 16, 2005, the Authority entered into a financial assistance agreement (FAA 1) with TxDOT to provide funding for the Authority's participation in the procurement process for a proposed comprehensive development agreement. This agreement is not to exceed $1,000,000 and is noninterest-bearing. Funds were drawn down as authorized expenses were incurred. The amount outstanding at September 30, 2017 totaled $913,890. On January 23, 2006, the Authority entered into a financial assistance agreement (FAA 2) with TxDOT to provide funding for the development costs of certain toll projects. This agreement is not to exceed $7,500,000 and is noninterest-bearing. Funds were drawn down as authorized expenses were incurred. The amount outstanding at September 30, 2017 totaled $4,542,185. On September 11, 2007, the Authority entered into a financial assistance agreement (FAA 3) with TxDOT to provide funding for the development costs of certain toll projects. FAA 3 is being funded with remaining unused funds on the previous FAAs. Funds were drawn down as authorized expenses were incurred. This agreement is not to exceed $3,043,925 (the amount of unused funds from the previous FAAs) and is noninterest-bearing. $2,915,211 of FAA 3 was reduced by TxDOT during the fiscal year 2011 for accepted work product on Wurzbach Parkway and Bandera Road. The amount outstanding at September 30, 2016 totaled $128,714. On February 3, 2009, the Authority entered into a financial assistance agreement (FAA 5) with TxDOT to provide funding for the environmental impact statement and Loop 1604 predevelopment costs. TxDOT awarded $12,390,000 in the form of a loan to conduct feasibility studies, environmental studies, public involvement, schematics, and preliminary financial plans associated with the addition of toll lanes on identified projects. The amount outstanding at September 30, 2017 totaled $12,390,000. Any revenue used to repay the financial assistance agreements shall not exceed 10 percent of the revenue received in any calendar year.

On June 15, 2016, the Authority issued $114,425,000 ($62,105,000 in Senior Lien and $52,320,000 in Junior Lien bonds) in Alamo Regional Mobility Authority Vehicle Registration Fee Revenue Bonds, Series 2016 (maturing in 2046) at a premium of $21,950,110 with the payment of the related principal and interest to be made from a pledge of net revenues from a $10 vehicle registration fee assessed on all vehicles registered in Bexar County. Interest on the debt varies between 4-5 percent. The proceeds from the debt will be used to (i) initiate construction on 14 local transportation projects spread-out across Bexar County (ii) funding for two debt service reserve insurance policies and (iii) pay for cost of issuance. The Authority purchased a surety policy in the amount of $239,356 at the time of closing which is recorded as a prepaid asset.

NOTE I – RESTRICTED ASSETS AND LIABILITIES

Primary Government

The government-wide and business-type activities financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted or unrestricted. In the fund financial statements, nonspendable, restricted, and committed segregate portions of fund balance that are either not available or have been earmarked for specific purposes from unassigned balances. These designations and restrictions can be found on pages 31 and 34.

The System

Certain noncurrent Cash and Investments have been internally by the Board of Managers, which may, at its discretion, later use the funds for other purposes. The composition of internally restricted cash is set forth in the following table:

	2016
	(In Thousands)
Capital acquisitions and improvements	$ 158,835
Professional self-insurance held in trust	5,053
Contingency fund	223,048
Total assets limited as to use	$ 386,936

NOTE J – SELF INSURANCE

Primary Government

The County is self-insured for the majority of health, workers' compensation, and third-party general and property liability claims. The self-insurance programs are administered by external third-party administrators whose primary function is to administer and pay claims. Self-insurance activities are accounted for as an internal service fund.

The County relies upon a combination of self-insurance and commercial coverage for workers' compensation and third-party liability claims. Claims administration is managed by an external agency pursuant to contractual terms for the receipt, investigation, and resolution of claims either by injured employees or third-parties alleging damage to persons or property. From October 1, 2016, the internal service funds provide coverage for up to $100,000 for most liability claims and up to $150,000 for claims arising out of law enforcement activities. Claims which exceed this self-insured retention (SIR) are covered by a combination of primary and excess coverage up to $5,000,000. For workers' compensation claims, for injuries from October 1, 2016, the SIR would be $750,000 for most workers, but $1,000,000 for uniform sheriff deputies and constables. Excess coverage beyond the SIR is provided up to statutory limits by a commercial policy.

Excess loss insurance is carried on the health program, which limits losses on claims within a calendar year. For calendar year 2016, this limit for losses on claims was $300,000 per occurrence and an annual aggregate of approximately $55.6 million. For calendar year 2017, this limit was $400,000 per occurrence and an annual aggregate of approximately $72.9 million. The provision for unpaid self-insurance health losses at year end is included in claims payable in the internal services fund. It is based upon actual prior claim cost experience and average time lags in settling such claims and actual claims paid after year end. There has been no significant reduction in insurance coverage from coverage in the prior year by major category of risk.

All funds of the County participate in the health program and make payments to the Self-Insurance Fund based on estimates computed by the County of the amounts needed to pay prior and current year claims. The claims liability of $8,895,503 reported at September 30, 2017 is based on the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. This Statement requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

NOTE J – SELF INSURANCE (Continued)

Primary Government (Continued)

Changes in the fund's claims liability for fiscal years ended September 30, 2016 and 2017 were:

Fiscal Year	Beginning Liability	Current Claims and Changes in Estimates	Claims Payment	Ending Balance	Due in One Year
2016	$ 7,169,751	$ 47,276,431	$ 45,670,063	$ 8,776,119	$ 8,139,119
2017	$ 8,776,119	$ 44,600,018	$ 44,480,634	$ 8,895,503	$ 7,922,633

NOTE K – CONTRACT BETWEEN BEXAR COUNTY AND THE SAN ANTONIO RIVER AUTHORITY

In 1951, Bexar County voters authorized an ad valorem levy for flood control of fifteen cents per one hundred dollars of valuation of taxable property. A 1955 contract with the San Antonio River Authority (SARA) and subsequent amendments, have provided to SARA a portion of the proceeds with the remaining flood control tax collections being retained by the County. The last amendment to the contract, referred to as *The 1999 Amendatory Contract*, maintains that the County will set a tax rate, which at 90% current collections, will provide revenues sufficient to pay the annual principal and interest of SARA bonds which are payable from the proceeds of the County's flood control tax. For the fiscal year ended September 30, 2017, the County transferred $3,081,120 to SARA as part of this agreement.

NOTE L – LEASES

Operating Leases

The County has entered into several cancelable facilities and equipment leases which are accounted for as operating leases. Total operating lease expenditures for the year ended September 30, 2017 by fund type are as follows:

General	Capital Projects	Nonmajor Governmental Funds	Business Type Activites	Internal Service	Total
$ 3,636,488	$ 17,316	$ 792,456	$ 8,606	$ 3,363	$ 4,458,229

NOTE M – CHARITY CARE

The System

The System provides charity care to residents of Bexar County who qualify on a financial basis for the Care*Link* Program and to all others who qualify based on the System's charity care policy. The System does not pursue collection of amounts in excess of the established guidelines for those patients who meet the charity criteria. Such excess is considered charity care and is not reported as revenue.

The System's Care*Link* Program is used to discount gross charges for medical services received in the System's facilities. Under this program, residents of Bexar County have an established maximum family liability rather than a discount of total gross charges. Key factors in establishing a family's maximum liability levels are: number of dependents, income, and the relationship of these factors to the current Poverty Index. The System does not pursue collection of amounts in excess of the maximum family liability. Such excess amounts are considered charity care and are not reported as revenue.

NOTE M – CHARITY CARE (Continued)

The System (Continued)

Arrangements are made with residents of Bexar County to pay their reduced medical costs in installments. Any amounts designated as not being due prior to December 31 of the subsequent year are classified as long-term patient receivables and are presented net of applicable allowances.

Non-CareLink patients meeting the financial and medical indigency criteria established in the charity policy receive a discount from gross charges for emergency and catastrophic medical services received in the System's facilities. Charges for financial indigency are discounted based on family income compared to the Poverty Index. Charges for medical indigency are discounted when charges exceed a certain income and asset level.

The System maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges forgone for services and supplies furnished under its charity care policy. The charges forgone, based on established rates, were approximately $520,139,000 and $401,438,000 for the years ended December 31, 2016 and 2015, respectively. The costs of charity care provided under the System's charity care policy were approximately $162,750,000 and $133,744,000 for 2016 and 2015, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross charity care charges.

NOTE N – RETIREMENT PLAN

Primary Government

Plan Description

The County provides retirement, disability, and death benefits for all of its eligible employees through a nontraditional defined benefit pension plan (the plan) in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system which consists of 738 nontraditional defined benefit pension plans. TCDRS, in the aggregate, issues a Comprehensive Annual Financial Report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted and may be amended by the governing body of the County within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal deposits in a lump sum and who are not eligible to retire are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employees' deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the county within the actuarial constraints imposed by the TCDRS Act, so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

At December 31, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2,441
Inactive employees entitled to but not yet receiving benefits	3,234
Active employees	5,199
	10,874

NOTE N – RETIREMENT PLAN (Continued)

Funding Policy

The County has elected the Annually Determined Contribution Rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 13.18% of covered payroll for the months of the calendar year in 2016, and 13.21% of covered payroll for the months of the calendar year in 2017.

The deposit rate payable by all employee members for the calendar years 2016 and 2017 is 7% as adopted by the governing body of the County. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

The TCDRS board hires independent outside consulting actuaries to conduct an annual valuation to measure the funding status and to determine the required employer contribution rate for each employer plan. In order to calculate the employer contribution rate, the actuary does the following:

1. Studies each employer's adopted plan of benefits and the profile of its plan participants, and uses assumptions established by the board to estimate future benefit payments.

2. Discounts the estimate of future benefit payments to the present based on the long-term rate of investment return to determine the present value of future benefits.

3. Compares the present value of future benefits with the plan's assets to determine the difference that needs to be funded based on the funding policy.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	3.50%
Investment Rate of Return	8.10%

Mortality rates for service retirees, as well as the beneficiaries of both service and disability retirees were based on the RP-2000 Combined Male Table with an age set forward of one year and Projection Scale AA for Males, and the RP-2000 Combined Female Table with no age adjustment and Projection Scale AA for Females. For disabled retirees, the RP- 2000 Disabled Male Table with no age adjustment and Projection Scale AA for Males, and the RP-2000 Disabled Female Table with an age set forward of two years and Projection Scale AA for Females are used.

The actuarial assumptions that determined the total pension liability as of December 31, 2016 were based on the results of an actuarial experience study for the period January 1, 2009 - December 31, 2012, except where required to be different by GASB Statement No.68.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2017 information for a 7-10 year time horizon.

NOTE N – RETIREMENT PLAN (Continued)

Net Pension Liability (Continued)

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013.

Asset Class	Target Allocation	Geometric Real Rate of Return
US Equities	13.50%	4.70%
Private Equity	16.00%	7.70%
Global Equities	1.50%	5.00%
International Equities - Developed	10.00%	4.70%
International Equities - Emerging	7.00%	5.70%
Investment-Grade Bonds	3.00%	0.60%
High-Yield Bonds	3.00%	3.70%
Opportunistic Credit	2.00%	3.83%
Direct Lending	10.00%	8.15%
Distressed Debt	3.00%	6.70%
REIT Equities	2.00%	3.85%
Mater Limited Partnerships (MLPs)	3.00%	5.60%
Private Real Estate Partnerships	6.00%	7.20%
Hedge Funds	20.00%	3.85%

Discount Rate/Depletion of Plan Assets

The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.

2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer, TCDRS used an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the County's funding policy and the legal requirements under the TCDRS Act.

NOTE N – RETIREMENT PLAN (Continued)

Discount Rate/Depletion of Plan Assets (Continued)

1. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
2. Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
3. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB Statement No.68 purposes. Therefore, a discount rate of 8.10% was used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Changes in the Net Pension Liability

Primary Government

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2015	$ 1,156,299,230	$ 994,936,381	$ 161,362,850
Changes for the year:			
Service cost	32,496,185	-	32,496,185
Interest on total pension liability	93,125,586	-	93,125,586
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(3,939,480)	-	(3,939,480)
Effect of assumption changes or inputs	-	-	-
Refund of contributions	(3,007,965)	(3,007,965)	-
Benefit payments	(51,525,564)	(51,525,564)	-
Admnistrative expenses	-	(802,964)	802,964
Member contributions	-	16,203,942	(16,203,942)
Net investment income	-	73,284,425	(73,284,425)
Employer contributions	-	30,217,234	(30,217,234)
Other	-	(1,828,456)	1,828,456
Balances as of December 31, 2016	$ 1,223,447,992	$ 1,057,477,031	$ 165,970,960

NOTE N – RETIREMENT PLAN (Continued)

Sensitivity Analysis

The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, as well as what the County net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	$ 1,388,609,616	$ 1,227,651,492	$ 1,093,740,541
Fiduciary net position	1,061,680,532	1,061,680,532	1,061,680,532
Net pension liability / (asset)	$ 326,929,083	$ 165,970,960	$ 32,060,009

Pension Expense / (Income)

Primary Government

	January 1, 2016 to December 31, 2016
Service cost	$ 32,496,185
Interest on total pension liability	93,125,586
Effect of plan changes	-
Administrative expenses	802,964
Member contributions	(16,203,942)
Expected investment return net of investment expenses	(80,456,164)
Recognition of deferred inflows/outflows of resources	-
Recognition of economic/demographic gains or losses	(2,308,882)
Recognition of assumption changes or inputs	2,165,947
Recognition of investments gains or losses	21,438,027
Other	1,828,456
Pension expense / (income)	$ 52,888,177

NOTE N – RETIREMENT PLAN (Continued)

Deferred Inflows / Outflows of Resources

As of December 31, 2016, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ 7,991,352	$ 184,539
Changes of assumptions	-	6,497,841
Net difference between projected and actual earnings	-	63,026,435
Contributions made subsequent to measurement date	-	23,998,377
	$ 7,991,352	$ 93,707,192

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2017	21,295,092
2018	21,295,092
2019	18,598,151
2020	529,128
2021	-
Thereafter	-

NOTE O – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Primary Government

Plan Description

The County is self-insured for employee and retiree healthcare and maintains two plans: Bexar County Premium PPO Plan and Bexar County Base PPO Plan. The County administers a single employer defined benefit post-employment healthcare plan (the Plan) that covers 724 qualified retired County employees and their dependents; 18 COBRA participants and their dependents; and 8,690 active employees and their dependents. Participation in the Plan is elective by each retiree. Healthcare benefits include, but are not limited to, prescription drugs, hospitalization, and preventative care. To be eligible, the retiree must meet the requirements from TCDRS (see note N) and have been enrolled in the County's Healthcare Plan for the year in which they retire. The OPEB Plan provides medical, dental, vision, and basic life insurance benefits to plan members. The benefits provided are not guaranteed. Additionally, the benefit provisions are subject to change at any time and to annual appropriation of funds by the Commissioners Court. Currently, the County is accounting for OPEB using an internal service fund. A separate financial report for the healthcare plan is not issued.

NOTE O – OTHER POST EMPLOYMENT BENEFITS (Continued)

Primary Government (Continued)

Summary of Significant Accounting Policies

The Plan's transactions are recorded using the accrual basis of accounting. Plan members' and employer's contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable. Investments, if any, are reported at fair value which is the amount the Plan could reasonably expect to receive for it in a current sale between a willing buyer and a willing seller. Fair value, for financial reporting purposes, is measured by the market price unless such prices are not available, in which case, fair value is estimated.

The County is required by GASB Statement No. 45 to disclose additional information with regard to funding policy, the employer's annual OPEB cost and contributions made, the funded status and funding progress of the employer's individual plan, and actuarial methods and assumptions used.

Funding Policy

Commissioners Court has the authority to establish and amend contribution requirements of the plan members and the participating employer. The plan is funded on a pay-as-you-go basis and incurred $6,698,582 in total claims for the fiscal year ended September 30, 2017. The funds to pay these claims are derived from employer contributions and retiree premiums.

The following table presents the monthly premium amounts paid by retirees based on their classification and plan.

Retiree Without Medicare	Contribution per Retiree	Retiree With Medicare	Contribution per Retiree
Premium PPO Plan		Premium PPO Plan	
Retiree	290.90	Retiree	116.38
Retiree + 1 Dependent	475.44	Retiree + 1 Dependent	320.71
Retiree + 2 or More	590.78	Retiree + 2 or More	436.05
Base PPO Plan		Base PPO Plan	
Retiree	290.90	Retiree	116.38
Retiree + 1 Dependent	425.54	Retiree + 1 Dependent	270.50
Retiree + 2 or More	509.07	Retiree + 2 or More	354.33

Annual OPEB Cost

For the fiscal year ended September 30, 2017, the County's annual OPEB cost was $13,999,290 which is equal to the Normal Cost plus a 30-year level-percent of payroll amortization of the Actuarial Accrued Liability, adjusted with interest to the end of the fiscal year at the discount rate. The dollar amount contributed by the County toward the OPEB cost was $6,698,582, the amount required to cover current year expenditures. At September 30, 2017, the County had a net OPEB obligation of $71,539,203.

Annual required contribution (ARC)	$ 14,338,808
Interest to Net OPEB Obligation	2,321,929
ARC adjustment	(2,661,447)
Contributions made	(6,698,582)
Increase in net OPEB obligation	7,300,708
Net OPEB obligation - beginning of year	64,238,495
Net OPEB obligation - end of year	$ 71,539,203

NOTE O – OTHER POST EMPLOYMENT BENEFITS (Continued)

<u>Primary Government</u> (Continued)

Annual OPEB Cost (Continued)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and two preceding fiscal year were as follows:

Fiscal Year Beginning	Fiscal Year Ending	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation Beginning	Change to Net OPEB Obligation	Net OPEB Obligation Ending
10/1/2014	9/30/2015	$ 14,428,104	38.68%	$46,651,052	$ 8,848,461	$ 55,499,513
10/1/2015	9/30/2016	$ 15,022,645	41.83%	$55,499,513	$ 8,738,982	$ 64,238,495
10/1/2016	9/30/2017	$ 13,999,290	47.85%	$64,238,495	$ 7,300,708	$ 71,539,203

The above table includes information for the County only. There is one other member employer that participates in the County's Retirement System that does not participate in the County's defined benefit healthcare program (Community Supervision and Corrections Department).

Funded Status and Funding Progress

As of October 1, 2016, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was $182,225,102. The actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $182,225,102. The covered payroll (annual payroll of active employees covered by the plan) was $192,843,724 and the ratio of the UAAL to the covered payroll was 94.49%. The schedule of funding progress, on page 118, presented as RSI following the notes to the financial statements shows the funding status on the actuarial valuation dates at October 1, 2012, 2014 and 2016.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The actuarial assumptions used in calculating the County's UAAL and ARC are elaborated later in this note. Amounts determined regarding the funded status of the Plan and the ARC contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Accordingly, actuarial calculations reflect a long term perspective.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

NOTE O – OTHER POST EMPLOYMENT BENEFITS (Continued)

<u>Primary Government</u> (Continued)

Actuarial Methods and Assumptions (Continued)

<u>**Actuarial Valuation Information**</u>	
Actuarial valuation date	October 1, 2016
Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Amortization period in years	30
Asset valuation method	Unfunded
Actuarial assumptions:	
Discount Rate	3.75%
Payroll	Aggregate 2.0% increase per year
Inflation	2.0%

Medical trend rates reflect known cost increases and changes since 2016. Trend rates are based on actuarial expectations for this plan. Actual experience has been used prior to 2016. For 2017 and thereafter, an 8.33% annual trend was used dropping by one-third percent per year to 5.0% and then an ultimate trend of 4.5% thereafter.

Additional Disclosures

Texas Local Government Code, Chapter 175 allows counties to make available continued health benefits coverage under certain circumstances to retirees and their dependents beyond the end of an individual's employment with the County ("Continuation Coverage") by permitting covered employees to purchase continued health benefits coverage in retirement. Texas Law does not require counties to fund all or any portion of such coverage.

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB so long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due.

The County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same. The County funds the cost associated with OPEB on a current "pay as you go" basis for a single fiscal year through an annual appropriation authorized by Commissioners Court during the County's annual budget adoption process. GASB Statement No. 45 requires governmental organizations to recognize an actuarially calculated accrued liability for OPEB, even though it may not have a legally enforceable obligation to pay OPEB benefits. Accordingly, information and amounts presented in the County's Comprehensive Annual Financial Report relative to OPEB expense/expenditures, related liabilities (assets), note disclosures, and supplementary information are only intended to achieve compliance with the requirements of generally accepted accounting principles and does not constitute or imply that the County has made a commitment or is legally obligated to provide OPEB benefits.

NOTE P – CONDUIT DEBT

Primary Government

The component unit, Bexar County Housing Finance Corporation (BCHFC), is authorized to finance residential housing by issuing its tax-exempt revenue bonds to acquire mortgage loans made to low or moderate income persons, and to pledge such mortgage loans as security for the payment of the principal and interest of such revenue bonds. The tax-exempt bonds issued by the BCHFC do not constitute a debt or a pledge of faith or credit of the BCHFC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. At September 30, 2017, the aggregate amount of conduit debt outstanding was $229,538,197.

The component unit, Bexar County Health Facilities Development Corporation (BCHFDC), is authorized to acquire, construct, provide, improve, finance, and refinance health facilities to assist the maintenance of the public health by issuing its tax-exempt revenue bonds. The bonds are secured by the property financed. The tax-exempt bonds issued by the BCHFC do not constitute a debt or a pledge of faith or credit of the BCHFDC or the County, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. At September 30, 2017, the aggregate amount of conduit debt outstanding was $46,980,000.

NOTE Q – COMMITMENTS AND CONTINGENCIES

Primary Government

The County is committed under various contracts in connection with the renovation of the detention facilities and certain other County buildings, road and bridge improvements, flood control projects, and parks and recreational improvements. These commitments are $92,868,483.

The Bexar County Housing Finance Corporation is committed to grant awards made to various agencies to aid in various housing development activities. Amounts committed at September 30, 2017 by the Corporation are $28,487 for grant commitments. In addition, the Corporation has designated $150,000 for administrative reserve.

The Bexar County Health Facilities Development Corporation's purpose is to acquire, construct, provide, improve, finance, and refinance health facilities to assist the maintenance of the public health. At September 30, 2017, the Corporation has designated $100,000 for administrative reserve.

There are various lawsuits outstanding against the County at September 30, 2017 involving claims relating to jail, civil rights, and various other matters. A provision has been recorded for these contingencies in the Internal Services Fund for which the range of loss is estimated between $300,000 and $2,081,265.

The County participates in several state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

During the fiscal year ended September 30, 2016, the County and the Deputy Sheriff's Association of Bexar County executed a collective bargaining agreement effective from May 12, 2016 through September 30, 2020. The total estimated cumulative cost of the agreement over the three-year contact period is $42.6 million.

NOTE Q – COMMITMENTS AND CONTINGENCIES (Continued)

The System

The System is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the System's self-insurance program or by commercial insurance; for example, allegations regarding employment practices or performance of contracts. The System evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

The District

As inducement for the development of the resort hotel, spa, and golf courses (the Project), the District agreed to grant to the Developer a development grant to be used as partial payment of the costs borne by the Developer in completing the Project. Under this amended agreement, the Project owner assigned its right to the Developer to receive, on a subordinate basis, available hotel and resort sales and use tax collections (development grant), after ten consecutive annual payments (senior HOT and sales tax grants) are made to the Project owner in an amount equal to the annual ad valorem tax it paid to the District.

The development grant authorized is capped at $110 million, plus interest calculated from July 31, 2007, the date of conveyance of the land for the Project (from the Developer to the owner of the Project), at a rate of 9.75% per annum. At September 30, 2016, the principal portion of the development grant outstanding is $40,542,535 and accrued interest is $26,088,938.

Monthly payments are required if hotel and resort sales and use tax collections are available. Bonds secured by sales and use tax revenues may be issued to pay the Developer in lieu of the monthly payments. The monthly payments under this agreement are dependent on several factors; such as, the amount of hotel and resort sales and use tax generated, and the ad valorem taxes imposed on the Project owners. During the year, the District paid $500,702,000 in economic development grants to the Developer, where $264.494,000 was applied to principal and $236,208,000 to interest.

NOTE R – SUBSEQUENT EVENTS

Governmental Activities

In November 2017, the County issued $40,480,000 in Pass-Through Revenue and Limited Tax Bonds, Series 2017 at a premium of $6,289,622 with the payments of the related principal and interest to be made from an annual ad valorem tax levied against all taxable property within the County. Proceeds from the sale of the Bonds will be used for paying the County's obligations arising under the Pass-Through Agreement with respect to constructing the Potranco Road Project to be made in partnership with TxDOT and to pay for the costs of issuing the Bonds. The annual interest rate on the bonds ranges from 4.00% - 5.00%. Interest accrues semiannually and the bonds mature in fiscal year 2043.

In December 2017, the County issued $384,715,000 in Limited Tax Refunding Bonds, Series 2017 at a premium of $56,768,870 to pay for the costs of issuing the Refunding Bonds and to provide funds to refund $15,980,000 in Combination Tax and Revenue Certificates of Obligation, Series 2011A; $29,675,000 in Combination Tax and Revenue Certificates of Obligation, Series 2013; $28,650,000 in Combination Tax and Revenue Certificates of Obligation, Series 2013A; and $310,440,000 in Combination Tax and Revenue Certificates of Obligation, Series 2013B. The bond proceeds were placed in an irrevocable trust to provide for all debt service payments on the old bonds. The reacquisition price exceeded the net carrying amount of the old debt by $32,861,595. The current refunding undertaken to reduce debt service payments over the next 26 years by $22,617,569 and resulted in an economic gain of $15,043,840. For the Series 2017 bonds, the payment of the principal and interest are to be made from an annual ad valorem tax levied against all taxable property within the County. The annual interest rates on the bonds range from 3.00% - 5.00%. Interest accrues semiannually and the bonds mature in fiscal year 2043.

In December 2017, the County issued $28,140,000 in Flood Control Tax Refunding Bonds, Series 2017 at a premium of $1,976,997 to pay for the costs of issuing the Refunding Bonds and to provide funds to refund $28,385,000 in Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2011. The bond proceeds were placed in an irrevocable trust to provide for all debt service payments on the old bonds. The reacquisition price exceeded the net carrying amount of the old debt by $645,000. The current refunding undertaken to reduce debt service payments over the next 20 years by $1,955,538 and resulted in an economic gain of $1,498,982. For the Series 2017 bonds, the payment of the principal and interest are to be made from an annual ad valorem tax levied against all

NOTE R – SUBSEQUENT EVENTS (Continued)

Governmental Activities (Continued)

taxable property within the County. The annual interest rates on the bonds range from 2.00% - 4.00%. Interest accrues semiannually and the bonds mature in fiscal year 2037.

NOTE S – FUND AND NET POSITION

Net Position Classifications
Net position in the proprietary fund financial statements and the government-wide financial statements are classified in three categories: 1) Net investment in capital assets, 2) Restricted net position, and 3) Unrestricted net position.

Fund Balance Classifications
Under GAAP, fund balance is divided into five classifications based upon the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable -The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or they are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed -The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action such as a resolution of Commissioners Court. Those committed amounts cannot be used for any other purpose unless Commissioners Court removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Commissioners Court, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. Such intent should be expressed by Commissioners Court or its designated officials to assign amounts to be used. The County Manager, by virtue of appointment to that office and as a normal function of that office, has the authority to assign fund balance to particular purposes. Assignments made by the County Manager can occur during the budget process or throughout the year in the normal course of business. Commissioners Court, at their discretion, may make assignments of fund balance or direct other County officials to do so. Constraints imposed on the use of the assigned amounts can be removed with no formal action.

Unassigned - The unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

NOTE S – FUND AND NET POSITION BALANCES (Continued)

Fund balances by classification as of September 30, 2017 pursuant to GASB No. 54 are as follows:

	Major Funds				
	General Fund	**Debt Service**	**Capital Projects**	**Special Revenue Funds**	**Total Governmental Funds**
Fund balances:					
Nonspendable:					
Long-term receivable	$ 4,840,184	$ -	$ -	$ -	$ 4,840,184
Prepaid assets	21,174	-	-	-	21,174
Inventories	348,314	-	-	-	348,314
Restricted for:					
Debt service	-	60,482,700	-	-	60,482,700
Courthouse facilities	-	-	1,473,914		1,473,914
Roads and bridges	-	-	12,842,493	-	12,842,493
Advanced Transportation District	-	-	53,693,512	-	53,693,512
Flood projects	-	-	264,755,225	-	264,755,225
Other capital projects	-	-	236,978,141	-	236,978,141
County Clerk records management	-	-	-	22,664,133	22,664,133
County records management	-	-	-	202,481	202,481
Courthouse security	-	-	-	89,213	89,213
Justice of Peace technology	-	-	-	207,043	207,043
Fire code	-	-	-	4,397,997	4,397,997
District Clerk records management	-	-	-	316,589	316,589
Law Library	-	-	-	8	8
County wide court technology	-	-	-	146,543	146,543
Dispute Resolution	-	-	-	100,753	100,753
Justice of Peace security	-	-	-	512,730	512,730
Domestic Relations	-	-	-	12	12
Probate Contribution	-	-	-	335,678	335,678
LEOSE	-	-	-	195,787	195,787
Child Abuse Prevention	-	-	-	10,197	10,197
Drug Court Program	-	-	-	90,388	90,388
Family Protection Fee	-	-	-	33,512	33,512
District Court records technology	-	-	-	294,317	294,317
Juvenile Case Manager	-	-	-	9,138	9,138
Probate Guardianship	-	-	-	243,994	243,994
Probate Education	-	-	-	260,919	260,919
Juvenile Delinquency Prevention	-	-	-	26,943	26,943
Grants	-	-	-	13,998,857	13,998,857
Stormwater mitigation	-	-	-	6,362,684	6,362,684
Chapter 19 voter registration	-	-	-	1,125	1,125
Election contracting services	-	-	-	897,626	897,626
Tax account special inventory	-	-	-	33,498	33,498
District Attorney programs	-	-	-	510,179	510,179
Asset forfeitures	-	-	-	4,454,045	4,454,045
Housing Finance Corp	-	-	-	1,642,796	1,642,796
Health Facilities Development Corp	-	-	-	129,032	129,032
Industrial Development Corp	-	-	-	3,339	3,339
Committed to:					
Technology improvement	-	-	-	825,745	825,745
Unassigned:	85,441,267	-	-	-	85,441,267
Total fund balances	$ 90,650,939	$ 60,482,700	$ 569,743,285	$ 58,997,301	$ 779,874,225

NOTE S – FUND AND NET POSITION BALANCES (Continued)

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The County maintains a minimum fund balance reserve policy to maintain strong financial reserves and stability and to protect the County's bond ratings. Key components of the reserve policy are as follows:

- Commissioners Court has set a policy to maintain a General Fund operating reserve of 10% of budgeted, annual, operating expenditures. The policy establishes sufficient working capital and margin of financial safety to address unforeseen, one-time emergency expenditures.
- Use of this reserve would occur after all other current budgetary resources of funding have been exhausted, and no other category of fund balance is available to satisfy the funding needed. Commissioners Court authorization is required for fund balance to be appropriated from the Unassigned General Fund Reserve.

At September 30, 2017, the OPEB Fund (an internal service fund), the Self-Insurance Fund (an internal service fund) and the Community Venue Fund (an enterprise fund) had deficit net positions of $71,931,312, $4,757,997 and $66,147,984, respectively.

The OPEB Fund deficit is due to the accrual of the OPEB obligation. See Note O for more information. The County anticipates that a portion of the deficit in the OPEB Fund will be offset by revenue enhancements and expenditure reductions through changes to the County's health plans and adjustments to health insurance premiums. In addition, the County will continue to transfer funds from the General Fund.

The deficit balance in the Self-Insurance Fund is due to an increase in healthcare costs which correspond to a nationwide projected increase for the year ended September 30, 2017. For fiscal year 2017 County Commissioners implemented several changes to the County's healthcare plan that are expected to increase revenues and reduce expenditures. They eliminated the Exclusive Provider Organization Plan (EPO), increased the premiums for the Preferred Provider Organization Plan (PPO), added a specialty drug copay and implanted a charge requiring employees to pay the difference between brand name and generic drugs when generic drugs are available but brand names are chosen.

The deficit balance in the Community Venue Fund is primarily attributed to expenses for assets owned by other entities. The County issues bonds to finance these projects that do not get capitalized on the fund's financial statements. The net effect of these transactions leaves a liability balance on the fund's financial statements for the bonds the County is still obligated to pay. The total balance for expenses on assets owned by other entities is $215,367,813 at September 30, 2017. See Table 19 in the Statistical Section for detailed balances.

NOTE T – JOINT VENTURES

San Antonio Bexar County Soccer Public Facility Corporation (SABC PFC) was created in fiscal year 2016 as a joint venture between the County and the City of San Antonio to ownToyota Field, a professional soccer stadium. The SABC PFC is governed by a four member board comprised of two appointees from the County and two from the City. The County contributed $9,700,000 and whereas the City contributed $9,500,000 to SABC PFC; both the County and the City have an ongoing financial interest in SABC PFC. SABC PFC has entered into a lease with San Antonio Football Club Management (SA FC) for the use of Toyota Field for a term of 20 years at an annual lease rental of $100,000. As part of this agreement, there is a provision requiring reimbursement to the County and City of a combined $5,000,000 should no MLS franchise be awarded to SA FC. In coming years the financial statements can be obtained at the SABC PFC office at: 100 Military Plaza, San Antonio, TX 78205.

NOTE U – TAX ABATEMENT PROGRAM

The County enters into property tax abatement agreements with businesses under the Property Redevelopment and Tax Abatement Act. Under this Act, the County may grant property tax abatements on ad valorem taxes for personal and/or real property as an economic development incentive for attracting and/or retaining businesses in order to create jobs and increase the tax base. Commitments under the tax abatement agreements include certain employment and capital investment levels. If the employment and/or capital investment level commitments are not met, taxes previously abated are subject to recapture by the County.

For the fiscal year ended September 30, 2017, the County abated property taxes totaling $1,944,771 under this program, including the following tax abatement agreements that each exceeded $100,000 of the total amount abated:

• A 75 percent personal and real property tax abatement to a producer of equipment for the exploration and production of hydrocarbons. The personal and property taxes abated for the fiscal year ended September 30, 2017 were $104,496.

• A 75 percent personal and real property tax abatement to a retail store chain for the construction of a distribution center in east Bexar County. The personal and property taxes abated for the fiscal year ended September 30, 2017 were $146,343.

• A 100 percent personal and real property tax abatement to a financial services company for the construction of a regional corporate campus in west Bexar County. The personal and property taxes abated for the fiscal year ended September 30, 2017 were $144,861.

• A 100 percent personal property tax abatement to a manufacturer of vehicles for the production of a specific type of vehicles. The personal property taxes abated for the fiscal year ended September 30, 2017 were $422,125.

NOTE V – INNER CITY CLINIC

The County has entered into an agreement with The Center for Health Care Services to build a multi-facility campus named the Inner City Center. The Inner City Center shall be owned by the County but shall be operated by the Center. The County has agreed to provide to the Center funding of up to approximately $23,000,000 to support the development and construction of the Inner City Center. This amount is a portion of the funding necessary to construct the Inner City Center and represents the proceeds received by the County through the issuance and sale of Combination Tax and Revenue Certificates of Obligation, Series 2016A.

As of September 30, 2017, the County has provided $5,029,783 as its share of the funding for the construction of the Inner City Center. As of August 30, 2017 the Center has invested $14,335,311 toward the overall project development. Construction is anticipated to be substantially complete by the fall of 2018. These costs have been capitalized and recorded as assets in each party's respective financial statements.

In consideration of the County's agreement to finance the Inner City Center with the Obligations, the Center shall be obligated to pay the County for debt service on the Obligations. Since the County will benefit from the operation of the mental health services at the Inner City Center for the County's Substance Use Jail Diversion Program and Youth Services Program, the County may, at its sole discretion, choose annually to offset all or any portion of the cash annual rental payments with in-kind services provided at the Inner City Clinic. For fiscal year 2017, the Center was required to make a $517,200 rental payment in accordance with the Schedule of Annual Rental Payments; however, since $160,247 was provided in such in-kind services through September 30, 2017, a receivable for the difference, in the amount of $356,953, was recorded in the County's financial statements.

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Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
REVENUES				
Ad valorem taxes				
Current	$ 314,500,000	$ 314,500,000	$ 315,304,750	$ 804,750
Delinquent	2,200,000	2,200,000	1,897,036	(302,964)
Penalty and interest	1,860,160	1,860,160	2,042,709	182,549
Gross	318,560,160	318,560,160	319,244,495	684,335
- TIFs	(3,800,000)	(3,800,000)	(2,642,552)	1,157,448
Net ad valorem taxes	314,760,160	314,760,160	316,601,943	1,841,783
Other taxes, licenses and permits	28,304,000	28,304,000	28,034,095	(269,905)
Intergovernmental revenues	7,778,389	7,778,389	7,355,123	(423,266)
Court cost and fines	14,237,500	14,237,500	15,667,183	1,429,683
Fees on motor vehicles	6,179,885	6,179,885	5,976,435	(203,450)
Other fees	22,554,025	22,364,025	25,285,838	2,921,813
Commissions from governmental units	4,868,817	4,868,817	4,850,594	(18,223)
Revenues from use of assets	16,885,000	16,880,200	17,651,553	771,353
Sales, refunds and miscellaneous	2,619,750	2,814,750	4,757,448	1,942,698
TOTAL REVENUES	418,187,526	418,187,726	426,180,212	7,992,486
EXPENDITURES				
GENERAL GOVERNMENT				
Commissioners Court				
Personnel cost	1,832,049	1,909,026	1,909,016	10
Remuneration for services	13,400	20,963	17,509	3,454
Operational costs	40,115	37,982	37,982	-
Supplies and materials	15,139	14,388	12,701	1,687
Total Commissioners Court	1,900,703	1,982,359	1,977,208	5,151
County Clerk				
Personnel costs	7,426,140	7,578,222	7,578,217	5
Remuneration for services	15,215	10,115	10,105	10
Operational costs	177,462	155,462	154,982	480
Supplies and materials	224,150	155,650	155,108	542
Total County Clerk	7,842,967	7,899,449	7,898,412	1,037

(continued)

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
County Auditor				
Personnel costs	4,769,112	4,809,459	4,809,455	4
Remuneration for services	22,950	22,891	22,890	1
Operational costs	55,136	47,643	47,638	5
Supplies and materials	47,546	47,949	47,944	5
Total County Auditor	4,894,744	4,927,942	4,927,927	15
Information Technology				
Personnel costs	9,622,339	10,103,546	10,103,541	5
Remuneration for services	127,700	201,857	201,390	467
Operational costs	8,293,173	8,055,397	8,053,710	1,687
Supplies and materials	405,600	340,007	337,058	2,949
Capital expenditures	182,640	1,255	-	1,255
Total Information Technology	18,631,452	18,702,062	18,695,699	6,363
Tax Assessor-Collector				
Personnel costs	10,499,260	10,499,260	10,449,043	50,217
Renumberation for services	27,000	27,000	17,799	9,201
Operational costs	658,330	657,530	618,142	39,388
Supplies and materials	714,353	715,153	549,912	165,241
Capital expenditures	69,159	69,159	40,821	28,338
Total Tax Assessor-Collector	11,968,102	11,968,102	11,675,717	292,385
Purchasing				
Personnel costs	1,202,340	1,209,154	1,209,154	-
Remuneration for services	11,999	7,496	7,491	5
Operational costs	73,278	77,705	77,705	-
Supplies and materials	18,760	15,786	15,781	5
Total Purchasing	1,306,377	1,310,141	1,310,131	10
County Manager				
Personnel costs	1,017,951	1,052,479	1,052,475	4
Remuneration for services	41,000	38,862	38,857	5
Operational costs	33,956	31,106	31,101	5
Supplies and materials	10,650	3,750	3,294	456
Total County Manager	1,103,557	1,126,197	1,125,727	470
Budget				
Personnel costs	751,322	751,322	706,933	44,389
Remuneration for services	13,000	13,000	6,273	6,727
Operational costs	8,408	8,408	7,868	540
Supplies and materials	10,000	10,000	4,547	5,453
Total Budget	782,730	782,730	725,621	57,109

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
Management and Finance				
Personnel costs	607,823	630,229	630,225	4
Remuneration for services	6,000	6,000	5,900	100
Operational costs	18,953	18,953	17,484	1,469
Supplies and materials	15,300	3,337	3,331	6
Total Management and Finance	648,076	658,519	656,940	1,579
Human Resources				
Personnel costs	994,505	994,505	968,336	26,169
Remuneration for services	10,000	10,000	6,244	3,756
Operational costs	167,804	167,804	94,070	73,734
Supplies and materials	44,900	44,900	16,477	28,423
Total Human Resources	1,217,209	1,217,209	1,085,127	132,082
Elections				
Personnel costs	1,554,777	1,559,700	1,492,618	67,082
Remuneration for services	3,000	3,000	2,868	132
Operational costs	1,697,347	1,754,847	1,337,264	417,583
Supplies and materials	219,950	214,630	134,735	79,895
Total Elections	3,475,074	3,532,177	2,967,485	564,692
Economic Development				
Personnel costs	620,020	620,020	594,487	25,533
Remuneration for services	8,000	15,000	13,901	1,099
Operational costs	72,200	72,200	34,837	37,363
Supplies and materials	6,548	6,048	2,121	3,927
Total Economic Development	706,768	713,268	645,346	67,922
Facilities Management - Administration and Facilities Improvement Maintenance Program and Mail Room				
Personnel costs	1,160,165	1,334,908	1,334,902	6
Remuneration for services	8,935	8,935	3,413	5,522
Operational costs	266,355	511,245	328,277	182,968
Supplies and materials	120,085	372,354	265,740	106,614
Capital expenditures	646,512	296,624	220,780	75,844
Total Facilities Management - Administration and Facilities Improvement Maintenance Program and Mail Room	2,202,052	2,524,066	2,153,112	370,954
Facilities Management - County Buildings				
Personnel costs	1,455,624	1,455,624	1,347,692	107,932
Remuneration for services	12,380	12,380	10,914	1,466
Operational costs	2,731,187	2,761,428	2,720,943	40,485
Supplies and materials	219,646	244,546	225,765	18,781
Total Facilities Management - County Buildings	4,418,837	4,473,978	4,305,314	168,664

(continued)

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
County Wide				
Personnel costs	257,700	283,062	283,058	4
Remuneration for serives	15,000	11,000	10,785	215
Operational costs	24,437,998	25,115,023	25,115,019	4
Supplies and materials	150,739	138,739	138,041	698
Total County Wide	24,861,437	25,547,824	25,546,903	921
TOTAL GENERAL GOVERNMENT	85,960,085	87,366,023	85,696,669	1,669,354
JUDICIAL				
Criminal District Attorney				
Personnel costs	32,390,599	32,706,468	32,706,466	2
Remuneration for services	95,000	101,667	101,662	5
Operational costs	440,934	397,893	397,893	-
Supplies and materials	326,405	333,210	333,209	1
Total Criminal District Attorney	33,252,938	33,539,238	33,539,230	8
Central Magistration - District Clerk				
Personnel costs	1,229,774	1,229,774	1,221,018	8,756
Operational costs	15,868	15,868	14,500	1,368
Supplies and materials	25,500	25,500	23,344	2,156
Total Central Magistration - District Clerk	1,271,142	1,271,142	1,258,862	12,280
Central Magistration - Criminal District Courts				
Personnel costs	666,187	685,728	685,719	9
Remuneration for services	3,600	3,600	-	3,600
Operational costs	1,642,591	2,348,930	2,193,372	155,558
Supplies and materials	1,500	1,500	468	1,032
Total Central Magistration - District Courts	2,313,878	3,039,758	2,879,559	160,199
Trial Expenses				
Operational costs	1,527,620	1,844,958	1,844,952	6
Supplies and materials	195,182	179,482	179,470	12
Total Trial Expenses	1,722,802	2,024,440	2,024,422	18
District Clerk				
Personnel costs	8,361,009	8,552,876	8,552,872	4
Remuneration for services	6,598	10,983	10,782	201
Operational costs	97,917	81,917	80,530	1,387
Supplies and materials	279,850	262,765	261,056	1,709
Capital expenditures	57,200	57,000	56,902	98
Total District Clerk	8,802,574	8,965,541	8,962,142	3,399

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
Jury Operations				
Personnel costs	505,363	505,363	504,012	1,351
Remuneration for services	4,540	4,540	-	4,540
Operational costs	1,112,482	1,112,482	1,044,477	68,005
Supplies and materials	143,150	143,150	134,828	8,322
Total Jury Operations	1,765,535	1,765,535	1,683,317	82,218
County Courts at Law				
Personnel costs	6,793,736	6,834,248	6,834,248	-
Remuneration for services	5,000	5,031	4,938	93
Operational costs	2,483,691	2,531,536	2,531,536	-
Supplies and materials	32,000	29,969	29,761	208
Total County Courts at Law	9,314,427	9,400,784	9,400,483	301
Probate Courts				
Personnel costs	1,566,360	1,479,455	1,479,454	1
Operational costs	107,116	252,051	252,050	1
Supplies and materials	2,500	2,500	2,198	302
Total Probate Courts	1,675,976	1,734,006	1,733,702	304
Justices of the Peace, Precinct 1				
Personnel costs	1,227,344	1,236,411	1,236,406	5
Remuneration for services	6,100	5,645	5,644	1
Operational costs	18,966	14,989	14,987	2
Supplies and materials	22,262	18,423	18,423	-
Total Justices of the Peace, Precinct 1	1,274,672	1,275,468	1,275,460	8
Justices of the Peace, Precinct 2				
Personnel costs	1,023,456	1,076,339	1,076,339	-
Remuneration for services	6,100	4,389	4,389	-
Operational costs	290,897	278,382	278,382	-
Supplies and materials	32,500	32,120	32,120	-
Total Justices of the Peace, Precinct 2	1,352,953	1,391,230	1,391,230	-
Justices of the Peace, Precinct 3				
Personnel costs	949,444	962,174	962,168	6
Remuneration for services	6,100	6,100	5,988	112
Operational costs	194,092	204,399	178,728	25,671
Supplies and materials	31,259	31,259	26,764	4,495
Total Justices of the Peace, Precinct 3	1,180,895	1,203,932	1,173,648	30,284

(continued)

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Budget	Final Budget	Actual Amount	Variance
Justices of the Peace, Precinct 4				
Personnel costs	996,673	996,673	943,050	53,623
Remuneration for services	6,100	6,100	5,642	458
Operational costs	289,031	289,031	262,875	26,156
Supplies and materials	35,700	35,700	26,782	8,918
Total Justices of the Peace, Precinct 4	1,327,504	1,327,504	1,238,349	89,155
District Courts - Criminal				
Personnel costs	4,883,265	4,938,355	4,938,351	4
Remuneration for services	23,700	29,637	29,633	4
Operational costs	6,311,569	7,073,563	7,073,556	7
Supplies and materials	63,900	56,733	55,381	1,352
Total District Courts - Criminal	11,282,434	12,098,288	12,096,921	1,367
District Courts - Civil				
Personnel costs	4,561,613	4,495,543	4,495,542	1
Remuneration for services	42,875	33,875	32,787	1,088
Operational costs	3,041,026	3,611,918	3,611,914	4
Supplies and materials	131,800	129,300	129,183	117
Capital expenditure	5,144	44	-	44
Total District Courts - Civil	7,782,458	8,270,680	8,269,426	1,254
District Courts - Juvenile				
Personnel costs	2,210,448	2,240,675	2,240,673	2
Remuneration for services	13,400	15,200	15,188	12
Operational costs	769,070	738,843	731,576	7,267
Supplies and materials	27,300	25,500	23,971	1,529
Total District Courts - Juvenile	3,020,218	3,020,218	3,011,408	8,810
Judicial Services				
Personnel costs	5,095,991	5,095,991	5,067,927	28,064
Remuneration for services	15,451	15,451	10,193	5,258
Operational costs	710,245	763,245	709,650	53,595
Supplies and materials	73,717	80,717	72,657	8,060
Total Judicial Services	5,895,404	5,955,404	5,860,427	94,977
Bail Bond Board				
Personnel costs	60,189	61,203	61,203	-
Remuneration for services	1,350	1,350	942	408
Operational costs	1,405	1,405	1,296	109
Supplies and materials	675	675	607	68
Total Bail Bond Board	63,619	64,633	64,048	585

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
4th Court of Appeals				
Personnel costs	82,726	82,726	82,660	66
Operational costs	1,600	1,600	1,105	495
Total 4th Court of Appeals	84,326	84,326	83,765	561
Public Defenders				
Personnel costs	1,083,953	1,095,222	1,095,222	-
Remuneration for services	16,185	16,185	16,039	146
Operational costs	20,140	19,140	18,926	214
Supplies and materials	16,134	11,534	11,428	106
Total Public Defenders	1,136,412	1,142,081	1,141,615	466
D.P.S. Warrants				
Personnel costs	99,783	100,828	100,822	6
Total D.P.S. Warrants	99,783	100,828	100,822	6
TOTAL JUDICIAL	94,619,950	97,675,036	97,188,836	486,200
PUBLIC SAFETY				
Sheriff Law Enforcement				
Personnel costs	58,073,209	60,999,819	60,999,813	6
Remuneration for services	470,353	426,176	416,529	9,647
Operational costs	2,585,342	3,124,540	3,124,536	4
Supplies and materials	2,227,939	2,232,787	2,232,784	3
Capital expenditures	455,698	38,006	38,004	2
Total Sheriff Law Enforcement	63,812,541	66,821,328	66,811,666	9,662
Adult Detention Center				
Personnel costs	54,888,188	60,851,676	60,851,672	4
Remuneration for services	36,669	36,669	32,229	4,440
Operational costs	4,305,729	4,741,964	4,741,961	3
Supplies and materials	1,449,124	1,492,073	1,492,068	5
Capital expenditures	66,707	66,732	66,707	25
Total Adult Detention Center	60,746,417	67,189,114	67,184,637	4,477
Sheriff Support Services				
Personnel costs	2,213,441	2,235,544	2,235,538	6
Remuneration for services	34,551	34,551	16,825	17,726
Operational costs	168,269	150,301	128,832	21,469
Supplies and materials	49,311	47,561	31,868	15,693
Total Sheriff Support Services	2,465,572	2,467,957	2,413,063	54,894

(continued)

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
Juvenile Probation				
Personnel costs	13,489,902	13,708,337	13,708,333	4
Remuneration for services	325,650	341,844	341,839	5
Operational costs	1,808,629	1,658,629	1,658,072	557
Supplies and materials	326,366	420,173	420,166	7
Capital expenditures	-	34,103	34,098	5
Total Juvenile Probation	15,950,547	16,163,086	16,162,508	578
Juvenile Institutions				
Personnel costs	15,610,364	15,630,280	15,630,277	3
Remuneration for services	-	19	14	5
Operational costs	1,377,763	1,224,615	1,077,607	147,008
Supplies and materials	512,227	645,440	645,436	4
Total Juvenile Institutions	17,500,354	17,500,354	17,353,334	147,020
Child Support Probation				
Personnel costs	542,352	542,352	485,553	56,799
Operational costs	3,858	3,858	-	3,858
Supplies and materials	450	450	-	450
Total Child Support Probation	546,660	546,660	485,553	61,107
Community Supervision & Correction				
Operational costs	1,164,988	1,279,131	1,147,901	131,230
Supplies and materials	44,184	224,467	214,777	9,690
Capital expenditures	57,265	315,849	300,963	14,886
Total Community Supervision & Correction	1,266,437	1,819,447	1,663,641	155,806
Medical Examiner				
Personnel costs	4,792,660	4,910,493	4,910,488	5
Remuneration for services	47,587	39,987	39,909	78
Operational costs	536,631	483,931	482,658	1,273
Supplies and materials	288,504	288,442	288,028	414
Capital expenditures	36,965	5,927	5,626	301
Total Medical Examiner	5,702,347	5,728,780	5,726,709	2,071
Crime Lab				
Personnel costs	2,337,742	2,361,427	2,361,426	1
Remuneration for services	23,027	23,027	19,371	3,656
Operational costs	153,210	129,325	124,377	4,948
Supplies and materials	240,700	240,900	234,467	6,433
Total Crime Lab	2,754,679	2,754,679	2,739,641	15,038

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
Constable Precinct 1				
Personnel costs	1,735,241	1,879,554	1,879,549	5
Remuneration for services	2,405	2,100	2,035	65
Operational costs	80,901	96,061	96,061	-
Supplies and materials	90,450	97,041	97,039	2
Total Constable Precinct 1	1,908,997	2,074,756	2,074,684	72
Constable Precinct 2				
Personnel costs	1,660,227	1,891,369	1,891,364	5
Remuneration for services	10,560	11,184	11,179	5
Operational costs	266,382	279,113	279,106	7
Supplies and materials	82,350	82,086	82,085	1
Total Constable Precinct 2	2,019,519	2,263,752	2,263,734	18
Constable Precinct 3				
Personnel costs	1,564,113	1,890,752	1,890,748	4
Remuneration for services	7,800	2,787	2,781	6
Operational costs	179,023	170,647	170,646	1
Supplies and materials	79,900	101,796	101,795	1
Total Constable Precinct 3	1,830,836	2,165,982	2,165,970	12
Constable Precinct 4				
Personnel costs	1,640,393	1,702,051	1,702,046	5
Remuneration for services	5,740	1,996	1,996	-
Operational costs	318,210	322,792	322,792	-
Supplies and materials	71,400	73,501	73,501	-
Total Constable Precinct 4	2,035,743	2,100,340	2,100,335	5
Facilities Management - Adult Detention Center				
Personnel costs	1,817,746	1,855,800	1,855,795	5
Remuneration for services	12,150	12,150	10,851	1,299
Operational costs	918,941	1,069,722	992,139	77,583
Supplies and materials	334,529	361,317	329,125	32,192
Capital expenditures	-	10,845	9,803	1,042
Total Facilities Management - ADC	3,083,366	3,309,834	3,197,713	112,121

(continued)

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
Facilities Management - Juvenile Institutions				
Personnel costs	1,189,772	1,189,772	1,135,726	54,046
Remuneration for services	3,180	3,180	2,667	513
Operational costs	661,567	651,715	588,311	63,404
Supplies and materials	103,107	105,610	101,657	3,953
Total Facilities Management - Juvenile Institutions	1,957,626	1,950,277	1,828,361	121,916
Facilities Management - Forensic Science Center				
Operational costs	462,365	514,853	514,842	11
Supplies and materials	7,500	7,490	7,485	5
Total Facilities Management - FSC	469,865	522,343	522,327	16
Fire Marshal				
Personnel costs	1,010,860	1,010,860	1,006,517	4,343
Remuneration for services	20,000	19,923	19,923	-
Operational costs	156,339	176,487	176,482	5
Supplies and materials	80,750	86,947	86,947	-
Total Fire Marshal	1,267,949	1,294,217	1,289,869	4,348
Emergency Management				
Personnel costs	519,934	534,840	534,835	5
Remuneration for services	10,000	9,089	9,089	-
Operational costs	170,277	164,802	164,802	-
Supplies and materials	205,000	198,217	198,217	-
Total Emergency Management	905,211	906,948	906,943	5
Animal Control Services				
Personnel costs	243,240	243,240	221,688	21,552
Remuneration for services	5,052	5,052	2,160	2,892
Operational costs	466,360	383,666	143,355	240,311
Supplies and materials	15,350	98,044	69,468	28,576
Total Animal Control Services	730,002	730,002	436,671	293,331
TOTAL PUBLIC SAFETY	186,954,668	198,309,856	197,327,359	982,497

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
EDUCATION AND RECREATION				
BiblioTech				
Personnel costs	1,321,142	1,321,142	1,194,301	126,841
Remuneration for services	19,200	19,200	15,740	3,460
Operational costs	664,456	664,456	596,390	68,066
Supplies and materials	111,400	112,630	97,786	14,844
Capital expenditures	2,500	1,270	-	1,270
Total BiblioTech	2,118,698	2,118,698	1,904,217	214,481
AgriLife				
Personnel costs	596,921	596,921	532,846	64,075
Remuneration for services	24,872	24,872	19,685	5,187
Operational costs	155,609	155,609	154,656	953
Supplies and materials	11,782	11,782	9,614	2,168
Total AgriLife	789,184	789,184	716,801	72,383
County Parks				
Personnel costs	2,127,917	2,133,873	2,133,872	1
Remuneration for services	4,000	4,000	1,116	2,884
Operational costs	289,700	279,700	252,490	27,210
Supplies and materials	227,445	252,101	252,101	-
Capital expenditures	266,250	245,639	31,845	213,794
Total County Parks	2,915,312	2,915,313	2,671,424	243,889
Bexar Heritage				
Personnel costs	611,108	611,108	592,652	18,456
Remuneration for services	8,950	10,450	10,176	274
Operational costs	186,244	187,492	131,192	56,300
Supplies and materials	15,100	15,750	6,424	9,326
Total Bexar Heritage	821,402	824,800	740,444	84,356
TOTAL EDUCATION AND RECREATION	6,644,596	6,647,995	6,032,886	615,109
PUBLIC WORKS				
Facilities Mangement - Energy Services				
Personnel costs	42,995	43,961	43,958	3
Operational costs	6,210,686	6,240,550	6,240,544	6
Total Facilities Management - Energy Services	6,253,681	6,284,511	6,284,502	9
TOTAL PUBLIC WORKS	6,253,681	6,284,511	6,284,502	9

(continued)

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
HEALTH AND PUBLIC WELFARE				
Environmental Services				
Personnel costs	274,646	281,268	281,268	-
Remuneration for services	1,225	1,225	1,017	208
Operational costs	388,900	382,278	198,605	183,673
Supplies and materials	17,050	17,050	15,939	1,111
Total Environmental Services	681,821	681,821	496,829	184,992
Community Resources Administration				
Personnel costs	442,251	442,251	421,541	20,710
Remuneration for services	11,535	11,535	9,112	2,423
Operational costs	29,195	29,195	21,420	7,775
Supplies and materials	6,250	6,251	6,251	-
Total Community Resources Administration	489,231	489,232	458,324	30,908
Community Programs				
Personnel costs	405,798	405,798	335,048	70,750
Remuneration for services	6,643	6,643	3,153	3,490
Operational costs	9,096	9,096	7,383	1,713
Supplies and materials	2,950	2,950	2,939	11
Total Community Programs	424,487	424,487	348,523	75,964
Mental Health Initiative				
Personnel costs	277,616	281,449	281,449	-
Remuneration for services	3,511	3,511	3,454	57
Operational costs	176,615	172,782	137,211	35,571
Supplies and materials	2,100	2,100	1,999	101
Total Mental Health Initiative	459,842	459,842	424,113	35,729
Veterans Services				
Personnel costs	296,538	296,538	268,841	27,697
Remuneration for services	10,217	11,217	10,036	1,181
Operational costs	17,962	15,457	12,456	3,001
Supplies and materials	3,700	5,205	4,785	420
Total Veterans Services	328,417	328,417	296,118	32,299
Child Welfare				
Operational costs	1,599,251	1,526,266	889,617	636,649
Supplies and materials	-	72,985	72,985	-
Total Child Welfare	1,599,251	1,599,251	962,602	636,649

Bexar County, Texas
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance
Small Business and Entrepreneurship (SB&E)				
Personnel costs	354,895	380,820	380,815	5
Remuneration for services	6,350	8,150	6,566	1,584
Operational costs	230,365	202,640	178,379	24,261
Supplies and materials	42,200	42,200	40,847	1,353
Total Small Business and Entrepreneuship	633,810	633,810	606,607	27,203
Behavioral and Mental Health Department				
Personnel costs	305,798	310,543	310,534	9
Remuneration for services	7,275	6,231	6,222	9
Operational costs	1,442,642	1,444,226	1,444,216	10
Supplies and materials	4,600	3,356	3,333	23
Total Behavioral and Mental Health Department	1,760,315	1,764,356	1,764,305	51
TOTAL HEALTH AND PUBLIC WELFARE	6,377,174	6,381,216	5,357,421	1,023,795
INTERGOVERNMENTAL EXPENDITURES				
Services by Other Agencies				
Operational costs	3,319,028	3,547,209	3,547,209	-
Total Services by Other Agencies	3,319,028	3,547,209	3,547,209	-
TOTAL INTERGOVERNMENTAL EXPENDITURES	3,319,028	3,547,209	3,547,209	-
Contingencies				
Contingencies	22,014,736	5,867,868	-	5,867,868
Total Contingencies	22,014,736	5,867,868	-	5,867,868
TOTAL EXPENDITURES	412,143,918	412,079,714	401,434,882	10,644,832
REVENUES OVER EXPENDITURES	6,043,608	6,108,012	24,745,330	18,637,318
OTHER FINANCING SOURCES (USES)				
Interfund transfers out	200	-	-	-
Interfund transfers out	(18,200,006)	(18,264,222)	(18,264,222)	-
TOTAL OTHER FINANCING SOURCES (USES)	(18,199,806)	(18,264,222)	(18,264,222)	-
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	(12,156,198)	(12,156,210)	6,481,108	18,637,318
Fund balance - beginning			84,169,831	
Fund balance - ending			$ 90,650,939	

Bexar County, Texas

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2017

General Fund Budget

The original expenditure category (appropriation only) budgets for the General Fund is adopted by the Commissioners Court and filed with the Bexar County Clerk by September 30. The total budget for the General Fund cannot be increased once the budget is adopted unless the County Auditor certifies a new revenue source not considered during the setting of the original budget. Amendments over $100,000 between expenditure categories are made during the year on approval by the Commissioners Court. The County Manager/Budget Officer shall approve all amendments in amounts up to $100,000.

State law requires the budget not be exceeded in any expenditure category. For the General Fund, an expenditure category is considered to be an activity (e.g., personnel, remuneration for services, etc.).

Bexar County, Texas

SCHEDULE OF FUNDING PROGRESS FOR RETIRED EMPLOYEE HEALTHCARE PLAN

September 30, 2017

Primary Government

Schedule of Funding Progress for Bexar County
Retired Employee Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
10/01/2012	$ -	$ 166,600,965	$ 166,600,965	0.00%	$ 155,491,687	107.14%
10/01/2014	$ -	$ 183,016,083	$ 183,016,083	0.00%	$ 195,108,295	93.80%
10/01/2016	$ -	$ 182,225,102	$ 182,225,102	0.00%	$ 192,843,427	94.49%

See Note O for a complete description of the County's Other Post Employment Benefits.

The System

Schedule of Funding Progress for Bexar County Hospital District
Retired Employee Healthcare Plan
(in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)
01/01/2013	$ 21,835	$ 32,769	$ (10,934)
01/01/2014	$ 25,706	$ 34,324	$ (8,618)
01/01/2015	$ 29,732	$ 39,287	$ (9,555)

Bexar County, Texas

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

September 30, 2017

Primary Government

Schedule of Employer Pension Contributions

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll [1]	Actual Contribution as a % of Covered Payroll
2008	$ 19,981,983	$ 19,981,983	-	$ 201,838,207	9.90%
2009	21,164,730	21,164,730	-	213,785,148	9.90%
2010	22,528,989	22,528,989	-	212,137,370	10.62%
2011	22,753,831	22,753,831	-	212,255,885	10.72%
2012	23,560,331	23,560,331	-	208,498,502	11.30%
2013	26,523,168	26,523,168	-	214,242,066	12.38%
2014	29,784,031	29,784,031	-	223,771,834	13.31%
2015	31,628,977	31,628,977	-	239,977,066	13.18%
2016	32,499,498	32,499,498	-	248,467,114	13.08%
2017	34,568,249	34,568,249	-	261,682,426	13.21%

[1] Payroll is calculated based on contributions as reported to the Texas County and District Retirement System (TCDRS).

Bexar County, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

September 30, 2017

Schedule of Changes in Net Position Liability and Related Ratios

Year Ended December 31,	2016	2015	2014	2013 [1]	2012 [1]	2011 [1]	2010 [1]	2009 [1]	2008 [1]	2007 [1]
Total Pension Liability										
Service Cost	$ 35,377,380	$ 32,723,076	$ 31,822,938	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest on total pension liability	101,382,339	95,976,741	90,065,880	-	-	-	-	-	-	-
Effect of plan changes	-	(6,564,111)	-	-	-	-	-	-	-	-
Effect of assumption changes or inputs	-	11,789,927	-	-	-	-	-	-	-	-
Effect of economic/demographic (gains) or losses	(4,288,764)	(8,781,454)	502,253	-	-	-	-	-	-	-
Benefit payments/refunds of contributions	(59,368,612)	(55,011,591)	(49,928,994)	-	-	-	-	-	-	-
Net change in total pension liability	73,102,343	70,132,588	72,462,078	-	-	-	-	-	-	-
Total pension liability, beginning	1,263,395,881	1,193,263,293	1,120,801,216	-	-	-	-	-	-	-
Total pension liability, ending (a)	1,336,498,224	1,263,395,881	1,193,263,293	-	-	-	-	-	-	-
Fiduciary Net Position										
Employer contributions	32,896,371	31,710,094	30,757,771	-	-	-	-	-	-	-
Member contributions	17,640,625	16,873,121	16,190,301	-	-	-	-	-	-	-
Investment income net of investment expenses	80,420,624	(5,720,606)	70,225,240	-	-	-	-	-	-	-
Benefit payments/refunds of contributions	(59,368,612)	(55,011,591)	(49,928,994)	-	-	-	-	-	-	-
Administrative expenses	(874,157)	(787,023)	(821,987)	-	-	-	-	-	-	-
Other	(1,990,572)	(577,718)	876,450	-	-	-	-	-	-	-
Net change in fiduciary net position	68,724,279	(13,513,723)	67,298,781	-	-	-	-	-	-	-
Fiduciary net position, beginning	1,087,087,574	1,100,601,297	1,033,302,516	-	-	-	-	-	-	-
Fiduciary net position, ending (b)	1,155,811,853	1,087,087,574	1,100,601,297	-	-	-	-	-	-	-
Net pension liability / (asset), ending = (a) - (b)	$ 180,686,371	$ 176,308,307	$ 92,661,996	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fiduciary net position as a % of total pension liability	86.48%	86.04%	92.23%	-	-	-	-	-	-	-
Pensionable covered payroll	251,255,949	240,592,521	231,087,684	-	-	-	-	-	-	-
Net pension liability as a % of covered payroll	71.91%	73.28%	40.10%	-	-	-	-	-	-	-

[1] This schedule is presented to illustrate the requirement to show information for ten years. However, recalculations of prior years are not required; we accordingly are reporting only years for which GASB statements 68 and 71 have been implemented.

The above table includes information for four participating employers to the agent multiple-employer defined benefit pension plan administered by TCDRS. Three of the employers: Community Arenas Board (CAB), Metropolitan Planning Organization (MPO) and Community Supervision, are not considered departments or component units of the County; the net pension liabilities for these entities are $561,251, $790,677 and $13,363,484, respectively.

Bexar County, Texas

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

September 30, 2017

Notes to Schedule

Valuation Date:	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Amortization Period in Years	13.5 years (based on contribution rate calculated in 12/31/2016 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	3.00%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustments	No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Members eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously, Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
Changes in Plan Provisions Reflected in the Schedule	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

NONMAJOR GOVERNMENTAL FUNDS are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

COUNTY CLERK RECORDS MANAGEMENT FUND – to account for fee revenue and expenditures related to records management in the County Clerk's Office.

COUNTY RECORDS MANAGEMENT FUND – to account for fee revenue and expenditures related to records management on a county wide basis.

COURTHOUSE SECURITY FUND – to account for fee revenue and expenditures related to security devices and service for the courthouse and other buildings housing courts.

JUSTICES OF PEACE TECHNOLOGY FUND – to account for fee revenue and expenditures related to technological improvements in the Justice of the Peace offices.

FIRE CODE FUND – to account for fee revenue and expenditures related to fire prevention.

DISTRICT CLERK RECORDS MANAGEMENT FUND – to account for fee revenue and expenditures related to records management in the District Clerk's Office.

LAW LIBRARY FUND – to account for fee revenue and expenditures related to the operations of the law library.

COUNTY WIDE COURT TECHNOLOGY FUND – to account for fee revenue and expenditures related to the purchase, maintenance, continuing education, and training for technological enhancements of the courts.

DISPUTE RESOLUTION FUND – to account for fee revenue and expenditures related to the operations of the dispute mediation center.

JUSTICES OF PEACE SECURITY FUND – to account for revenue and expenditures related to security devices and services for buildings housing Justice of the Peace courts.

DOMESTIC RELATIONS FUND – to account for fee revenue and expenditures related to the operation of the domestic relations office.

PROBATE CONTRIBUTION FUND – to account for State revenue provided for Probate Court support and related expenditures.

LAW ENFORCEMENT OFFICERS SPECIAL EDUCATION FUND (LEOSE) – to account for State revenues provided for education of law enforcement officers and related expenditures.

CHILD ABUSE PREVENTION FUND – to account for fee revenue from court costs imposed on certain criminal convictions and expenditures for programs aimed at preventing child abuse.

DRUG COURT PROGRAM FUND – to account for fee revenue and expenditures related to operations of mandated programs for monitoring and rehabilitating violators of State drug laws.

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

FAMILY PROTECTION FEE FUND – to account for fee revenue imposed by the State on petitions for divorce to fund services to prevent family violence or child abuse.

DISTRICT COURT RECORDS TECHNOLOGY FUND – to account for fee revenue and expenditures related to the preservation and restoration of the District Court's records.

JUVENILE CASE MANAGER FUND – to account for fee revenues and expenditures related to juvenile social workers in the Justices of the Peace offices.

PROBATE GUARDIANSHIP FUND – to account for fee revenues and expenditures related to the appointment of guardians for minors in Probate cases.

PROBATE EDUCATION FUND – to account for fee revenue and expenditures related to continuing education of the Probate Courts' staff.

JUVENILE DELINQUENCY PREVENTION FUND – to account for fee revenue and expenditures related to graffiti eradication.

GRANTS FUND – to account for expenditures of funds received as grants-in-aid from various non-governmental sources and from Federal and State agencies for specific programs.

TECHNOLOGY IMPROVEMENT FUND – to account for costs associated with technology improvements.

STORMWATER MITIGATION FUND – to account for revenues and expenditures associated with preventing and repairing damages due to storm water runoff and for educating the public about flood hazards.

CHAPTER 19 VOTER REGISTRATION FUND – to account for revenues received from the State and expenditures associated with disseminating voting information to the public and registering new voters.

ELECTION CONTRACTING SERVICES FUND – to account for the receipt and disbursement of funds related to election contract service agreements.

TAX COLLECTOR'S SPECIAL INVENTORY FUND – to account for the receipt and disbursement of funds administered by the Tax Collector.

DISTRICT ATTORNEY PROGRAMS FUND – to account for the receipt and disbursement of discretionary funds maintained by the Criminal District Attorney.

ASSET FORFEITURES FUND – to account for receipt and disbursement of funds relating to forfeitures of certain property related to felony offenses.

BEXAR COUNTY HOUSING FINANCE CORPORATION – to account for revenue and expenditures related to the Bexar County Housing Finance Corporation.

BEXAR COUNTY HEALTH FACILITIES DEVELOPMENT CORPORATION – to account for revenue and expenditures related to the Bexar County Health Facilities Development Corporation.

BEXAR COUNTY INDUSTRIAL DEVELOPMENT CORPORATION – to account for revenue and expenditures related to the Bexar County Industrial Development Corporation.

Bexar County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2017

	County Clerk Records Management	County Records Management	Courthouse Security	Justices of Peace Technology
ASSETS				
Cash	$ 3,346,444	$ 39,522	$ 15,596	$ 30,253
Investments	19,555,592	230,954	91,140	176,790
Receivables:				
Accounts receivable	-	-	-	-
Due from other governmental units	-	-	-	-
TOTAL ASSETS	$ 22,902,036	$ 270,476	$ 106,736	$ 207,043
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers payable	$ 21,433	$ 59,067	$ -	$ -
Accrued liabilities	216,470	8,928	17,523	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Due to other governmental units	-	-	-	-
Unearned revenue	-	-	-	-
Contract retainage payable	-	-	-	-
TOTAL LIABILITIES	237,903	67,995	17,523	-
FUND BALANCE				
Restricted	22,664,133	202,481	89,213	207,043
Committed	-	-	-	-
TOTAL FUND BALANCE	22,664,133	202,481	89,213	207,043
TOTAL LIABILITIES AND FUND BALANCE	$ 22,902,036	$ 270,476	$ 106,736	$ 207,043

(continued)

Bexar County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2017

	Fire Code	District Clerk Records Management	Law Library	County Wide Court Technology	Dispute Resolution	Justices of Peace Security Fund	Domestic Relations	Probate Contribution	LEOSE	Child Abuse Prevention
ASSETS										
Cash	$ 651,920	$ 66,655	$ 7,947	$ 24,312	$ 16,695	$ 77,000	$ 1,995	$ 51,011	$ 198,264	$ 1,490
Investments	3,809,620	389,511	44,103	142,071	97,563	449,967	11,659	298,094	-	8,707
Receivables:										
Accounts receivable	-	-	3,827	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 4,461,540	$ 456,166	$ 55,877	$ 166,383	$ 114,258	$ 526,967	$ 13,654	$ 349,105	$ 198,264	$ 10,197
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Vouchers payable	$ 25,934	$ 11,994	$ 48,392	$ 19,840	$ 2,140	$ 9,999	$ 804	$ 1,066	$ -	$ -
Accrued liabilities	37,609	127,583	6,779	-	11,365	4,238	12,838	12,361	2,477	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Due to other governmental units	-	-	698	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-
Contract retainage payable	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	63,543	139,577	55,869	19,840	13,505	14,237	13,642	13,427	2,477	-
FUND BALANCE										
Restricted	4,397,997	316,589	8	146,543	100,753	512,730	12	335,678	195,787	10,197
Committed	-	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	4,397,997	316,589	8	146,543	100,753	512,730	12	335,678	195,787	10,197
TOTAL LIABILITIES AND FUND BALANCE	$ 4,461,540	$ 456,166	$ 55,877	$ 166,383	$ 114,258	$ 526,967	$ 13,654	$ 349,105	$ 198,264	$ 10,197

(continued)

Bexar County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2017

	Drug Court Program	Family Protection Fee	District Court Records Technology	Juvenile Case Manager	Probate Gaurdianship	Probate Education	Juvenile Delinquency Prevention	Grants	Technology Improvement	Stormwater Mitigation
ASSETS										
Cash	$ 14,300	$ 4,897	$ 49,825	$ 13,738	$ 36,832	$ 38,163	$ 3,937	$ 1,803,999	$ 138,438	$ 948,382
Investments	83,566	28,615	291,162	80,278	215,234	223,012	23,006	10,542,020	808,992	5,542,054
Receivables:										
Accounts receivable	-	-	-	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	9,203,006	-	-
TOTAL ASSETS	$ 97,866	$ 33,512	$ 340,987	$ 94,016	$ 252,066	$ 261,175	$ 26,943	$ 21,549,025	$ 947,430	$ 6,490,436
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Vouchers payable	$ -	$ -	$ -	$ 84,878	$ 8,072	$ -	$ -	$ 1,770,755	$ 28,227	$ 67,517
Accrued liabilities	7,478	-	46,670	-	-	256	-	5,529,413	93,458	51,381
Due to other funds	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	250,000	-	-
Due to other governmental units	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-
Contract retainage payable	-	-	-	-	-	-	-	-	-	8,854
TOTAL LIABILITIES	7,478	-	46,670	84,878	8,072	256	-	7,550,168	121,685	127,752
FUND BALANCE										
Restricted	90,388	33,512	294,317	9,138	243,994	260,919	26,943	13,998,857	-	6,362,684
Committed	-	-	-	-	-	-	-	-	825,745	-
TOTAL FUND BALANCE	90,388	33,512	294,317	9,138	243,994	260,919	26,943	13,998,857	825,745	6,362,684
TOTAL LIABILITIES AND FUND BALANCE	$ 97,866	$ 33,512	$ 340,987	$ 94,016	$ 252,066	$ 261,175	$ 26,943	$ 21,549,025	$ 947,430	$ 6,490,436

(continued)

Bexar County, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2017

	Chapter 19 Voter Registration	Election Contracting Services	Tax Collector's Special Inventory	District Attorney Programs	Asset Forfeitures	Blended Component Units: Bexar County Housing Finance Corporation	Blended Component Units: Bexar County Health Facilities Development Corporation	Blended Component Units: Bexar County Industrial Development Corporation	Total
ASSETS									
Cash	$ 7	$ 230,698	$ 33,861	$ 164,758	$ 4,540,743	$ 240,045	$ 18,854	$ 488	$ 12,811,069
Investments	-	1,348,130	-	356,044	5,186	1,402,751	110,178	2,851	46,368,850
Receivables:									
Accounts receivable	57,499	-	-	-	525	-	-	-	61,851
Due from other governmental units	-	-	-	-	-	-	-	-	9,203,006
TOTAL ASSETS	$ 57,506	$ 1,578,828	$ 33,861	$ 520,802	$ 4,546,454	$ 1,642,796	$ 129,032	$ 3,339	$ 68,444,776
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Vouchers payable	$ -	$ 6,812	$ -	$ 2,020	$ 60,855	$ -	$ -	$ -	$ 2,229,805
Accrued liabilities	-	22	363	8,603	31,554	-	-	-	6,227,369
Due to other funds	56,330	-	-	-	-	-	-	-	56,330
Advances from other funds	-	150,000	-	-	-	-	-	-	400,000
Due to other governmental units	-	-	-	-	-	-	-	-	698
Unearned revenue	51	524,368	-	-	-	-	-	-	524,419
Contract retainage payable	-	-	-	-	-	-	-	-	8,854
TOTAL LIABILITIES	56,381	681,202	363	10,623	92,409	-	-	-	9,447,475
FUND BALANCE									
Restricted	1,125	897,626	33,498	510,179	4,454,045	1,642,796	129,032	3,339	58,171,556
Committed	-	-	-	-	-	-	-	-	825,745
TOTAL FUND BALANCE	1,125	897,626	33,498	510,179	4,454,045	1,642,796	129,032	3,339	58,997,301
TOTAL LIABILITIES AND FUND BALANCE	$ 57,506	$ 1,578,828	$ 33,861	$ 520,802	$ 4,546,454	$ 1,642,796	$ 129,032	$ 3,339	$ 68,444,776

Bexar County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2017

	County Clerk Records Management	County Records Management	Courthouse Security	Justices of Peace Technology	Fire Code	District Clerk Records Management	Law Library	County Wide Court Technology	Dispute Resolution	Justices of Peace Security Fund	Domestic Relations
REVENUES											
Intergovernmental revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Court cost and fines	2,365	436,405	381,226	240,161	-	197	560,757	-	614,496	60,125	339,401
Other fees	5,646,397	-	318,801	-	1,501,176	400,771	-	37,512	-	-	-
Revenue from use of assets	182,357	1,035	1,107	1,593	37,427	2,508	228	1,334	97	4,465	9
Sales, refunds and miscellaneous	108	-	-	-	480	-	100,888	-	-	-	-
TOTAL REVENUES	5,831,227	437,440	701,134	241,754	1,539,083	403,476	661,873	38,846	614,593	64,590	339,410
EXPENDITURES											
General government	706,333	100,000	-	-	-	-	-	-	-	-	-
Judicial	-	182,815	-	244,440	-	296,010	903,805	26,970	-	14,364	-
Public safety	-	43,913	988,230	-	1,125,766	-	-	-	-	4,238	-
Education and recreation	-	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-	-
Health and public welfare	-	-	-	-	-	-	-	-	614,315	-	428,607
Capital expenditures	50,732	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	757,065	326,728	988,230	244,440	1,125,766	296,010	903,805	26,970	614,315	18,602	428,607
REVENUES OVER (UNDER) EXPENDITURES	5,074,162	110,712	(287,096)	(2,686)	413,317	107,466	(241,932)	11,876	278	45,988	(89,197)
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	-	-	339,597	-	-	-	178,517	-	64,344	-	38,920
Interfund transfers out	(214,531)	-	-	-	(231,666)	-	-	-	-	-	(6,913)
TOTAL OTHER FINANCING SOURCES (USES)	(214,531)	-	339,597	-	(231,666)	-	178,517	-	64,344	-	32,007
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	4,859,631	110,712	52,501	(2,686)	181,651	107,466	(63,415)	11,876	64,622	45,988	(57,190)
Fund balance - beginning	17,804,502	91,769	36,712	209,729	4,216,346	209,123	63,423	134,667	36,131	466,742	57,202
Fund balance - ending	$ 22,664,133	$ 202,481	$ 89,213	$ 207,043	$ 4,397,997	$ 316,589	$ 8	$ 146,543	$ 100,753	$ 512,730	$ 12

(continued)

Bexar County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2017

	Probate Contribution	LEOSE	Child Abuse Prevention	Drug Court Program	Family Protection Fee	District Court Records Technology	Juvenile Case Manager	Probate Gaurdianship	Probate Education	Juvenile Delinquency Prevention	Grants
REVENUES											
Intergovernmental revenue	$ 269,843	$ 127,164	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,197,090
Court cost and fines	-	-	3,334	-	115,306	288,084	351,445	130,400	-	333	-
Other fees	-	-	-	109,554	-	-	-	-	32,050	-	-
Revenue from use of assets	3,273	574	77	1,279	27	1,066	550	2,041	2,230	238	87,462
Sales, refunds and miscellaneous	500	30	-	-	20,090	-	-	-	121	-	-
TOTAL REVENUES	273,616	127,768	3,411	110,833	135,423	289,150	351,995	132,441	34,401	571	39,284,552
EXPENDITURES											
General government	-	-	-	-	-	-	-	-	-	-	1,617,940
Judicial	473,018	3,491	-	197,275	138,725	46,670	-	135,589	22,885	-	3,102,998
Public safety	-	32,864	-	-	-	-	351,385	-	-	-	11,715,816
Education and recreation	-	-	-	-	-	-	-	-	-	-	992,513
Public works	-	-	-	-	-	-	-	-	-	-	3,480,417
Health and public welfare	-	-	-	-	-	-	-	-	-	-	19,535,797
Capital expenditures	-	-	-	-	-	-	-	-	-	-	202,055
TOTAL EXPENDITURES	473,018	36,355	-	197,275	138,725	46,670	351,385	135,589	22,885	-	40,647,536
REVENUES OVER (UNDER) EXPENDITURES	(199,402)	91,413	3,411	(86,442)	(3,302)	242,480	610	(3,148)	11,516	571	(1,362,984)
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	-	-	-	-	-	-	-	-	-	-	366,911
Interfund transfers out	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	-	-	-	366,911
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	(199,402)	91,413	3,411	(86,442)	(3,302)	242,480	610	(3,148)	11,516	571	(996,073)
Fund balance - beginning	535,080	104,374	6,786	176,830	36,814	51,837	8,528	247,142	249,403	26,372	14,994,930
Fund balance - ending	$ 335,678	$ 195,787	$ 10,197	$ 90,388	$ 33,512	$ 294,317	$ 9,138	$ 243,994	$ 260,919	$ 26,943	$ 13,998,857

(continued)

Bexar County, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2017

								Blended Units			
	Technology Improvement	Stormwater Mitigation	Chapter 19 Voter Registration	Election Contracting Services	Tax Collector's Special Inventory	District Attorney Programs	Asset Forfeitures	Bexar County Housing Finance Corporation	Bexar County Health Facilities Development Corporation	Bexar County Industrial Development Corporation	Total
REVENUES											
Intergovernmental revenue	$ -	$ -	$ 282,237	$ 1,973,434	$ -	$ -	$ -	$ -	$ -	$ -	$ 41,849,768
Court cost and fines	-	-	-	-	-	19,632	1,172,741	-	-	-	4,716,408
Other fees	761,501	2,336,443	-	-	-	486,517	-	526,808	24,218	-	12,181,748
Revenue from use of assets	-	59,984	-	-	20,000	4,055	20,208	14,270	1,108	34	450,636
Sales, refunds and miscellaneous	2,855	18,556	-	-	-	4,743	12,834	-	-	-	161,205
TOTAL REVENUES	764,356	2,414,983	282,237	1,973,434	20,000	514,947	1,205,783	541,078	25,326	34	59,359,765
EXPENDITURES											
General government	1,043,156	-	324,914	2,109,209	27,124	-	-	56,900	5,200	1,200	5,991,976
Judicial	179,406	-	-	-	-	513,029	488,157	-	-	-	6,969,647
Public safety	318,879	-	-	-	-	-	151,943	-	-	-	14,733,034
Education and recreation	1,878	-	-	-	-	-	-	-	-	-	994,391
Public works	-	1,890,106	-	-	-	-	-	-	-	-	5,370,523
Health and public welfare	5,232	-	-	-	-	-	-	-	-	-	20,583,951
Capital expenditures	27,623	157,455	-	-	-	-	13,020	-	-	-	450,885
TOTAL EXPENDITURES	1,576,174	2,047,561	324,914	2,109,209	27,124	513,029	653,120	56,900	5,200	1,200	55,094,407
REVENUES OVER (UNDER) EXPENDITURES	(811,818)	367,422	(42,677)	(135,775)	(7,124)	1,918	552,663	484,178	20,126	(1,166)	4,265,358
OTHER FINANCING SOURCES (USES)											
Interfund transfers in	-	-	-	-	-	-	-	-	-	-	988,289
Interfund transfers out	-	(1,500,000)	-	-	-	-	-	-	-	-	(1,953,110)
TOTAL OTHER FINANCING SOURCES (USES)	-	(1,500,000)	-	-	-	-	-	-	-	-	(964,821)
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	(811,818)	(1,132,578)	(42,677)	(135,775)	(7,124)	1,918	552,663	484,178	20,126	(1,166)	3,300,537
Fund balance - beginning	1,637,563	7,495,262	43,802	1,033,401	40,622	508,261	3,901,382	1,158,618	108,906	4,505	55,696,764
Fund balance - ending	$ 825,745	$ 6,362,684	$ 1,125	$ 897,626	$ 33,498	$ 510,179	$ 4,454,045	$ 1,642,796	$ 129,032	$ 3,339	$ 58,997,301

Bexar County, Texas
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Property tax	$ 98,720,000	$ 99,526,937	$ 806,937
Intergovernmental revenue	2,758,149	2,755,189	(2,960)
Revenue from use of assets - interest	2,000,000	5,551,787	3,551,787
Sales, refunds and miscellaneous	-	30,407	30,407
TOTAL REVENUES	103,478,149	107,864,320	4,386,171
EXPENDITURES			
Debt service:			
Principal	27,430,000	27,430,000	-
Interest	77,048,253	74,023,589	3,024,664
Bond issuance cost	1,319,479	1,043,539	275,940
Debt service SARA	3,081,120	3,081,120	-
TOTAL EXPENDITURES	108,878,852	105,578,248	3,300,604
REVENUES OVER (UNDER) EXPENDITURES	(5,400,703)	2,286,072	7,686,775
OTHER FINANCING SOURCES (USES)			
Transfers in	17,313,910	17,315,685	1,775
Premium on bond issues	-	972,400	972,400
TOTAL OTHER FINANCING SOURCES	17,313,910	18,288,085	974,175
REVENUES AND OTHER SOURCES OVER EXPENDITURES	$ 11,913,207	20,574,157	$ 8,660,950
Fund balance - beginning		39,908,543	
Fund balance - ending		$ 60,482,700	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 4,000	$ 2,365	$ (1,635)
Other fees	4,900,000	5,646,397	746,397
Revenue from use of assets	70,000	182,357	112,357
Sales, refunds and miscellaneous	-	108	108
TOTAL REVENUES	4,974,000	5,831,227	857,227
EXPENDITURES			
GENERAL GOVERNMENT			
Remuneration for services	19,525	3,311	16,214
Operational costs	8,349,512	663,624	7,685,888
Supplies and materials	137,500	39,398	98,102
TOTAL GENERAL GOVERNMENT	8,506,537	706,333	7,800,204
CAPITAL EXPENDITURES	51,019	50,732	287
TOTAL EXPENDITURES	8,557,556	757,065	7,800,491
REVENUES (UNDER) EXPENDITURES	(3,583,556)	5,074,162	8,657,718
OTHER FINANCING SOURCES (USES)			
Interfund transfers out	(214,531)	(214,531)	-
TOTAL OTHER FINANCING (USES)	(214,531)	(214,531)	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	$ (3,798,087)	4,859,631	$ 8,657,718
Fund balance - beginning		17,804,502	
Fund balance - ending		$ 22,664,133	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY RECORDS MANAGEMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 400,000	$ 436,405	$ 36,405
Revenue from use of assets	600	1,035	435
TOTAL REVENUES	400,600	437,440	36,840
EXPENDITURES			
GENERAL GOVERNMENT			
Operational costs	167,276	100,000	67,276
TOTAL GENERAL GOVERNMENT	167,276	100,000	67,276
JUDICIAL			
Operational costs	188,377	182,815	5,562
TOTAL JUDICIAL	188,377	182,815	5,562
PUBLIC SAFETY			
Operational costs	46,347	43,913	2,434
TOTAL PUBLIC SAFETY	46,347	43,913	2,434
TOTAL EXPENDITURES	402,000	326,728	75,272
REVENUES OVER (UNDER) EXPENDITURES	$ (1,400)	110,712	$ 112,112
Fund balance - beginning		91,769	
Fund balance - ending		$ 202,481	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURTHOUSE SECURITY FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 375,000	$ 381,226	$ 6,226
Other fees	265,000	318,801	53,801
Revenue from use of assets	1,200	1,107	(93)
TOTAL REVENUES	641,200	701,134	59,934
EXPENDITURES			
PUBLIC SAFETY			
Personnel costs	1,014,694	988,230	26,464
TOTAL PUBLIC SAFETY	1,014,694	988,230	26,464
TOTAL EXPENDITURES	1,014,694	988,230	26,464
REVENUES OVER (UNDER) EXPENDITURES	(373,494)	(287,096)	86,398
OTHER FINANCING SOURCES			
Interfund transfers in	339,597	339,597	-
TOTAL OTHER FINANCING SOURCES	339,597	339,597	-
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (33,897)	52,501	$ 86,398
Fund balance - beginning		36,712	
Fund balance - ending		$ 89,213	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICES OF PEACE TECHNOLOGY FUND
For Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 249,000	$ 240,161	$ (8,839)
Revenue from use of assets	800	1,593	793
TOTAL REVENUES	249,800	241,754	(8,046)
EXPENDITURES			
JUDICIAL			
Operational costs	244,450	244,440	10
TOTAL JUDICIAL	244,450	244,440	10
TOTAL EXPENDITURES	244,450	244,440	10
REVENUES OVER (UNDER) EXPENDITURES	$ 5,350	(2,686)	$ (8,036)
Fund balance - beginning		209,729	
Fund balance - ending		$ 207,043	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE CODE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 1,600,000	$ 1,501,176	$ (98,824)
Revenue from use of assets	15,000	37,427	22,427
Sales, refunds and miscellaneous	-	480	480
TOTAL REVENUES	1,615,000	1,539,083	(75,917)
EXPENDITURES			
PUBLIC SAFETY			
Personnel costs	936,483	879,560	56,923
Remuneration for services	36,163	35,883	280
Operational costs	133,291	119,104	14,187
Supplies and materials	107,281	91,219	16,062
TOTAL PUBLIC SAFETY	1,213,218	1,125,766	87,452
CAPITAL EXPENDITURES	4,425	-	4,425
TOTAL EXPENDITURES	1,217,643	1,125,766	91,877
REVENUES OVER EXPENDITURES	397,357	413,317	15,960
OTHER FINANCING (USES)			
Interfund transfers out	(231,666)	(231,666)	-
TOTAL OTHER FINANCING (USES)	(231,666)	(231,666)	-
REVENUES OVER EXPENDITURES AND OTHER (USES)	$ 165,691	181,651	$ 15,960
Fund balance - beginning		4,216,346	
Fund balance - ending		$ 4,397,997	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 150	$ 197	$ 47
Other fees	350,000	400,771	50,771
Revenue from use of assets	700	2,508	1,808
TOTAL REVENUES	350,850	403,476	52,626
EXPENDITURES			
JUDICIAL			
Remuneration for services	1,807	1,573	234
Operational costs	392,653	288,897	103,756
Supplies and materials	5,540	5,540	-
TOTAL JUDICIAL	400,000	296,010	103,990
TOTAL EXPENDITURES	400,000	296,010	103,990
REVENUES OVER (UNDER) EXPENDITURES	$ (49,150)	107,466	$ 156,616
Fund balance - beginning		209,123	
Fund balance - ending		$ 316,589	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAW LIBRARY FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 518,000	$ 560,757	$ 42,757
Revenue from use of assets	800	228	(572)
Sales, refunds and miscellaneous	90,000	100,888	10,888
TOTAL REVENUES	608,800	661,873	53,073
EXPENDITURES			
JUDICIAL			
Personnel costs	335,019	335,019	-
Operational costs	398,748	398,748	-
Supplies and materials	170,038	170,038	-
TOTAL JUDICIAL	903,805	903,805	-
TOTAL EXPENDITURES	903,805	903,805	-
REVENUES OVER (UNDER) EXPENDITURES	(295,005)	(241,932)	53,073
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	113,832	178,517	64,685
TOTAL OTHER FINANCING SOURCES	113,832	178,517	64,685
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	$ (181,173)	(63,415)	$ 117,758
Fund balance - beginning		63,423	
Fund balance - ending		$ 8	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY WIDE COURT TECHNOLOGY FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 30,000	37,512	$ 7,512
Revenue from use of assets	450	1,334	884
TOTAL REVENUES	30,450	38,846	8,396
EXPENDITURES			
JUDICIAL			
Supplies and materials	28,869	26,970	1,899
TOTAL JUDICIAL	28,869	26,970	1,899
TOTAL EXPENDITURES	28,869	26,970	1,899
REVENUES OVER EXPENDITURES	$ 1,581	11,876	$ 10,295
Fund balance - beginning		134,667	
Fund balance - ending		$ 146,543	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISPUTE RESOLUTION FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 530,000	$ 614,496	$ 84,496
Revenue from use of assets	150	97	(53)
TOTAL REVENUES	530,150	614,593	84,443
EXPENDITURES			
HEALTH AND PUBLIC WELFARE			
Personnel costs	568,852	568,850	2
Remuneration for services	22,972	20,479	2,493
Operational costs	15,844	15,392	452
Supplies and materials	10,858	9,594	1,264
TOTAL HEALTH AND PUBLIC WELFARE	618,526	614,315	4,211
TOTAL EXPENDITURES	618,526	614,315	4,211
REVENUES OVER (UNDER) EXPENDITURES	(88,376)	278	88,654
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	64,344	64,344	-
TOTAL OTHER FINANCING SOURCES	64,344	64,344	0
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (24,032)	64,622	$ 88,654
Fund balance - beginning		36,131	
Fund balance - ending		$ 100,753	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICES OF PEACE SECURITY FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 60,000	$ 60,125	$ 125
Revenue from use of assets	1,500	4,465	2,965
TOTAL REVENUES	61,500	64,590	3,090
EXPENDITURES			
JUDICIAL			
Operational costs	35,762	14,364	21,398
TOTAL JUDICIAL	35,762	14,364	21,398
PUBLIC SAFETY			
Operational costs	4,238	4,238	-
TOTAL PUBLIC SAFETY	4,238	4,238	-
TOTAL EXPENDITURES	40,000	18,602	21,398
REVENUES OVER EXPENDITURES	$ 21,500	45,988	$ 24,488
Fund balance - beginning		466,742	
Fund balance - ending		$ 512,730	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOMESTIC RELATIONS FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 350,000	$ 339,401	$ (10,599)
Revenue from use of assets	250	9	(241)
TOTAL REVENUES	350,250	339,410	(10,840)
EXPENDITURES			
HEALTH AND PUBLIC WELFARE			
Personnel costs	291,547	291,547	-
Remuneration for services	2,000	-	2,000
Operational costs	136,862	136,862	-
Supplies and materials	700	198	502
TOTAL HEALTH AND PUBLIC WELFARE	431,109	428,607	2,502
TOTAL EXPENDITURES	431,109	428,607	2,502
REVENUES (UNDER) EXPENDITURES	(80,859)	(89,197)	(8,338)
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	-	38,920	38,920
Interfund transfers out	(6,913)	(6,913)	-
TOTAL OTHER FINANCING SOURCES (USES)	(6,913)	32,007	38,920
REVENUES AND OTHER SOURCES (UNDER) EXPENDITURES AND OTHER (USES)	$ (87,772)	(57,190)	$ 30,582
Fund balance - beginning		57,202	
Fund balance - ending		$ 12	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
PROBATE CONTRIBUTION FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 80,000	$ 269,843	$ 189,843
Revenue from use of assets	2,000	3,273	1,273
Sales, refunds and miscellaneous	-	500	500
TOTAL REVENUES	82,000	273,616	191,616
EXPENDITURES			
JUDICIAL			
Personnel costs	444,000	389,064	54,936
Remuneration for services	28,310	17,775	10,535
Operational costs	113,650	53,867	59,783
Supplies and materials	61,850	12,312	49,538
TOTAL JUDICIAL	647,810	473,018	174,792
CAPITAL EXPENDITUES	18,000	-	18,000
TOTAL EXPENDITURES	665,810	473,018	192,792
REVENUES OVER (UNDER) EXPENDITURES	$ (583,810)	(199,402)	$ 384,408
Fund balance - beginning		535,080	
Fund balance - ending		$ 335,678	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
LAW ENFORCEMENT OFFICER SPECIAL EDUCATION (LEOSE) FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 89,500	$ 127,164	$ 37,664
Revenue from use of assets	252	574	322
Sales, refunds and miscellaneous	-	30	30
TOTAL REVENUES	89,752	127,768	38,016
EXPENDITURES			
JUDICIAL			
Remuneration for services	3,600	3,491	109
TOTAL JUDICIAL	3,600	3,491	109
PUBLIC SAFETY			
Remuneration for service	52,445	9,429	43,016
Operational costs	55,405	-	55,405
Supplies and materials	63,233	23,435	39,798
TOTAL PUBLIC SAFETY	171,083	32,864	138,219
TOTAL EXPENDITURES	174,683	36,355	138,328
REVENUES OVER (UNDER) EXPENDITURES	$ (84,931)	91,413	$ 176,344
Fund balance - beginning		104,374	
Fund balance - ending		$ 195,787	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHILD ABUSE PREVENTION FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 3,334	$ 3,334
Revenue from use of assets	-	77	77
TOTAL REVENUES	-	3,411	3,411
EXPENDITURES			
GENERAL GOVERNMENT	-	-	-
TOTAL GENERAL GOVERNMENT	-	-	-
TOTAL EXPENDITURES	-	-	-
REVENUES OVER EXPENDITURES	$ -	3,411	$ 3,411
Fund balance - beginning		6,786	
Fund balance - ending		$ 10,197	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRUG COURT PROGRAM FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 95,000	$ 109,554	$ 14,554
Revenue from use of assets	900	1,279	379
TOTAL REVENUES	95,900	110,833	14,933
EXPENDITURES			
JUDICIAL			
Personnel costs	197,276	197,275	1
TOTAL JUDICIAL	197,276	197,275	1
TOTAL EXPENDITURES	197,276	197,275	1
REVENUES OVER (UNDER) EXPENDITURES	$ (101,376)	(86,442)	$ 14,934
Fund balance - beginning		176,830	
Fund balance - ending		$ 90,388	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FAMILY PROTECTION FEE
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 114,000	$ 115,306	$ 1,306
Revenue from use of assets	-	27	27
Sales, refunds and miscellaneous	-	20,090	20,090
TOTAL REVENUES	114,000	135,423	21,423
EXPENDITURES			
JUDICIAL			
Operational costs	154,155	138,725	15,430
TOTAL JUDICIAL	154,155	138,725	15,430
TOTAL EXPENDITURES	154,155	138,725	15,430
REVENUES OVER (UNDER) EXPENDITURES	$ (40,155)	(3,302)	$ 36,853
Fund balance - beginning		36,814	
Fund balance - ending		$ 33,512	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT COURT RECORDS TECHNOLOGY FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 245,000	$ 288,084	$ 43,084
Revenue from use of assets	700	1,066	366
TOTAL REVENUES	245,700	289,150	43,450
EXPENDITURES			
JUDICIAL			
Operational cost	290,000	46,670	243,330
TOTAL JUDICIAL	290,000	46,670	243,330
TOTAL EXPENDITURES	290,000	46,670	243,330
REVENUES OVER (UNDER) EXPENDITURES	$ (44,300)	242,480	$ 286,780
Fund balance - beginning		51,837	
Fund balance - ending		$ 294,317	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUVENILE CASE MANAGER FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 340,000	$ 351,445	$ 11,445
Revenue from use of assets	400	550	150
TOTAL REVENUES	340,400	351,995	11,595
EXPENDITURES			
PUBLIC SAFETY			
Operational costs	351,385	351,385	-
TOTAL PUBLIC SAFETY	351,385	351,385	-
TOTAL EXPENDITURES	351,385	351,385	-
REVENUES OVER EXPENDITURES	$ (10,985)	610	$ 11,595
Fund balance - beginning		8,528	
Fund balance - ending		$ 9,138	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PROBATE GUARDIANSHIP FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 130,000	$ 130,400	$ 400
Revenue from use of assets	500	2,041	1,541
TOTAL REVENUES	130,500	132,441	1,941
EXPENDITURES			
JUDICIAL			
Operational costs	265,000	135,589	129,411
TOTAL JUDICIAL	265,000	135,589	129,411
TOTAL EXPENDITURES	265,000	135,589	129,411
REVENUES (UNDER) EXPENDITURES	$ (134,500)	(3,148)	$ 131,352
Fund balance - beginning		247,142	
Fund balance - ending		$ 243,994	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
PROBATE EDUCATION FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 30,000	$ 32,050	$ 2,050
Revenue from use of assets	800	2,230	1,430
Sales, refunds and miscellaneous	-	121	121
TOTAL REVENUES	30,800	34,401	3,601
EXPENDITURES			
JUDICIAL			
Remuneration for services	60,500	19,104	41,396
Operational costs	8,000	3,781	4,219
Supplies and materials	10,000	-	10,000
TOTAL JUDICIAL	78,500	22,885	55,615
TOTAL EXPENDITURES	78,500	22,885	55,615
REVENUES OVER (UNDER) EXPENDITURES	$ (47,700)	11,516	$ 59,216
Fund balance - beginning		249,403	
Fund balance - ending		$ 260,919	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
JUVENILE DELINQUENCY PREVENTION FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 333	$ 333
Revenue from use of assets	-	238	238
TOTAL REVENUES	-	571	571
EXPENDITURES			
GENERAL GOVERNMENT	-	-	-
TOTAL GENERAL GOVERNMENT	-	-	-
TOTAL EXPENDITURES	-	-	-
REVENUES OVER EXPENDITURES	$ -	571	$ 571
Fund balance - beginning		26,372	
Fund balance - ending		$ 26,943	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 39,190,000	$ 39,197,090	$ 7,090
Revenue from use of assets	87,000	87,462	462
TOTAL REVENUES	39,277,000	39,284,552	7,552
EXPENDITUES			
GENERAL GOVERNMENT			
Personnel costs	43,000	42,431	569
Operational costs	1,580,000	1,575,509	4,491
TOTAL GENERAL GOVERNMENT	1,623,000	1,617,940	5,060
JUDICIAL			
Personnel costs	1,970,000	1,962,556	7,444
Operational costs	1,150,000	1,140,442	9,558
TOTAL JUDICIAL	3,120,000	3,102,998	17,002
PUBLIC SAFETY			
Personnel costs	7,525,000	7,524,837	163
Remuneration for services	10	8	2
Operational costs	4,191,000	4,190,971	29
TOTAL PUBLIC SAFETY	11,716,010	11,715,816	194
EDUCATION AND RECREATION			
Personnel costs	8,900	8,802	98
Operational costs	984,000	983,711	289
TOTAL EDUCATION AND RECREATION	992,900	992,513	387
PUBLIC WORKS			
Operational costs	3,500,000	3,480,417	19,583
TOTAL PUBLIC WORKS	3,500,000	3,480,417	19,583

(continued)

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Amount	Variance
HEALTH AND PUBLIC WELFARE			
Personnel costs	$ 2,210,000	$ 2,204,584	$ 5,416
Remuneration for services	450	410	40
Operational costs	17,335,000	17,330,803	4,197
TOTAL HEALTH AND PUBLIC WELFARE	19,545,450	19,535,797	9,653
CAPITAL EXPENDITURES	203,000	202,055	945
TOTAL EXPENDITURES	40,700,360	40,647,536	52,824
REVENUES (UNDER) EXPENDITURES	(1,423,360)	(1,362,984)	60,376
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	356,900	366,911	10,111
TOTAL OTHER FINANCING SOURCES	356,900	366,911	10,111
REVENUES AND OTHER SOURCES (UNDER) EXPENDITURES AND OTHER (USES)	$ (1,066,460)	(996,073)	$ 70,387
Fund balance - beginning		14,994,930	
Fund balance - ending		$ 13,998,857	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TECHNOLOGY IMPROVEMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 739,275	$ 761,501	$ 22,226
Sales, refunds and miscellaneous	$ -	$ 2,855	$ 2,855
TOTAL REVENUES	739,275	764,356	25,081
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel costs	160,935	147,613	13,322
Supplies and materials	929,447	895,543	33,904
TOTAL GENERAL GOVERNMENT	1,090,382	1,043,156	47,226
JUDICIAL			
Supplies and materials	237,904	179,406	58,498
TOTAL JUDICIAL	237,904	179,406	58,498
PUBLIC SAFETY			
Supplies and materials	375,091	318,879	56,212
TOTAL PUBLIC SAFETY	375,091	318,879	56,212
EDUCATION AND RECREATION			
Supplies and materials	12,029	1,878	10,151
TOTAL EDUCATION AND RECREATION	12,029	1,878	10,151
PUBLIC WORKS			
Supplies and materials	4,950	-	4,950
TOTAL PUBLIC WORKS	4,950	-	4,950
HEALTH AND PUBLIC WELFARE			
Supplies and materials	7,185	5,232	1,953
TOTAL HEALTH AND PUBLIC WELFARE	7,185	5,232	1,953
CAPITAL EXPENDITURES	28,968	27,623	1,345
TOTAL EXPENDITURES	1,756,509	1,576,174	180,335
REVENUES (UNDER) EXPENDITURES	(1,017,234)	(811,818)	205,416

(continued)

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TECHNOLOGY IMPROVEMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
OTHER FINANCING SOURCES			
Interfund transfers in	$ 1,549,000	-	$ (1,549,000)
TOTAL OTHER FINANCING SOURCES	1,549,000	-	(1,549,000)
REVENUES AND OTHER SOURCES (UNDER) EXPENDITURES	$ 531,766	(811,818)	$ (1,343,584)
Fund balance - beginning		1,637,563	
Fund balance - ending		$ 825,745	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STORMWATER MITIGATION FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 2,175,000	$ 2,336,443	$ 161,443
Revenue from use of assets	30,000	59,984	29,984
Sales, refunds and miscellaneous	-	18,556	18,556
TOTAL REVENUES	2,205,000	2,414,983	209,983
EXPENDITURES			
PUBLIC WORKS			
Personnel costs	945,245	917,357	27,888
Remuneration for services	10,618	9,950	668
Operational costs	1,086,765	468,225	618,540
Supplies and materials	621,242	494,574	126,668
TOTAL PUBLIC WORKS	2,663,870	1,890,106	773,764
CAPITAL EXPENDITURES	162,000	157,455	4,545
TOTAL EXPENDITURES	2,825,870	2,047,561	778,309
REVENUES OVER (UNDER) EXPENDITURES	(620,870)	367,422	988,292
OTHER FINANCING (USES)			
Interfund transfers out	(1,590,000)	(1,500,000)	90,000
TOTAL OTHER FINANCING (USES)	(1,590,000)	(1,500,000)	90,000
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	$ (2,210,870)	(1,132,578)	$ 1,078,292
Fund balance - beginning		7,495,262	
Fund balance - ending		$ 6,362,684	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHAPTER 19 VOTER REGISTAR FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 16,333	$ 282,237	$ 265,904
TOTAL REVENUES	16,333	282,237	265,904
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel costs	42,680	42,678	2
Remuneration for services	10,750	4,729	6,021
Operational costs	277,507	277,507	-
Supplies and materials	8,826	-	8,826
TOTAL GENERAL GOVERNMENT	339,763	324,914	14,849
TOTAL EXPENDITURES	339,763	324,914	14,849
REVENUES OVER (UNDER) EXPENDITURES	$ (323,430)	(42,677)	$ 280,753
Fund balance - beginning		43,802	
Fund balance - ending		$ 1,125	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ELECTIONS CONTRACTING SERVICES FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 2,000,000	$ 1,973,434	$ (26,566)
Other fees	200,000	-	(200,000)
TOTAL REVENUES	2,200,000	1,973,434	(226,566)
EXPENDITURES			
GENERAL GOVERNMENT			
Administration costs	696,545	135,778	560,767
Jurisdictional elections costs	1,980,000	1,973,431	6,569
TOTAL GENERAL GOVERNMENT	2,676,545	2,109,209	567,336
CAPITAL EXPENDITURES	5,000	-	5,000
TOTAL EXPENDITURES	2,681,545	2,109,209	572,336
REVENUES (UNDER) EXPENDITURES	$ (481,545)	(135,775)	$ 345,770
Fund balance - beginning		1,033,401	
Fund balance - ending		$ 897,626	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX COLLECTOR'S SPECIAL INVENTORY FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Revenue from use of assets	$ 110,000	$ 20,000	$ (90,000)
TOTAL REVENUES	110,000	20,000	(90,000)
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel costs	141,148	27,124	114,024
Remuneration for services	4,000	-	4,000
Operational costs	2,000	-	2,000
Supplies and materials	11,500	-	11,500
TOTAL GENERAL GOVERNMENT	158,648	27,124	131,524
TOTAL EXPENDITURES	158,648	27,124	131,524
REVENUES OVER (UNDER) EXPENDITURES	$ (48,648)	(7,124)	$ 41,524
Fund balance - beginning		40,622	
Fund balance - ending		$ 33,498	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT ATTORNEY PROGRAMS FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 19,632	$ 19,632
Other fees	422,000	486,517	64,517
Revenue from use of assets	1,000	4,055	3,055
Sales, refunds and miscellaneous	-	4,743	4,743
TOTAL REVENUES	423,000	514,947	91,947
EXPENDITURES			
JUDICIAL			
Personnel costs	544,641	477,634	67,007
Operational costs	32,048	30,507	1,541
Supplies and materials	18,710	4,888	13,822
TOTAL JUDICIAL	595,399	513,029	82,370
TOTAL EXPENDITURES	595,399	513,029	82,370
REVENUES (UNDER) EXPENDITURES	$ (172,399)	1,918	$ 174,317
Fund balance - beginning		508,261	
Fund balance - ending		$ 510,179	

Bexar County, Texas
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET FORFEITURE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 1,172,741	$ 1,172,741
Revenue from use of assets	-	20,208	20,208
Sales, refunds and miscellaneous	-	12,834	12,834
TOTAL REVENUES	-	1,205,783	1,205,783
EXPENDITURES			
JUDICIAL			
Personnel costs	740,000	350,782	389,218
Remuneration for services	330,000	24,133	305,867
Operational costs	1,105,000	67,966	1,037,034
Supplies and materials	455,000	45,276	409,724
TOTAL JUDICIAL	2,630,000	488,157	2,141,843
PUBLIC SAFETY			
Personnel costs	22,521	17,681	4,840
Remuneration for services	89,728	31,825	57,903
Operational costs	191,519	32,774	158,745
Supplies and materials	315,110	69,663	245,447
TOTAL PUBLIC SAFETY	618,878	151,943	466,935
CAPITAL EXPENDITURES	26,570	13,020	13,550
CONTINGENCIES	500,000	-	500,000
TOTAL EXPENDITURES	3,775,448	653,120	3,122,328
REVENUES OVER (UNDER) EXPENDITURES	$ (3,775,448)	552,663	$ 4,328,111
Fund balance - beginning		3,901,382	
Fund balance - ending		$ 4,454,045	

The Historic Pearl
Photo by Robert Parker
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NONMAJOR ENTERPRISE FUNDS

PROPRIETARY FUND TYPE

ENTERPRISE FUNDS – are established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

SHERIFF'S COMMISSARY FUND – This fund is used to account for the operation of a commissary for jail inmates. The Commissary is funded primarily through profits on sales of commissary items to inmates.

PARKING FACILITIES FUND – This fund is used to account for the operation and maintenance of parking facilities. The facilities are intended to be financed primarily through user charges.

FIRING RANGE FUND – This fund is used to account for the operation and maintenance of the firing range. The facilities are intended to be financed primarily through user charges.

Bexar County, Texas
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
September 30, 2017

	Sheriff's Commissary	Parking Facilities	Firing Range	Total
ASSETS				
Current assets:				
Cash, cash equivalents	$ 203,890	$ 221,678	$ 12,033	$ 437,601
Investments	1,191,471	1,225,000	70,318	2,486,789
Receivables:				
Accounts	101,678	-	-	101,678
TOTAL CURRENT ASSETS	1,497,039	1,446,678	82,351	3,026,068
Noncurrent assets:				
Restricted assets:				
Capital assets:				
Equipment	565,559	-	-	565,559
Reference library	38,960	-	-	38,960
Less: Accumulated depreciation	(377,496)	-	-	(377,496)
TOTAL NONCURRENT ASSETS	227,023	-	-	227,023
TOTAL ASSETS	1,724,062	1,446,678	82,351	3,253,091
DEFERRED OUTFLOWS OF RESOURCES				
Pension	537,931	100,673	30,144	668,748
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 537,931	$ 100,673	$ 30,144	$ 668,748
LIABILITIES				
Current liabilities:				
Accounts payable	$ 140,375	$ 22,912	$ 7,092	$ 170,379
Accrued liabilities	154,478	27,625	6,173	188,276
Due to other governmental units	-	8,951	-	8,951
TOTAL CURRENT LIABILITIES	294,853	59,488	13,265	367,606
Noncurrent liabilities:				
Net pension liability	952,765	178,308	53,391	1,184,464
TOTAL NONCURRENT LIABILITIES	952,765	178,308	53,391	1,184,464
TOTAL LIABILITIES	1,247,618	237,796	66,656	1,552,070
DEFERRED INFLOWS OF RESOURCES				
Pension	45,875	8,585	2,571	57,031
TOTAL DEFERRED INFLOWS OF RESOURCES	45,875	8,585	2,571	57,031
NET POSITION				
Net investment in capital assets	227,022	-	-	227,022
Unrestricted	741,478	1,300,970	43,268	2,085,716
TOTAL NET POSITION	$ 968,500	$ 1,300,970	$ 43,268	$ 2,312,738

Bexar County, Texas
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - NONMAJOR ENTERPRISE FUNDS
For Fiscal Year Ended September 30, 2017

	Sheriff's Commissary	Parking Facilities	Firing Range	Total
OPERATING REVENUES				
Commissary sales	$ 5,275,977	-	-	$ 5,275,977
User fees	-	1,274,784	3,070	1,277,854
Other income	9	1,533	1,790	3,332
NET OPERATING REVENUES	5,275,986	1,276,317	4,860	6,557,163
OPERATING EXPENSES				
Personnel costs	1,995,214	376,424	107,660	2,479,298
Purchased services	2,697,882	324,152	59,167	3,081,201
Supplies	196,007	16,402	8,487	220,896
Repairs and maintenance	8,837	45,529	7,969	62,335
Depreciation and amortization	60,629	-	-	60,629
TOTAL OPERATING EXPENSES	4,958,569	762,507	183,283	5,904,359
Operating income (loss)	317,417	513,810	(178,423)	652,804
NON-OPERATING REVENUES (EXPENSES)				
Investment income	9,357	11,154	1,115	21,626
TOTAL NON-OPERATING REVENUES	9,357	11,154	1,115	21,626
Income (loss) before transfers	326,774	524,964	(177,308)	674,430
Interfund transfers in	-	-	220,576	220,576
Interfund transfers out	-	(450,000)	-	(450,000)
TOTAL TRANSFERS	-	(450,000)	220,576	(229,424)
Changes in net position	326,774	74,964	43,268	445,006
Total net position-beginning	641,726	1,226,006	-	1,867,732
Total net position-ending	$ 968,500	$ 1,300,970	$ 43,268	$ 2,312,738

Bexar County, Texas
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For Fiscal Year Ended September 30, 2017

	Sheriff's Commissary	Parking Facilities	Firing Range	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for commissary sales	$ 5,326,131	$ -	$ -	$ 5,326,131
Cash received for parking fees	-	1,276,317	-	1,276,317
Cash received for firing range fees	-	-	4,860	4,860
Receipts from other governmental units	-	1,029	-	1,029
Payments to suppliers	(3,150,825)	(457,039)	(87,078)	(3,694,942)
Payments to employees for services	(1,827,776)	(353,011)	(105,916)	(2,286,703)
Net cash provided (used) for operating activities	347,530	467,296	(188,134)	626,692
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	-	220,576	220,576
Net cash provided by noncapital financing activities	-	-	220,576	220,576
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Transfer to other funds	-	(450,000)	-	(450,000)
Net cash (used) for capital and related financing activities	-	(450,000)	-	(450,000)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment purchases	(289,859)	(4,144)	(30,921)	(324,924)
Investment earnings	9,357	11,154	1,115	21,626
Net cash provided (used) by investing activities	(280,502)	7,010	(29,806)	(303,298)
Net increase in cash and cash equivalents	67,028	24,306	2,636	93,970
Cash and cash equivalents - beginning of year	136,862	197,372	9,397	343,631
Cash and cash equivalents - end of year	$ 203,890	$ 221,678	$ 12,033	$ 437,601

Bexar County, Texas
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended September 30, 2017

	Sheriff's Commissary	Parking Facilities	Firing Range	Total
Reconciliation of operating income (loss) to net cash provided for operating activities:				
Operating income (loss)	$ 317,417	$ 513,810	$ (178,423)	$ 652,804
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities:				
Depreciation expense	60,628	-	-	60,628
Change in net position:				
Decrease in accounts receivable	50,145	-	-	50,145
(Decrease) in vouchers	(343,824)	(79,194)	(14,835)	(437,853)
Increase in accrued liabilities	110,455	8,486	2,468	121,409
Increase in net pension liability	152,709	23,165	2,656	178,530
Increase in due to other governmental units	-	1,029	-	1,029
Net cash provided (used) for operating activities	$ 347,530	$ 467,296	$ (188,134)	$ 626,692
Reconciliation of cash and cash equivalents on Statement of Cash Flows to Statement of Net Position				
Cash and cash equivalents	$ 203,890	$ 221,678	$ 12,033	$ 437,601
Cash and cash equivalents	$ 203,890	$ 221,678	$ 12,033	$ 437,601

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INTERNAL SERVICE FUNDS

PROPRIETARY FUND TYPE

INTERNAL SERVICE FUNDS - are established to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis.

FLEET MAINTENANCE FUND - to account for the maintenance of County vehicles.

OTHER POST EMPLOYMENT BENEFITS FUND – to account for revenues and expenses related to retirement benefits for retirees and their beneficiaries.

SELF-INSURANCE FUND - to account for the receipt of insurance premiums collected from employees and various funds as well as the expense for services and expenses.

RECORDS MANAGEMENT CENTER FUND – to account for the expenses of the records management center facility.

Bexar County, Texas
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
For Fiscal Year Ended September 30, 2017

	Fleet Maintenance	Other Post Employment Benefits	Self Insurance	Records Management Center	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 256,927	$ 1	$ 4,251,241	$ 275,243	$ 4,783,412
Investments	-	8	-	-	8
Inventories	171,504	-	-	-	171,504
Deposits	-	-	10,000	-	10,000
Prepaid insurance	2,216	-	-	-	2,216
TOTAL CURRENT ASSETS	430,647	9	4,261,241	275,243	4,967,140
Noncurrent assets					
Capital assets:					
Buildings and improvements	-	-	125,708	-	125,708
Equipment	-	-	-	1,072,650	1,072,650
Less: Accumulated depreciation	-	-	(9,428)	(614,043)	(623,471)
TOTAL NONCURRENT ASSETS	-	-	116,280	458,607	574,887
TOTAL ASSETS	430,647	9	4,377,521	733,850	5,542,027
DEFERRED OUTFLOWS OF RESOURCES					
Pension	228,735	-	107,618	55,975	392,328
TOTAL DEFERRED OUTFLOWS OF RESOURCES	228,735	-	107,618	55,975	392,328
LIABILITIES					
Current liabilities:					
Accounts payable	$ 126,773	$ 608	$ 119,347	$ 376	$ 247,104
Claims payable	-	-	7,922,633	-	7,922,633
Accrued liabilities	35,601	-	28,500	8,793	72,894
Due to other funds	-	391,510	-	-	391,510
TOTAL CURRENT LIABILITIES	162,374	392,118	8,070,480	9,169	8,634,141
Noncurrent liabilities					
Advance from other funds	110,000	-	-	-	110,000
Net pension liability	405,127	-	190,608	99,143	694,878
Claims payable	-	-	972,870	-	972,870
OPEB obligation	-	71,539,203	-	-	71,539,203
TOTAL NONCURRENT LIABILITIES	515,127	71,539,203	1,163,478	99,143	73,316,951
TOTAL LIABILITIES	677,501	71,931,321	9,233,958	108,312	81,951,092
DEFERRED INFLOWS OF RESOURCES					
Pension	19,507	-	9,178	4,774	33,459
TOTAL DEFERRED INFLOWS OF RESOURCES	19,507	-	9,178	4,774	33,459
NET POSITION					
Net investment in capital assets	-	-	458,599	116,280	574,879
Unrestricted	(37,626)	(71,931,312)	(5,216,596)	560,459	(76,625,075)
TOTAL NET POSITION	$ (37,626)	$ (71,931,312)	$ (4,757,997)	$ 676,739	$ (76,050,196)

Bexar County, Texas
INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For Fiscal Year Ended September 30, 2017

	Fleet Maintenance	Other Post Employment Benefits	Self-Insurance	Records Management Center	Total
OPERATING REVENUES					
Premiums	$ -	$ 2,631,964	$ 43,598,601	$ -	$ 46,230,565
Records management storage fees	-	-	-	100,000	100,000
Employee clinic fees	-	-	15,770	-	15,770
Fleet maintenance sales	790,727	-	-	-	790,727
Other income	4,718	-	2,280,605	-	2,285,323
OPERATING REVENUES	795,445	2,631,964	45,894,976	100,000	49,422,385
OPERATING EXPENSES					
Administrative fees	-	305,018	3,164,858	-	3,469,876
Claims expenses	-	9,025,528	44,600,018	-	53,625,546
Insurance expenses	-	-	1,929,478	-	1,929,478
OPEB costs	-	7,300,708	-	-	7,300,708
Personnel costs	821,153	-	383,799	208,937	1,413,889
Rent and utilities	12,984	-	236	63,257	76,477
Purchased services	12,039	-	160,652	26,588	199,279
Supplies	43,256	-	3,659	27,244	74,159
Repairs and maintenance	48,486	-	-	26,395	74,881
Depreciation and amortization	-	-	6,285	107,256	113,541
TOTAL OPERATING EXPENSES	937,918	16,631,254	50,248,985	459,677	68,277,834
Operating (loss)	(142,473)	(13,999,290)	(4,354,009)	(359,677)	(18,855,449)
NON-OPERATING REVENUES (EXPENSES)					
Investment income	-	15,570	-	-	15,570
TOTAL NON-OPERATING REVENUES	-	15,570	-	-	15,570
Income (loss) before transfers	(142,473)	(13,983,720)	(4,354,009)	(359,677)	(18,839,879)
Interfund transfers in	62,374	8,025,721	4,113,683	214,531	12,416,309
TOTAL TRANSFERS	62,374	8,025,721	4,113,683	214,531	12,416,309
Changes in net position	(80,099)	(5,957,999)	(240,326)	(145,146)	(6,423,570)
Total net position-beginning	42,473	(65,973,313)	(4,517,671)	821,885	(69,626,626)
Total net position-ending	$ (37,626)	$ (71,931,312)	$ (4,757,997)	$ 676,739	$ (76,050,196)

Bexar County, Texas
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2017

	Fleet Maintenance	OPEB	Self-Insurance	Records Management Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for premiums	$ -	$ 1,454,396	$ 45,879,206	$ -	$ 47,333,602
Cash received for employee clinic fees	-	-	15,770		15,770
Cash received for fleet maintenance services	795,445	-	-	-	795,445
Cash received for records management storage	-	-	-	100,000	100,000
Payments to vendors, suppliers, and contractors	(82,957)	(470,150)	(5,921,228)	(178,820)	(6,653,155)
Payments to employees for services	(772,084)	-	(364,939)	(197,588)	(1,334,611)
Claims paid	-	(9,025,528)	(44,480,634)	-	(53,506,162)
Net cash (used) by operating activities	(59,596)	(8,041,282)	(4,871,825)	(276,408)	(13,249,111)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	62,374	8,025,721	4,113,683	214,531	12,416,309
Net cash provided by noncapital financing activities	62,374	8,025,721	4,113,683	214,531	12,416,309
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment purchases	-	(8)	-	-	(8)
Investment sales	220,654	-	4,349,189	292,690	4,862,533
Investment earnings	-	15,570	-	-	15,570
Net cash provided by investing activities	220,654	15,562	4,349,189	292,690	4,878,095
Net increase in cash and cash equivalents	223,432	1	3,591,047	230,813	4,045,293
Cash and cash equivalents - beginning of year	33,495	-	660,194	44,430	738,119
Cash and cash equivalents - end of year	$ 256,927	$ 1	$ 4,251,241	$ 275,243	$ 4,783,412

Bexar County, Texas
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2017

	Fleet Maintenance	OPEB	Self-Insurance	Records Management Center	Total
Reconciliation of operating (loss) to net cash (used) by operating activities:					
Operating (loss)	$ (142,473)	(13,999,290)	$ (4,354,009)	$ (359,677)	$ (18,855,449)
Adjustments to reconcile operating (loss) to net cash (used) for operating activities:					
Depreciation expense	-	-	6,285	107,256	113,541
Change in net position:					
(Increase) in inventories	(11,711)	-	-	-	(11,711)
(Increase) in prepaid insurance	(2,209)	-	-	-	(2,209)
Increase (decrease) in accounts payable	32,669	(165,132)	(198,309)	(327)	(331,099)
Increase in claims payable	-	-	119,384	-	119,384
Increase in OPEB obligation	-	7,300,708	-	-	7,300,708
Increase (Decrease) in accrued liabilities	15,643	-	(465,281)	(34,963)	(484,601)
Increase in net pension liability	48,485	-	20,105	11,303	79,893
(Decrease) in due to other funds	-	(1,177,568)	-	-	(1,177,568)
Net cash (used) by operating activities	$ (59,596)	$ (8,041,282)	$ (4,871,825)	$ (276,408)	$ (13,249,111)
Reconciliation of cash and cash equivalents on Statement of Cash Flows to Statement of Net Position					
Cash and cash equivalents	$ 256,927	$ 1	$ 4,251,241	$ 275,243	$ 4,783,412
Cash and cash equivalents	$ 256,927	$ 1	$ 4,251,241	$ 275,243	$ 4,783,412

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FIDUCIARY FUND TYPE

AGENCY FUNDS – are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds. They are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

SECONDARY RECIPIENT GRANTS FUND – to account for the receipt and disbursement of grant funds for which the County serves only as a conduit.

OFFICERS' SPECIAL FUNDS – to account for the receipt and disbursement of funds held by various County officers pending disposition.

CLERKS' TRUST FUNDS – to account for funds held in the registry of the courts by the County Clerk and District Clerk pending a court order directing payment.

FLEXIBLE SPENDING ACCOUNTS FUND – to account for deposits and disbursements related to the County's employees flexible spending accounts.

BAIL BOND SECURITY FUND – to account for deposits that attorneys place with the County in order to post bond for defendants.

TAX COLLECTOR'S ACCOUNTS FUNDS – to account for the receipt of tax collections and the distribution to County funds and other taxing jurisdictions.

COMMUNITY CORRECTIONS FUNDS – to account for the receipt and disbursement of funds administered by the Community Supervision and Corrections Department.

INMATE BANKING FUND – to account for the receipt and disbursement of the personal funds of inmates confined in the County jail.

UNCLAIMED MONEY FUND – to account for funds the County holds that rightfully belong to another party.

DISTRICT ATTORNEY SEIZED ASSETS – to account for assets seized pursuant to the state and federal forfeiture laws (Chapter 59, Code of Criminal Procedure) but still awaiting judicial determination.

Bexar County, Texas
AGENCY FUNDS
COMBINING NET POSITION
September 30, 2017

	Secondary Recipient Grants	Officers' Special	Clerks' Trust	Flexible Spending Accounts	Bail Bond Security	Tax Collector's Accounts	Community Corrections	Inmate Banking	Unclaimed Money	DA Seized Assets	Total
ASSETS											
Cash and cash equivalents	$ -	$ 5,634,823	$46,918,518	$ 153,382	$ 1,977,158	$41,826,614	$ 7,069,170	$ 272,362	$ 117,459	$ 4,477,635	$108,447,121
Accounts receivable	404,467	330,733	7,201	8,985	-	-	6,462,028	-	-	-	7,213,414
Deferred outflows of resources - pension	446,416	-	-	-	-	-	7,545,023	-	-	-	7,991,439
Due from other governmental units	707,030	-	-	-	-	-	-	-	-	-	707,030
TOTAL ASSETS	$ 1,557,913	$ 5,965,556	$46,925,719	$ 162,367	$ 1,977,158	$41,826,614	$21,076,221	$ 272,362	$ 117,459	$ 4,477,635	$124,359,004
LIABILITIES											
Vouchers payable	$ 145,554	$ -	$ -	$ 101,331	$ 214,100	$ -	$ 120,324	$ -	$ -	$ -	$ 581,309
Accrued liabilities	1,367,755	-	-	61,036	-	-	14,642,042	-	-	-	16,070,833
Due to participants	6,454	1,102,075	46,925,719	-	1,763,058	-	5,670,415	272,362	-	4,477,635	60,217,718
Deferred inflows of resources - pension	38,070	-	-	-	-	-	643,440	-	-	-	681,510
Due to other governmental units	80	4,863,481	-	-	-	41,826,614	-	-	117,459	-	46,807,634
TOTAL LIABILITIES	$ 1,557,913	$ 5,965,556	$46,925,719	$ 162,367	$ 1,977,158	$41,826,614	$21,076,221	$ 272,362	$ 117,459	$ 4,477,635	$124,359,004

Bexar County, Texas
AGENCY FUNDS
COMBINING NET POSITION
September 30, 2017

	Balance October 1, 2016	Additions	Deletions	Balance September 30, 2017
ASSETS				
Cash and cash equivalents	$ 88,211,015	$ 108,447,121	$ 88,211,015	$ 108,447,121
Accounts receivable	5,462,242	7,213,414	5,462,242	7,213,414
Deferred outflows of resources - pension	9,718,711	7,991,439	9,718,711	7,991,439
Due from other governmental units	684,289	707,030	684,289	707,030
TOTAL ASSETS	$ 104,076,257	$ 124,359,004	$ 104,076,257	$ 124,359,004
LIABILITIES				
Vouchers payable	$ 438,942	$ 581,309	$ 438,942	$ 581,309
Accrued liabilities	15,091,915	16,070,833	15,091,915	16,070,833
Due to participants	41,826,897	60,217,718	41,826,897	60,217,718
Deferred inflows of resources - pension	574,035	681,510	574,035	681,510
Due to other governmental units	46,144,468	46,807,634	46,144,468	46,807,634
TOTAL LIABILITIES	$ 104,076,257	$ 124,359,004	$ 104,076,257	$ 124,359,004

Bexar County, Texas
AGENCY FUNDS
COMBINING NET POSITION
September 30, 2017

	Balance October 1, 2016	Additions	Deletions	Balance September 30, 2017
Secondary Recipient of Grants				
ASSETS				
Accounts receivable	$ 287,990	$ 404,467	$ 287,990	$ 404,467
Deferred outflows of resources - pension	497,247	446,416	497,247	446,416
Due from other governmental units	684,289	707,030	684,289	707,030
TOTAL ASSETS	$ 1,469,526	$ 1,557,913	$ 1,469,526	$ 1,557,913
LIABILITIES				
Vouchers payable	$ 66,433	$ 145,554	$ 66,433	$ 145,554
Accrued liabilities	1,333,102	1,367,755	1,333,102	1,367,755
Due to participants	6,454	6,454	6,454	6,454
Deferred inflows of resources - pension	29,370	38,070	29,370	38,070
Due to other governmental units	34,167	80	34,167	80
TOTAL LIABILITIES	$ 1,469,526	$ 1,557,913	$ 1,469,526	$ 1,557,913
Officers' Special Funds				
ASSETS				
Cash and cash equivalents	$ 5,713,743	$ 5,634,823	$ 5,713,743	$ 5,634,823
Accounts receivable	133,434	330,733	133,434	330,733
TOTAL ASSETS	$ 5,847,177	$ 5,965,556	$ 5,847,177	$ 5,965,556
LIABILITIES				
Due to participants	$ 983,696	$ 1,102,075	$ 983,696	$ 1,102,075
Due to other governmental units	4,863,481	4,863,481	4,863,481	4,863,481
TOTAL LIABILITIES	$ 5,847,177	$ 5,965,556	$ 5,847,177	$ 5,965,556
Clerks' Trust Funds				
ASSETS				
Cash and cash equivalents	$ 28,353,921	$ 46,918,518	$ 28,353,921	$ 46,918,518
Accounts receivable	4,708	7,201	4,708	7,201
TOTAL ASSETS	$ 28,358,629	$ 46,925,719	$ 28,358,629	$ 46,925,719
LIABILITIES				
Due to participants	$ 28,358,629	$ 46,925,719	$ 28,358,629	$ 46,925,719
TOTAL LIABILITIES	$ 28,358,629	$ 46,925,719	$ 28,358,629	$ 46,925,719

Bexar County, Texas
AGENCY FUNDS
COMBINING NET POSITION
September 30, 2017

	Balance October 1, 2016	Additions	Deletions	Balance September 30, 2017
Flexible Spending Accounts				
ASSETS				
Cash and cash equivalents	$ 119,160	$ 153,382	$ 119,160	$ 153,382
Accounts receivable	41,786	8,985	41,786	8,985
TOTAL ASSETS	$ 160,946	$ 162,367	$ 160,946	$ 162,367
LIABILITIES				
Vouchers payable	$ 73,271	$ 101,331	$ 73,271	$ 101,331
Accrued liabilities	87,675	61,036	87,675	61,036
TOTAL LIABILITIES	$ 160,946	$ 162,367	$ 160,946	$ 162,367
Bail Bond Security Fund				
ASSETS				
Cash and cash equivalents	$ 1,857,873	$ 1,977,158	$ 1,857,873	$ 1,977,158
TOTAL ASSETS	$ 1,857,873	$ 1,977,158	$ 1,857,873	$ 1,977,158
LIABILITIES				
Vouchers payable	$ 181,000	$ 214,100	$ 181,000	$ 214,100
Due to participants	1,676,873	1,763,058	1,676,873	1,763,058
TOTAL LIABILITIES	$ 1,857,873	$ 1,977,158	$ 1,857,873	$ 1,977,158
Tax Collector's Accounts				
ASSETS				
Cash and cash equivalents	$ 41,089,351	$ 41,826,614	$ 41,089,351	$ 41,826,614
TOTAL ASSETS	$ 41,089,351	$ 41,826,614	$ 41,089,351	$ 41,826,614
LIABILITIES				
Due to other governmental units	$ 41,089,351	$ 41,826,614	$ 41,089,351	$ 41,826,614
TOTAL LIABILITIES	$ 41,089,351	$ 41,826,614	$ 41,089,351	$ 41,826,614

Bexar County, Texas
AGENCY FUNDS
COMBINING NET POSITION
September 30, 2017

	Balance October 1, 2016	Additions	Deletions	Balance September 30, 2017
Community Corrections				
ASSETS				
Cash and cash equivalents	$ 6,980,532	$ 7,069,170	$ 6,980,532	$ 7,069,170
Accounts receivable	4,994,324	6,462,028	4,994,324	6,462,028
Deferred outflows of resources - pension	9,221,464	7,545,023	9,221,464	7,545,023
TOTAL ASSETS	$ 21,196,320	$ 21,076,221	$ 21,196,320	$ 21,076,221
LIABILITIES				
Vouchers payable	$ 118,238	$ 120,324	$ 118,238	$ 120,324
Accrued liabilities	13,671,138	14,642,042	13,671,138	14,642,042
Deferred inflows of resources - pension	544,665	643,440	544,665	643,440
Due to participants	6,862,279	5,670,415	6,862,279	5,670,415
TOTAL LIABILITIES	$ 21,196,320	$ 21,076,221	$ 21,196,320	$ 21,076,221
Inmate Banking				
ASSETS				
Cash and cash equivalents	$ 225,890	$ 272,362	$ 225,890	$ 272,362
TOTAL ASSETS	$ 225,890	$ 272,362	$ 225,890	$ 272,362
LIABILITIES				
Due to participants	$ 225,890	$ 272,362	$ 225,890	$ 272,362
TOTAL LIABILITIES	$ 225,890	$ 272,362	$ 225,890	$ 272,362
Unclaimed Money				
ASSETS				
Cash and cash equivalents	$ 157,469	$ 117,459	$ 157,469	$ 117,459
TOTAL ASSETS	$ 157,469	$ 117,459	$ 157,469	$ 117,459
LIABILITIES				
Due to other governmental units	$ 157,469	$ 117,459	$ 157,469	$ 117,459
TOTAL LIABILITIES	$ 157,469	$ 117,459	$ 157,469	$ 117,459
DA Seized Assets				
ASSETS				
Cash and cash equivalents	$ 3,713,076	$ 4,477,635	$ 3,713,076	$ 4,477,635
TOTAL ASSETS	$ 3,713,076	$ 4,477,635	$ 3,713,076	$ 4,477,635
LIABILITIES				
Due to participants	$ 3,713,076	$ 4,477,635	$ 3,713,076	$ 4,477,635
TOTAL LIABILITIES	$ 3,713,076	$ 4,477,635	$ 3,713,076	$ 4,477,635

Mission Concepcion
Photo by Robert Parker
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Bexar County, Texas
STATISTICAL SECTION OVERVIEW
September 30, 2017

The statistical section is organized in six sections:

- Financial Trends – Compiles information reported in the Comprehensive Annual Financial Report over the past ten years. These schedules report how the County's financial position and well-being have changed over time.

  Table 1 – Net Position by Component
  Table 2 – Changes in Net Position
  Table 3 – Net Changes in Fund Balance, Governmental Funds
  Table 4 – Fund Balances, Governmental Funds

- Revenue Capacity Information – Provides information regarding the County's major own-source revenue (property taxes) and the stability/growth of that revenue.

  Table 5 – Assessed Value and Estimated Actual Value of Taxable Property
  Table 6 – Direct and Overlapping Property Tax Rates by Tax Year
  Table 7 – Principal Property Taxpayers
  Table 8 – Property Tax Levies and Collections

- Debt Capacity Information – Provides information on the County's outstanding debt, the ability to repay the debt, and the ability to issue additional debt.

  Table 9 – Ratio of Outstanding Debt by Type
  Table 10 – Ratio of Outstanding General Bonded County Debt
  Table 11 – Ratio of Annual Debt Service for General Bonded Debt to Total Expenditures All Governmental Fund Types
  Table 12 – Direct and Overlapping Governmental Activities Debt
  Table 13 – Pledged-Revenue Coverage
  Table 14 – Motor Vehicle Rental Tax Collections
  Table 15 – Hotel Occupancy Tax Net Collections
  Table 16 – Hotel Occupancy Tax Collections – Top Ten Hotels
  Table 17 – Convention Statistics
  Table 18 – San Antonio Hotel Occupancies and Average Daily Rates/History
  Table 19 – County Expenditures for Assets Owned by Other Entities

- Demographic and Economic Information – Provides information regarding the County's socioeconomic environment; specifically, its taxpayers, employers, and the changes to those groups over the past ten years.

  Table 20 – Demographic and Economic Statistics
  Table 21 – Principal Employers

- Operating Information – Provides information on its employees, operation, and facilities

  Table 22 – Operating Indicators by Function/Program
  Table 23 – Capital Asset Statistics by Function/Program
  Table 24 – Full-Time Equivalent County Government Employees by Function/Program

- Miscellaneous Information – Provides detailed information on the County's Rates

  Table 25 – Analysis of Funding Progress and Contribution Rates
  Table 26 – Legal Debt Margin Information
  Table 27 – Miscellaneous Information

Over the past ten years Bexar County has experienced an increase in the population of taxpayers. This growth has led to increased development, and accordingly, the tax base has increased. The County has also increased its operating, debt, and capital expenditures to meet the demand of the growing population and provide adequate services.

Table 1

Bexar County, Texas
NET POSITION BY COMPONENT, LAST TEN YEARS
For Fiscal Years Ended September 30,
(Unaudited)

	2017	2016	2015	2014 (Restated)	2013
Governmental activities					
Net investment in capital assets	$ 965,387,857	$ 934,396,266	$ 894,124,992	$ 860,081,979	$ 890,541,511
Restricted for:					
Debt service	60,506,401	39,793,717	32,839,512	50,483,099	54,407,649
Grants and special revenues	13,998,857	14,994,930	14,990,484	13,580,285	9,006,848
Capital projects	183,002,698	145,327,592	69,577,989	121,632,446	48,998,893
Legislative	44,172,699	39,064,271	40,752,062	32,904,826	30,621,078
Unrestricted	(803,009,229)	(620,083,745)	(444,153,476)	(441,770,656)	(336,108,071)
Total governmental activities net position	$ 464,059,283	$ 553,493,031	$ 608,131,563	$ 636,911,979	$ 697,467,908
Business-type activities					
Net investment in capital assets	$ 65,978,076	$ 67,413,044	$ 129,774,372	$ 48,009,070	$ 50,287,916
Restricted for:					
Debt Service	24,458,709	24,478,767	27,281,811	24,198,644	20,189,790
Unrestricted	(154,272,031)	(158,904,249)	(218,711,772)	(150,985,175)	(107,025,370)
Total business-type activities net position	$ (63,835,246)	$ (67,012,438)	$ (61,655,589)	$ (78,777,461)	$ (36,547,664)
Primary government					
Net investment in capital assets	$1,031,365,933	$1,001,809,310	$1,023,899,364	$ 908,091,049	$ 940,829,427
Restricted	326,139,364	263,659,277	185,441,858	242,799,300	163,224,258
Unrestricted	(957,281,260)	(778,987,994)	(662,865,248)	(592,755,831)	(443,133,441)
Total primary government net position	$ 400,224,037	$ 486,480,593	$ 546,475,974	$ 558,134,518	$ 660,920,244

Source: Comprehensive Annual Financial Reports (CAFR).

Table 1 (Continued)

	2012	2011	2010	2009	2008
Governmental activities					
Net investment in capital assets	$ 855,395,328	$ 830,351,671	$ 667,452,063	$ 552,659,899	$ 471,706,192
Restricted for:					
Debt service	70,322,846	71,270,325	72,590,214	58,544,093	48,455,747
Grants and special revenues	10,580,293	12,565,983	6,450,008	7,010,763	9,101,649
Capital projects	36,381,015	14,139,934	7,180,849	29,460,809	15,479,227
Legislative	27,361,998	24,984,690	22,097,507	21,092,719	20,727,303
Unrestricted	(169,515,206)	(87,278,102)	14,448,995	11,672,815	26,355,835
Total governmental activities net position	$ 830,526,274	$ 866,034,501	$ 790,219,636	$ 680,441,098	$ 591,825,953
Business-type activities					
Net investment in capital assets	$ 53,683,820	$ 55,333,951	$ 58,475,790	$ 55,037,943	$ 58,217,572
Restricted for:					
Debt Service	16,283,647	16,844,006	11,778,600	27,873,483	17,369,988
Unrestricted	(46,741,238)	(6,211,870)	20,268,109	24,948,302	36,519,536
Total business-type activities net position	$ 23,226,229	$ 65,966,087	$ 90,522,499	$ 107,859,728	$ 112,107,096
Primary government					
Net investment in capital assets	$ 909,079,148	$ 885,685,622	$ 725,927,853	$ 607,697,842	$ 529,923,764
Restricted	160,929,799	139,804,938	120,097,178	143,981,867	111,133,914
Unrestricted	(216,256,444)	(93,489,972)	34,717,104	36,621,117	62,875,371
Total primary government net position	$ 853,752,503	$ 932,000,588	$ 880,742,135	$ 788,300,826	$ 703,933,049

Table 2

Bexar County, Texas
CHANGES IN NET POSITION, LAST TEN YEARS
For Fiscal Years Ended September 30,
(Unaudited and accrual basis accounting)

	2017	2016	2015	2014 (Restated)	2013	2012	2011	2010	2009	2008
Expenses										
Governmental activities:										
General government	$ 138,112,719	$ 130,047,303	$ 110,745,934	$ 107,772,965	$ 101,135,305	$ 92,955,003	$ 88,844,727	$ 79,241,599	$ 79,952,880	$ 91,979,961
Judicial	113,574,714	104,620,926	93,563,195	89,143,802	86,567,259	85,766,375	89,523,783	84,233,142	82,775,317	79,390,023
Public safety	239,226,903	222,339,298	211,423,049	199,517,541	194,156,366	192,289,893	186,374,799	191,453,779	186,516,533	177,888,141
Education and recreation	7,712,093	8,120,117	6,334,976	5,803,910	6,521,027	8,964,869	10,838,874	10,215,955	9,767,900	12,434,366
Public works	225,090,295	206,348,816	156,484,523	134,049,117	254,058,915	166,817,829	159,386,468	90,456,200	77,045,904	73,059,766
Health and public welfare	26,302,915	26,081,172	28,287,807	24,694,078	25,646,248	33,613,676	29,164,474	32,396,181	31,435,262	18,881,286
Interest and other fees	77,974,335	84,878,028	72,808,687	68,474,001	57,190,164	46,034,776	42,552,731	35,272,177	22,115,394	14,532,168
Unallocated depreciation	114,711	114,711	114,711	114,711	114,711	114,711	114,711	114,711	114,711	114,711
Total governmental activities	828,108,685	782,550,371	679,762,882	629,570,125	725,389,995	626,557,132	606,800,567	523,383,744	489,723,901	468,280,422
Business-type activities:										
Venue Fund	29,423,382	34,080,868	10,680,025	68,628,840	82,836,919	66,119,373	47,297,341	38,312,586	24,051,523	10,131,567
Commissary Fund	4,954,319	4,439,412	3,734,031	3,434,758	3,099,136	3,132,808	3,349,848	3,214,752	3,387,512	529,786
Firing Range Fund	183,283	194,346	183,278	156,842	112,046	-	-	-	-	-
Parking Facilities Fund	762,507	842,589	769,832	607,739	633,636	519,977	307,949	-	-	-
Total business-type activities	35,323,491	39,557,215	15,367,166	72,828,179	86,681,737	69,772,158	50,955,138	41,527,338	27,439,035	10,661,353
Total primary government	$ 863,432,176	$ 822,107,586	$ 695,130,048	$ 702,398,304	$ 812,071,732	$ 696,329,290	$ 657,755,705	$ 564,911,082	$ 517,162,936	$ 478,941,775
Program Revenues										
Governmental activities:										
Charges for service:										
General government	$ 35,859,657	$ 36,315,150	$ 34,514,356	$ 33,242,843	$ 33,949,799	$ 30,742,789	$ 29,315,903	$ 27,395,795	$ 27,939,525	$ 27,309,879
Judicial	16,021,342	18,830,998	12,043,502	19,740,552	10,415,106	11,590,304	13,189,094	14,205,997	11,703,776	14,093,877
Public safety	33,508,474	31,798,026	34,563,781	34,088,157	34,983,339	34,016,987	28,563,454	29,883,485	26,389,811	27,828,996
Education and recreation	548	691	1,020	788	1,500	1,500	333,200	285,668	217,990	199,715
Public works	19,581,006	20,327,240	19,345,148	18,300,625	17,765,629	17,007,799	15,791,488	15,526,491	14,663,986	13,231,057
Health and public welfare	744,661	404,185	345,758	343,109	344,410	56,145	935,617	943,697	993,796	978,847
Operating grants and contributions:										
General government	631,563	3,086,022	4,927,006	5,762,280	3,933,230	3,451,222	4,156,702	1,942,725	1,670,749	1,618,364
Judicial	6,704,154	5,748,936	5,215,747	6,496,804	5,185,664	4,695,937	4,470,725	4,783,113	6,336,138	5,516,970
Public safety	13,385,549	12,810,807	11,891,397	14,721,238	12,221,127	14,514,051	18,847,341	20,321,533	13,482,071	15,621,641
Education and recreation	322,723	224,725	125,000	211,000	200,000	-	1,369,585	107,665	715,796	1,191,067
Public works	3,480,417	7,700	97,480	2,520	-	-	2,505,065	129,294	59,943	133,723,103
Health and public welfare	20,124,961	17,651,399	19,972,362	18,245,249	20,630,393	25,468,653	27,755,036	17,984,327	14,058,173	11,972,585
Capital grants and contributions:										
Public Works	115,519,024	148,270,339	126,167,667	112,011,234	114,740,142	106,463,221	201,984,356	157,728,121	112,841,904	6,707,206
Total governmental activities	$ 265,884,079	$ 295,476,218	$ 269,210,224	$ 263,166,399	$ 254,370,339	$ 248,008,608	$ 349,217,566	$ 291,237,911	$ 231,073,658	$ 259,993,307

Source: Comprehensive Annual Financial Reports (CAFR) for applicable years.

Table 2 (Continued)

Bexar County, Texas
CHANGES IN NET POSITION, LAST TEN YEARS
For Fiscal Years Ended September 30,
(Unaudited and accrual basis of accounting)

Table 2 (Continued)

	2017	2016	2015	2014 (Restated)	2013	2012	2011	2010	2009	2008
Business-type activities:										
Charges for services	$ 7,853,831	$ 6,820,264	$ 6,543,340	$ 6,322,469	$ 5,774,948	$ 5,121,101	$ 4,882,504	$ 4,682,544	$ 4,555,635	$ 2,040,783
Capital grants and contributions	$ 2,089,354	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total business-type activities	9,943,185	6,820,264	6,543,340	6,322,469	-	-	-	4,682,544	4,555,635	2,040,783
Total primary government	$ 275,827,264	$ 302,296,482	$ 275,753,564	$ 269,488,868	$ 254,370,339	$ 248,008,608	$ 349,217,566	$ 295,920,455	$ 235,629,293	$ 262,034,090
Net Expenses										
Governmental activities	$(562,224,606)	$(487,074,153)	$(410,552,658)	$(366,403,726)	$(467,461,236)	$(378,548,524)	$(257,583,001)	$(232,145,833)	$(258,650,243)	$ (208,287,115)
Business-type activities	(25,380,306)	(32,736,951)	(8,823,826)	(66,505,710)	(79,494,685)	(64,651,057)	(46,072,634)	(36,849,243)	(22,883,400)	(8,620,570)
Total primary government	$(587,604,912)	$(519,811,104)	$(419,376,484)	$(432,909,436)	$(546,955,921)	$(443,199,581)	$(303,655,635)	$(268,995,076)	$(281,533,643)	$(216,907,685)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	$ 394,856,774	$ 365,595,459	$ 312,595,952	$ 305,381,502	$ 289,003,130	$ 286,918,075	$ 281,355,998	$ 285,110,519	$ 275,869,660	$ 255,429,534
Flood control taxes	22,119,090	21,878,200	34,107,565	31,923,865	30,111,625	29,298,076	28,976,192	29,213,225	34,620,600	26,583,760
Bingo taxes	1,124,906	1,499,237	1,451,055	1,280,993	1,149,925	1,095,392	1,034,600	928,749	905,780	797,163
Motor vehicle taxes	16,399,324	16,272,869	14,979,416	13,956,172	12,512,742	10,594,249	9,216,992	8,470,889	10,031,273	11,291,934
Mixed drink taxes	9,785,281	9,423,643	8,833,088	8,353,717	6,393,077	5,770,200	6,527,575	6,482,878	6,228,156	6,193,140
Unrestricted investment earnings	8,295,219	5,188,258	4,621,801	2,124,784	1,601,732	2,528,607	2,499,439	2,777,878	7,340,211	15,026,865
Miscellaneous	19,980,840	12,308,641	4,948,018	7,826,124	5,366,849	6,399,746	7,206,835	8,826,902	12,145,918	4,538,252
Loss on disposal of assets	-	-	-	-	-	-	(2,831,146)	113,331	123,790	-
Transfers between governmental and business-type activities	229,424	269,314	235,347	293,196	341,068	435,952	453,070	-	-	-
Total governmental activities	472,790,858	432,435,621	381,772,242	371,140,353	346,480,148	343,040,297	334,439,555	341,924,371	347,265,388	319,860,648
Business-type Activities:										
Motor vehicle taxes	9,673,817	9,754,326	9,175,855	8,644,849	8,302,881	7,927,555	7,395,457	7,017,695	6,731,847	7,097,116
Occupancy taxes	18,237,592	17,475,219	16,913,746	16,322,866	15,543,139	14,402,231	13,519,585	12,320,625	11,564,549	13,668,374
Unrestricted investment earnings	864,943	347,395	69,024	43,993	19,538	17,365	21,247	167,173	336,802	2,463,345
Miscellaneous	10,570	72,476	22,420	3,000	10	-	9,373	2,072	2,834	-
Transfers between governmental and business-type activities	(229,424)	(269,314)	(235,347)	(293,196)	(341,068)	(435,952)	(453,070)	-	-	-
Total business-type activities	28,557,498	27,380,102	25,945,698	24,721,512	23,524,500	21,911,199	20,492,592	19,507,565	18,636,032	23,228,835
Total Primary Government	$ 501,348,356	$ 459,815,723	$ 407,717,940	$ 395,861,865	$ 370,004,648	$ 364,951,496	$ 354,932,147	$ 361,431,936	$ 365,901,420	$ 343,089,483
Change in Net Position										
Governmental activities	$ (89,433,748)	$ (54,638,532)	$ (28,780,416)	$ 4,736,627	$(124,539,508)	$ (35,508,227)	$ 76,856,554	$ 109,778,538	$ 88,615,145	$ 111,573,533
Business-type activities	3,177,192	(5,356,849)	17,121,872	(41,784,198)	(57,382,289)	(42,739,858)	(25,580,043)	(17,337,229)	(4,247,368)	14,608,265
Total primary government	$ (86,256,556)	$ (59,995,381)	$ (11,658,544)	$ (37,047,571)	$(181,921,797)	$ (78,248,085)	$ 51,276,511	$ 92,441,309	$ 84,367,777	$ 126,181,798

Source: Comprehensive Annual Financial Reports (CAFR) for applicable years.

Table 3 | **Table 3 (Continued)**

Bexar County, Texas
NET CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
Last Ten Years
(Modified accrual basis of accounting)
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Ad valorem taxes	$ 416,185,808	$ 387,534,025	$ 346,870,065	$ 337,320,246	$319,716,213	$ 312,328,560	$ 309,879,849	$312,626,778	$308,919,094	$281,263,390
Other taxes, licenses, and permits	44,771,993	43,949,171	41,366,167	39,520,903	34,774,586	35,384,613	25,751,912	23,588,288	23,105,524	15,767,008
Intergovernmental revenue	73,512,073	70,825,628	69,317,626	66,332,349	77,221,430	63,600,138	69,776,671	52,477,680	39,935,873	37,109,206
Court costs and fines	20,942,708	20,532,249	29,685,296	31,564,405	29,002,601	28,286,612	28,636,474	28,723,501	27,989,595	30,273,190
Fees on motor vehicles	21,843,855	23,566,635	22,382,580	21,499,603	20,802,047	20,395,853	23,101,681	23,280,134	24,228,958	25,586,120
Other fees	38,236,799	35,545,865	27,376,884	24,986,300	24,897,062	21,483,624	17,520,617	18,017,567	17,630,868	16,546,105
Commissions from governmental units	4,850,594	4,678,422	4,383,707	4,184,550	4,006,304	4,244,598	4,779,636	4,423,514	3,632,217	3,369,191
Revenues from use of assets	24,555,514	20,936,751	20,868,387	17,444,065	16,324,000	17,339,699	14,677,230	16,981,610	19,769,465	27,407,525
Sales, refunds, and miscellaneous	19,176,269	11,701,866	4,579,824	6,818,230	4,440,392	5,548,406	7,798,411	9,643,909	15,200,828	8,949,385
Total Revenues	664,075,613	619,270,612	566,830,536	549,670,651	531,184,635	508,612,103	501,922,481	489,762,981	480,412,422	446,271,120
Expenditures										
General government	111,280,331	104,585,060	90,074,738	89,594,893	82,373,919	79,850,671	72,372,014	70,265,609	72,125,092	77,130,748
Judicial	104,101,581	98,337,542	92,606,334	87,362,147	84,556,591	82,126,315	84,136,746	81,547,606	81,372,423	75,933,997
Public safety	211,764,721	199,907,962	199,834,826	188,260,671	182,665,115	176,643,544	174,264,394	179,697,609	178,449,602	172,552,162
Education and recreation	6,995,572	16,136,266	5,881,290	5,326,751	5,873,245	8,618,453	10,252,009	10,937,115	9,680,173	12,222,246
Public works	152,194,087	135,874,326	88,893,619	75,373,089	195,489,744	111,367,011	115,084,358	55,372,105	46,923,748	49,309,794
Health and public welfare	25,947,472	25,792,646	28,369,035	24,763,525	26,873,015	33,113,146	28,958,430	31,545,348	31,366,407	18,823,565
Capital expenditures	77,613,158	67,535,925	68,919,071	79,325,538	50,306,999	94,469,871	83,128,036	87,500,585	86,289,068	80,746,829
Debt service:										
Principal	27,430,000	29,520,000	25,725,000	28,465,000	29,790,000	30,920,000	30,425,000	25,285,000	28,177,246	19,930,577
Interest	74,023,589	73,782,125	70,799,866	68,319,100	50,339,550	44,068,795	42,292,081	32,546,245	19,904,430	12,283,857
Bond issuance cost	1,043,539	3,477,898	2,626,246	782,639	4,055,869	1,637,339	142,341	1,801,640	3,192,902	1,329,858
Debt service SARA	3,081,120	3,086,790	2,846,408	3,309,055	4,387,134	4,900,000	5,000,000	4,700,000	4,700,000	5,200,000
Total Expenditures	795,475,170	758,036,540	676,576,433	650,882,408	716,711,181	667,715,145	646,055,409	581,198,862	562,181,091	525,463,633
Excess (deficiency) of revenues over expenditures	(131,399,557)	(138,765,928)	(109,745,897)	(101,211,757)	(185,526,546)	(159,103,042)	(144,132,928)	(91,435,881)	(81,768,669)	(79,192,513)
Other Financing Sources (Uses)										
Interfund transfers in	23,510,048	21,742,360	18,461,275	11,986,733	12,129,547	15,136,590	16,457,750	15,931,474	7,489,827	3,886,386
Interfund transfers out	(35,696,933)	(29,634,190)	(26,387,072)	(20,424,235)	(17,694,800)	(20,993,626)	(17,835,144)	(15,981,005)	(7,489,827)	(3,886,386)
Issuance of capital lease	-	-	-	-	-	-	-	-	-	4,719,752
Issuance of commercial paper	-	-	-	-	-	-	-	-	-	32,384,000
Issuance of long term debt	113,610,000	91,675,000	133,920,000	-	530,720,000	144,719,999	-	151,800,000	339,720,000	138,855,000
Discount on bond issues	-	-	-	-	-	-	-	-	-	-
Issuance of refunding bonds	-	350,155,000	175,745,000	65,055,000	-	17,650,000	-	36,915,000	14,890,000	-
Payment to refunded debt paying agent	-	(392,499,089)	(205,501,225)	(72,555,312)	-	(20,417,103)	-	(39,384,000)	(14,925,453)	-
Premium on bond issues	12,362,400	54,235,769	48,954,002	8,166,796	40,480,868	9,066,853	-	11,423,782	7,034,116	1,150,013
Total Other Financing Sources (Uses)	113,785,515	95,674,850	145,191,980	(7,771,018)	565,635,615	145,162,713	(1,377,394)	160,705,251	346,718,663	177,108,765
Net Change in Fund Balances	$ (17,614,042)	$ (43,091,078)	$ 35,446,083	$ (108,982,775)	$380,109,069	$ (13,940,329)	$ (145,510,322)	$ 69,269,370	$264,949,994	$ 97,916,252
Debt service as a percentage of noncapital expenditures	14.1%	15.0%	15.9%	16.9%	12.0%	13.1%	12.9%	11.7%	10.1%	7.2%

Source: Comprehensive Annual Financial Reports (CAFR).

Table 4

Bexar County, Texas
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified accrual basis of accounting)
(Unaudited)

	2017	2016	2015	2014	2013
General Fund					
Nonspendable	$ 5,209,672	$ 5,170,575	$ 5,178,405	$ 5,515,600	$ 5,178,657
Unassigned	85,441,267	78,999,256	72,810,880	75,441,449	67,281,583
Total general fund	$ 90,650,939	$ 84,169,831	$ 77,989,285	$ 80,957,049	$ 72,460,240
All Other Governmental Funds					
Debt Service					
Restricted	$ 60,482,700	$ 39,908,543	$ 31,967,772	$ 50,695,263	$ 66,694,458
Capital Projects					
Nonspendable	-	-	-	2,664,181	2,645,022
Restricted	569,743,285	617,713,129	673,110,865	623,954,823	732,492,566
Nonmajor Governmental Funds					
Restricted	58,171,556	54,059,201	55,742,546	46,485,111	39,627,926
Committed	825,745	1,637,563	1,768,877	376,835	195,825
Total all other governmental funds	$ 689,223,286	$ 713,318,436	$ 762,590,060	$ 724,176,213	$ 841,655,797

	2012	2011	2010 [1]	2009 [1]	2008 [1]
General Fund					
Nonspendable	$ 5,158,860	$ 5,279,320	$ -	$ -	$ -
Unassigned	62,222,223	55,724,026	-	-	-
Total general fund	$ 67,381,083	$ 61,003,346	$ -	$ -	$ -
All Other Governmental Funds					
Debt Service					
Committed	$ 70,281,380	$ 71,160,124	$ -	$ -	$ -
Capital Projects					
Nonspendable	2,614,406	2,000,000	-	-	-
Restricted	355,586,673	376,020,003	-	-	-
Nonmajor Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	37,942,291	37,550,673	-	-	-
Committed	201,135	213,151	-	-	-
Total all other governmental funds	$ 466,625,885	$ 486,943,951	$ -	$ -	$ -

Source: Comprehensive Annual Financial Reports (CAFR).

Note: [1] Due to implementation of GASB statement No. 54 in fiscal year 2011, fund balance classification have changed. See historical fund balance classifications on the next page.

Table 4 **(Continued)**

Bexar County, Texas
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified accrual basis of accounting)
(Unaudited)

	2017 [2]	2016 [2]	2015 [2]	2014 [2]	2013 [2]
General Fund					
Reserved [1]	$ -	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-	-
Total general fund	$ -	$ -	$ -	$ -	$ -
All Other Governmental Funds					
Reserved [1]	$ -	$ -	$ -	$ -	$ -
Unreserved, designated, for:					
Capital projects fund	-	-	-	-	-
Special revenue funds [2]	-	-	-	-	-
Unreserved, Special Revenue Funds	-	-	-	-	-
Total all other governmental funds	$ -	$ -	$ -	$ -	$ -

	2012 [2]	2011 [2]	2010	2009	2008
General Fund					
Reserved [1]	$ -	$ -	$ 744,722	$ 573,247	$ 1,390,051
Unreserved	-	-	53,965,492	48,061,941	50,100,132
Total general fund	$ -	$ -	$ 54,710,214	$ 48,635,188	$ 51,490,183
All Other Governmental Funds					
Reserved [1]	$ -	$ -	$ 153,409,448	$ 157,340,992	$ 205,997,838
Unreserved, designated, for:					
Capital projects fund	-	-	467,633,270	396,000,394	76,999,644
Special revenue funds [2]	-	-	866,492	575,446	679,068
Unreserved, Special Revenue Funds	-	-	17,879,884	22,677,918	25,113,211
Total all other governmental funds	$ -	$ -	$ 639,789,094	$ 576,594,750	$ 308,789,761

Source: Comprehensive Annual Financial Reports (CAFR).

Note: [1] Includes encumbrances, debt service, legislative and long-term receivables.

[2] Due to the implementation of GASB statement No. 54 in fiscal year 2011, fund balance classifications have changed. See new fund balance classifications on the previous page.

Table 5

Bexar County, Texas
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Years
(Unaudited)

Fiscal Year [1]	Estimated Market Value: Real Property	Estimated Market Value: Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2008	86,135,077,598	10,208,020,148	9,421,111,927	86,921,985,819	0.326866
2009	96,098,030,762	10,879,880,752	10,037,665,304	96,940,246,210	0.326866
2010	96,935,894,115	10,793,289,797	9,417,396,606	98,311,787,306	0.326866
2011	95,758,509,873	10,260,182,144	9,074,438,799	96,944,253,218	0.326866
2012	95,525,388,954	10,509,046,368	9,042,113,650	96,992,321,672	0.326866
2013	96,828,757,445	11,078,331,512	9,145,325,077	98,761,763,880	0.326866
2014	101,555,514,321	12,095,102,326	9,433,068,676	104,217,547,971	0.326866
2015	108,988,074,386	12,741,542,079	9,861,803,919	111,867,812,546	0.314500
2016	123,522,194,440	13,947,775,890	10,194,687,680	127,275,282,650	0.314500
2017	135,790,796,909	14,202,156,160	10,713,085,748	139,279,867,321	0.308950

Sources: Bexar County Tax Assessor-Collector Certified Roll Reports (For FY 2008-2017).

Note: [1] Tax figures represent the fiscal year not the Ad Valorem Tax Year.

San Fernando Cathedral at Main Plaza
Photo by Robert Parker
Https://robert-parker.smugmug.com

<u>Table 6</u>

Bexar County, Texas
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(per $100 of assessed value)
Last Ten Tax Years
(Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
County Direct Rates										
General	0.295104	0.289399	0.296187	0.296187	0.296187	0.296187	0.296187	0.283821	0.297500	0.293250
Flood	0.031762	0.037467	0.030679	0.030679	0.030679	0.030679	0.030679	0.030679	0.017000	0.015700
Total direct rate	0.326866	0.326866	0.326866	0.326866	0.326866	0.326866	0.326866	0.314500	0.314500	0.308950
City and Town Rates										
City of San Antonio	0.572300	0.567140	0.565690	0.565690	0.565690	0.565690	0.565690	0.565690	0.558270	0.558270
Alamo Heights	0.000000	0.000000	0.355662	0.355662	0.316157	0.319454	0.325762	0.390262	0.390262	0.389900
Balcones Heights	0.498356	0.490729	0.510481	0.558843	0.572199	0.572199	0.572199	0.572199	0.539300	0.551000
Castle Hills	0.425801	0.425801	0.458668	0.501345	0.501345	0.501345	0.501345	0.501345	0.501345	0.501345
China Grove	0.021501	0.060230	0.064492	0.071700	0.081700	0.087900	0.089000	0.085330	0.086207	0.084000
Converse	0.540000	0.515000	0.515000	0.525434	0.572931	0.606675	0.606675	0.585518	0.540198	0.502660
Elmendorf	0.252961	0.269966	0.299846	0.313255	0.481749	0.477261	0.477261	0.442316	0.400000	0.370000
Grey Forest	0.093525	0.093525	0.093525	0.093525	0.093525	0.093525	0.093525	0.093525	0.088441	0.088441
Hill County Village	0.095000	0.095000	0.095000	0.095000	0.095000	0.095000	0.095000	0.095000	0.145000	0.145000
Hollywood Park	0.381464	0.382261	0.490000	0.490000	0.536710	0.536710	0.511000	0.511000	0.510081	0.510081
Kirby	0.588414	0.623000	0.661649	0.697500	0.710978	0.710978	0.729376	0.729376	0.729376	0.729376
Leon Valley	0.527400	0.527400	0.527400	0.527400	0.535510	0.574282	0.582915	0.575507	0.561615	0.556599
Live Oak	0.364400	0.405131	0.449369	0.476783	0.477291	0.463155	0.445401	0.510000	0.467691	0.446837
Olmos Park	0.514787	0.480820	0.463400	0.478499	0.480888	0.479865	0.470000	0.442785	0.442785	0.442785
Shavano Park	0.329682	0.325082	0.324800	0.320000	0.320000	0.320000	0.320000	0.309617	0.287742	0.287742
City of Somerset	0.513609	0.517613	0.516787	0.648884	0.704675	0.707059	0.707059	0.698171	0.670920	0.663852
St. Hedwig	0.479895	0.479895	0.479895	0.479895	0.479895	0.479895	0.479895	0.479895	0.443633	0.424091
Terrell Hills	0.430422	0.399293	0.391301	0.385068	0.385068	0.385068	0.371729	0.370525	0.345906	0.339538
Universal City	0.525827	0.512972	0.519636	0.590531	0.582981	0.586029	0.564043	0.560492	0.543828	0.562804
Windcrest	0.407239	0.436227	0.436495	0.436495	0.436495	0.432970	0.415231	0.340900	0.334100	0.308093
Helotes	0.336287	0.363651	0.363651	0.363651	0.360000	0.355000	0.350000	0.350000	0.350000	0.350000
City of Von Ormy	0.000000	0.390000	0.390000	0.351000	0.320000	0.288000	0.255000	0.249935	0.231232	0.000000
Sandy Oaks	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.250000	0.241250
School Districts Rates										
Alamo Heights ISD	1.156600	1.156600	1.162000	1.168000	1.198000	1.218000	1.218000	1.205000	1.195000	1.195000
East Central ISD	1.190000	1.319500	1.319500	1.319500	1.296000	1.296000	1.275000	1.275000	1.265000	1.285000
Edgewood ISD	1.405000	1.405000	1.420000	1.420000	1.407400	1.398000	1.382600	1.362700	1.355900	1.355900
Harlandale ISD	1.349000	1.479000	1.479000	1.604800	1.544400	1.538500	1.528800	1.528800	1.528800	1.528800
Judson ISD	1.410000	1.465000	1.463000	1.463000	1.430000	1.425000	1.425000	1.425000	1.420000	1.470000
Northeast ISD	1.402900	1.402900	1.402900	1.402900	1.402900	1.425000	1.440600	1.440600	1.415000	1.385000
Northside ISD	1.262500	1.302500	1.337500	1.365500	1.375500	1.375500	1.375500	1.375500	1.375500	1.375500
San Antonio ISD	1.249700	1.249700	1.249700	1.279700	1.307600	1.357600	1.357600	1.382600	1.382600	1.512600
South San Antonio ISD	1.445000	1.440000	1.433800	1.454900	1.454900	1.454900	1.451500	1.451500	1.451500	1.451500
Southside ISD	1.360000	1.365600	1.368900	1.368900	1.368900	1.368900	1.368900	1.368900	1.368900	1.368900
Schertz-Cibolo ISD	1.315000	1.385000	1.420000	1.435000	1.435000	1.460000	1.490000	1.490000	1.490000	1.470000
Somerset ISD	1.194000	1.205000	1.228000	1.289000	1.278000	1.278000	1.278000	1.278000	1.278000	1.278000
Southwest ISD	1.195000	1.210000	1.243200	1.256100	1.222600	1.273000	1.401622	1.465282	1.414900	1.473000
Fire District Rates										
Bexar Emergency #1	0.097848	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.099571
Bexar Emergency #2	0.070000	0.070000	0.070000	0.070000	0.070000	0.094000	0.098007	0.098945	0.098945	0.100000
Bexar Emergency #3	0.031222	0.030000	0.030772	0.034300	0.034532	0.038628	0.050877	0.051408	0.047763	0.045730
Bexar Emergency #4	0.069990	0.069990	0.068500	0.074000	0.079900	0.079998	0.082025	0.077727	0.072674	0.056994
Bexar Emergency #5	0.088555	0.087025	0.088353	0.090596	0.089139	0.095500	0.100000	0.100000	0.100000	0.100000
Bexar Emergency #6	0.100000	0.100000	0.100000	0.100000	0.100000	0.097879	0.100000	0.100000	0.100000	0.100000
Bexar Emergency #7	0.099666	0.100000	0.100000	0.099687	0.099687	0.099040	0.100000	0.099510	0.098506	0.100000
Bexar Emergency #8	0.070000	0.070000	0.072100	0.096750	0.100000	0.098265	0.100000	0.100000	0.100000	0.100000
Bexar Emergency #10	0.000000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.096820
Bexar Emergency #11	0.000000	0.100000	0.100000	0.100000	0.100000	0.100000	0.099131	0.100000	0.100000	0.100000
Bexar Emergency #12	0.000000	0.090000	0.094250	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000
Other Special District Rates										
Alamo Community College	0.134550	0.135855	0.135855	0.141623	0.141623	0.149150	0.149150	0.149150	0.149150	0.149150
University Health System	0.237408	0.261022	0.266235	0.276235	0.276235	0.276235	0.276235	0.276235	0.276235	0.276235
San Antonio River Authority	0.015951	0.015951	0.015951	0.016652	0.017370	0.017370	0.017798	0.017500	0.017290	0.017290
S.A. MUD #1	0.762300	0.695700	0.668300	0.687200	0.706904	0.692500	0.703200	0.687700	0.627700	0.634500
Butterfield Ranch	0.000000	0.000000	0.310000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Westside 211 SID	0.000000	0.000000	0.567140	0.565690	0.565690	0.565690	0.565690	0.565690	0.558270	0.558270
Cibolo Canyons SID	0.572300	0.567140	0.565690	0.565690	0.565690	0.565690	0.565690	0.565690	0.558270	0.558270

Source: Bexar County Tax Assessor - Collector's Office.

Note: The dates along the top of this schedule represent the tax year in which these rates are levied.

Table 7

Bexar County, Texas
PRINCIPAL PROPERTY TAXPAYERS
Current and Nine Years Ago
(Unaudited)

	2017 Market Value	Percent of Total Taxable Value
H. E. Butt Grocery Company	$ 1,430,160,492	1.03%
Methodist Healthcare System	732,871,464	0.53%
Walmart Stores Inc.	687,964,840	0.49%
Microsoft Corporation	764,067,160	0.55%
Baptist (VHS San Antonio Partners LP)	509,094,750	0.37%
USAA	390,986,550	0.28%
La Cantera Specialty Retail LP	359,481,560	0.26%
Southwestern Bell Telephone	342,872,408	0.25%
Toyota Motor MFG Texas Inc.	572,859,806	0.41%
Halliburton Energy Services Inc.	292,358,070	0.21%
	$ 6,082,717,100	4.38%

	2008 Market Value	Percent of Total Taxable Value
H.E. Butt Grocery Company	$ 862,030,478	0.99%
AT&T[1]	496,917,645	0.57%
Methodist Healthcare SYS SA	470,840,062	0.54%
Baptist (VHS San Antonio Partners LP)	390,814,270	0.45%
Walmart Stores Inc.	371,619,669	0.43%
USAA	348,922,390	0.40%
MBS-Colonnade LTD	215,664,222	0.25%
Frankel Family Trust	194,134,020	0.22%
Marriott Corporation	188,614,940	0.22%
Frost National Bank	186,580,913	0.22%
	$ 3,726,138,609	4.29%

Source: Bexar Appraisal District

[1] Merged with Southwestern Bell Telephone Company (SBC)

Table 8

Bexar County, Texas
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

County Tax Rate - General and Debt

		Collected Within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date		Receivable
Fiscal Year	Taxes Levied for Fiscal Year[1]	Amount	Percent of Levy	Taxes from Prior Year Levy	Amount	Percent of Current Levy	Outstanding taxes from prior Years[1]
2008	253,110,020	249,567,648	98.6	3,096,912	252,664,560	99.8	11,415,483
2009	274,110,478	270,493,314	98.7	3,312,200	273,805,514	99.9	12,359,490
2010	283,632,760	279,982,520	98.7	3,151,479	283,133,999	99.8	13,953,925
2011	281,269,878	277,373,606	98.6	3,133,018	280,506,624	99.7	14,306,351
2012	283,055,152	278,676,422	98.5	2,961,991	281,638,413	99.5	13,760,990
2013	288,449,751	284,572,346	98.7	1,795,353	286,367,699	99.3	13,399,256
2014	303,646,918	300,176,637	98.9	757,675	300,934,312	99.1	12,891,611
2015	312,332,006	309,128,544	99.0	700,400	309,828,944	99.2	12,486,407
2016	367,074,411	363,253,615	99.0	1,054,438	364,308,053	99.2	12,777,394
2017	396,044,482	391,792,920	98.9	-	391,792,920	98.9	13,542,280

County Tax Rate - Flood and Debt

		Collected Within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date		Receivable
Fiscal Year	Taxes Levied for Fiscal Year	Amount	Percent of Levy	Taxes from Prior Year Levy	Amount	Percent of Current Levy	Outstanding taxes from prior Years[1]
2008	26,779,785	26,407,917	98.6	329,983	26,737,900	99.8	827,131
2009	34,804,952	34,354,457	98.7	422,035	34,776,492	99.9	1,100,234
2010	29,285,278	28,908,352	98.7	329,148	29,237,500	99.8	1,245,183
2011	29,133,246	28,733,381	98.6	320,200	29,053,581	99.7	1,288,486
2012	29,461,328	29,005,583	98.5	309,770	29,315,353	99.5	1,265,205
2013	30,143,855	29,736,667	98.6	185,510	29,922,177	99.3	1,256,623
2014	31,892,713	31,526,569	98.9	83,638	31,610,207	99.1	1,216,575
2015	34,212,269	33,856,775	99.0	79,632	33,936,407	99.2	1,203,514
2016	21,854,015	21,614,187	98.9	66,934	21,681,121	99.2	1,086,536
2017	22,157,732	21,904,585	98.9	-	21,904,585	98.9	1,077,136

Source: Bexar County Tax Assessor - Collector TC-168 Reports.

Note: [1] Outstanding taxes from prior years consists of all delinquent taxes from tax year 2016 - 1978 for county, and tax year 2016 - 1988 for flood.

Table 9

Bexar County, Texas
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

	Governmental Activities						Business-type Activities					
Year	Refunding Bonds	General Obligation Bonds	Certificates of Obligation	Other Obligations	Unamortized Premiums and Discounts, net[3]	Total Bonds Payable	Revenue Bonds	Unamortized Premiums and Discounts, net	Total Bonds Payable	Total Primary Government	Percentage of Personal Income	Debt Per Capita[2]
2008	52,890,001	50,130,000	293,835,000	47,401,246	6,191,521	450,447,768	104,465,000	(12,642,925)	91,822,075	542,269,843	8.20%	330.42
2009	49,525,000	47,665,000	619,220,000	39,384,000	12,688,804	768,482,804	103,050,000	(11,773,982)	91,276,018	859,758,822	8.23%	522.55
2010	78,765,000	69,105,000	731,970,000	-	23,237,728	903,077,728	212,885,000	(6,875,165)	206,009,835	1,109,087,563	8.02%	646.78
2011	69,580,000	66,430,000	713,405,000	-	21,926,641	871,341,641	217,330,000	(7,886,202)	209,443,798	1,080,785,439	7.97%	630.28
2012	76,410,000	58,035,000	828,265,000	-	27,369,278	990,079,278	331,100,000	(6,920,659)	324,179,341	1,314,258,619	7.97%	766.43
2013	68,195,000	55,325,000	1,340,120,000	-	66,262,529	1,529,902,529	329,805,000	634,972	330,439,973	1,860,342,502	7.57%	1,023.51
2014	121,255,000	35,725,000	1,275,495,000	-	71,923,731	1,504,398,731	325,700,000	6,066,180	331,766,180	1,836,164,911	7.57%	989.38
2015	265,870,000	23,715,000	1,237,700,000	-	114,088,111	1,641,373,111	396,490,000	5,890,987	402,380,987	2,043,754,098	5.61%	1,076.93
2016	598,380,000	2,360,000	985,980,000	-	149,402,014	1,736,122,014	393,760,000	7,511,608	401,271,608	2,137,393,622	5.30%	1,127.86
2017	584,010,000	1,130,000	1,087,760,000	-	153,772,980	1,826,672,980	387,710,000	7,285,108	394,995,108	2,221,668,088	N/A[1]	1,151.91

Note: [1] Figures for 2017 were not available for personal income.
[2] Debt per capita uses the estimated population figures from 2008 - 2017.
[3] Deferred Charges were not included in FY14 to present per GASB 65.
Deferred charges are included in the previous fiscal years.

Table 9 (Continued)

Table 10

Bexar County, Texas
RATIO OF OUTSTANDING GENERAL BONDED COUNTY DEBT
Last Ten Fiscal Years
(Unaudited)

GOVERNMENTAL ACTIVITIES

General Bonded Debt Outstanding

Fiscal Year	Refunding Bonds	General Obligation Bonds	Certificates of Obligation	Unamortized Premiums and Discounts, net	Restricted for Debt Service	Total	Percentage of Actual Taxable Value of Property	Per Capita
2008	52,890,001	50,130,000	293,835,000	6,191,521	(48,455,747)	354,590,775	0.41%	216
2009	49,525,000	47,665,000	619,220,000	12,688,804	(58,544,093)	670,554,711	0.70%	435
2010	78,765,000	69,105,000	731,970,000	23,237,728	(72,590,214)	830,487,514	0.85%	513
2011	69,580,000	66,430,000	713,405,000	21,926,641	(71,270,325)	800,071,316	0.83%	495
2012	76,410,000	58,035,000	828,265,000	27,369,278	(70,322,846)	919,756,432	0.95%	539
2013	68,195,000	55,325,000	1,340,120,000	66,262,529	(66,484,927)	1,463,417,602	1.49%	805
2014	121,255,000	35,725,000	1,275,495,000	71,923,731	(50,483,099)	1,453,915,632	1.40%	783
2015	265,870,000	23,715,000	1,237,000,000	114,088,113	(31,967,772)	1,608,705,341	1.45%	848
2016	598,380,000	2,360,000	985,980,000	149,402,014	(39,908,543)	1,696,213,471	1.35%	894
2017	584,010,000	1,130,000	1,087,760,000	153,772,980	(60,506,401)	1,766,166,579	1.40%	916

Source: Comprehensive Annual Financial Reports (CAFR).

Table 11

Bexar County, Texas
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL
BONDED DEBT TO TOTAL EXPENDITURES
ALL GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Debt Service [1]	Total Expenditures [1]	Ratio of Debt Service to total Expenditures
2008	29,964,629	520,263,633	5.76%
2009	51,174,407	557,481,091	9.18%
2010	59,632,885	576,498,862	10.34%
2011	72,859,422	641,055,409	11.37%
2012	74,988,795	662,815,145	11.31%
2013	80,129,550	712,324,047	11.25%
2014	96,784,100	647,573,353	14.95%
2015	96,524,866	673,730,025	14.33%
2016	103,302,125	754,949,750	13.68%
2017	101,453,589	792,394,050	12.80%

Source: Comprehensive Annual Financial Reports (CAFR).

Note: [1] Does not include SARA flood control debt payment and bond issuance costs.

Table 12

Bexar County, Texas
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
Current Year
(Unaudited)

Governmental Unit	Debt Outstanding	Applicable to Bexar County	Estimated Share of Overlapping Debt
Cities:			
Alamo Heights	$ 8,375,000	100.00%	$ 8,375,000
Converse	25,975,000	100.00%	25,975,000
Fair Oaks Ranch	6,185,000	61.79%	3,821,712
Balcones Heights	258,000	100.00%	258,000
Elmendorf	1,325,000	99.71%	1,321,158
Helotes	10,250,000	100.00%	10,250,000
Hill Country Village	433,000	100.00%	433,000
Kirby	680,000	100.00%	680,000
Leon Valley	9,610,000	100.00%	9,610,000
Live Oak	18,345,000	100.00%	18,345,000
Lytle	1,620,000	0.62%	10,044
Olmos Park	2,200,000	100.00%	2,200,000
St. Hedwig	340,000	100.00%	340,000
San Antonio	1,710,550,000	100.00%	1,710,550,000
Schertz	76,660,000	8.62%	6,608,092
Selma	18,755,000	59.85%	11,224,868
Shavano Park	3,895,000	100.00%	3,895,000
Somerset	0	0.00%	0
Terrell Hills	8,760,000	100.00%	8,760,000
Universal City	23,720,000	100.00%	23,720,000
Von Ormy	25,000	100.00%	25,000
School Districts:			
Alamo Heights ISD	101,800,000	100.00%	101,800,000
East Central ISD	136,148,479	100.00%	136,148,479
Edgewood ISD	77,015,000	100.00%	77,015,000
Floresville ISD	66,034,990	0.11%	72,638
Harlandale ISD	215,261,404	100.00%	215,261,404
Judson ISD	631,554,205	100.00%	631,554,205
Medina Valley ISD	118,365,796	36.79%	43,546,776
Northeast ISD	1,336,880,000	100.00%	1,336,880,000
San Antonio ISD	750,999,988	100.00%	750,999,988
South San Antonio ISD	161,226,899	100.00%	161,226,899
Southside ISD	97,970,000	100.00%	97,970,000
Southwest ISD	237,558,272	100.00%	237,558,272
Boerne ISD	334,328,344	30.09%	100,599,399
Comal ISD	793,620,107	16.70%	132,534,558
Northside ISD	2,206,285,000	99.74%	2,200,548,659
Schertz-Cibolo-Universal City ISD	429,631,092	11.63%	49,966,096
Somerset ISD	36,524,991	73.82%	26,962,748
Special Districts:			
Alamo Community College District	522,185,000	100.00%	522,185,000
Bexar Co Hosp Dist	643,960,000	100.00%	643,960,000
San Antonio MUD #1	890,000	100.00%	890,000
Cibolo Canyons Special Improvement District	35,005,000	100.00%	35,005,000
Total Overlapping	10,861,205,567		9,349,086,995
Bexar County	1,672,900,000	100.00%	1,672,900,000
Total Direct and Overlapping Debt	$ 12,534,105,567		$ 11,021,986,995

Source: Municipal Advisory Council of Texas, as of September 30, 2017
Overlapping percentages are derived from the 2017 market values provided by the appraisal districts.

Table 13

Bexar County, Texas
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(Unaudited)

	Venue Project Revenue Bonds					
Fiscal Year	Total Revenues [1]	Less: Operating Expenses [2]	Net Available Revenue	Annual Minimum Requirement [3]	Ratio Available to Annual Requirement	Additional Mandatory Special Redemption [4]
2008	[5] 24,524,396	113,787	24,410,609	10,860,351	2.25	10,565,000
2009	[5] 19,924,705	686,531	19,238,174	7,493,210	2.57	-
2010	[5] 20,803,473	619,347	20,184,126	70,741,787	0.29	-
2011	22,244,006	762,268	21,481,738	14,264,596	1.51	-
2012	23,642,911	649,204	22,993,707	131,402,052	0.17	-
2013	25,162,903	653,099	24,509,804	20,981,046	1.17	-
2014	26,307,877	390,845	25,917,032	21,120,777	1.23	-
2015	27,467,611	972,509	26,495,102	97,109,629	0.27	-
2016	28,915,349	1,611,848	27,303,501	25,537,981	1.07	-
2017	30,061,964	3,208,091	26,853,873	25,519,029	1.05	-

Source: Comprehensive Annual Financial Reports (CAFR).
Note: [1] Includes operating and non-operating revenues.
[2] Includes operating expenses minus depreciation plus transfers out.
[3] Figures are minimum principal and interest added together.
[4] Amount is equal to total principal paid less the minimum required payment.
Effective 2009, due to fiscal year 2008 refunds, there will be no mandatory special redemption.
[5] Amounts were adjusted to exclude Commissary Fund transactions.

Table 14

Bexar County, Texas
MOTOR VEHICLE RENTAL TAX COLLECTIONS
Current Year and Nine Years Ago
(Unaudited)

Motor Vehicle Rental Tax Collections	
2008	7,097,117
2009	6,646,769
2010	7,017,694
2011	7,394,348
2012	7,927,554
2013	8,302,881
2014	8,644,849
2015	9,175,855
2016	9,754,326
2017	9,662,436

Source: Comprehensive Annual Financial Reports (CAFR).

Table 15

Bexar County, Texas
HOTEL OCCUPANCY TAX NET COLLECTIONS
Current Year and Nine Years Ago
(Unaudited)

Hotel Occupancy Tax Net Collections	
2008	13,688,340
2009	11,568,357
2010	12,270,998
2011	13,466,892
2012	14,352,302
2013	15,493,206
2014	16,227,787
2015	16,796,654
2016	17,363,957
2017	18,122,799

Source: Comprehensive Annual Financial Reports (CAFR).

Table 16

Bexar County, Texas
HOTEL OCCUPANCY TAX COLLECTIONS – TOP TEN HOTELS
Current Year and Nine Years Ago
(Unaudited)

Hotel Occupancy Tax Collections - Top Ten Hotels

	2008	2009	2010	2011	2012	2013	2014	2015	2016 [2]	2017
JW Marriott [1]	N/A	N/A	$ 396,694	$ 899,541	$ 904,069	$ 988,857	$ 1,032,413	$ 1,073,785	$ 1,107,438	$ 1,115,453
Grand Hyatt*	N/A	614,482	682,208	711,169	718,177	732,435	783,860	805,139	781,658	785,207
Marriott Rivercenter*	722,427	722,427	654,268	686,725	689,094	722,655	772,099	688,225	788,262	753,966
Hyatt Regency*	463,511	463,511	385,345	378,656	404,824	426,257	449,044	473,910	470,356	513,757
The Westin La Cantera Resort***	320,881	309,811	292,893	305,577	384,855	389,204	396,882	N/A	364,187	455,293
Hyatt Hill Country Resort**	384,983	384,983	327,217	355,383	371,112	375,071	422,507	446,300	418,647	433,683
Hilton Palacio Del Rio*	327,055	344,697	337,990	323,967	344,574	393,135	403,581	418,591	419,418	433,185
Marriott Riverwalk*	327,152	375,393	359,202	397,740	370,152	382,452	410,199	329,173	414,320	428,659
Westin Riverwalk*	340,344	378,659	327,215	382,572	345,421	389,193	409,748	383,440	413,453	412,250
Omni La Mansion Del Rio*	N/A	251,008	245,874	251,408	262,884	283,156	297,353	303,794	303,498	308,308
Hotel Contessa*	N/A	196,814	N/A	N/A	N/A	N/A	N/A	232,694	N/A	N/A
Crowne Plaza Hotel*	177,052	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hotel Valencia Riverwalk*	154,528	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Holiday Inn of San Antonio*	143,679	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	$ 3,361,612	$ 4,041,785	$ 4,008,906	$ 4,692,738	$ 4,795,162	$ 5,082,415	$ 5,377,686	$ 5,155,051	$ 5,481,237	$ 5,639,761

Note: [1] JW Marriott opened in 2010.
[2] Information presented in the 2016 filling of "TOP TEN TAXPAYERS" for the fiscal year 2016 collections has been revised based on additional information received from the City of San Antonio. While the new information has resulted in the reordering of the top ten taxpayers, the companies making up the top ten taxpayers did not change, the overall change in the collections for all top ten taxpayers reflects more collections than originallly presented and the changes in collections does not materially impact the operations of the County.
* These hotels are within walking distance of the Henry B. Gonzalez Convention Center.
** This hotel is near Sea World San Antonio Adventure Park.
*** This hotel is near Six Flags Fiesta Texas Amusement Park. The hotel was closed for renovations for a significant portion of FY 2015.

Table 17

Bexar County, Texas
CONVENTION STATISTICS
Current Year and Nine Years Ago
(Unaudited)

	Hotel Occupancy (%)	Revenue Per Available Room ($)	Room Nights Sold	Convention Attendance[1]	Convention Room Nights[1]	Convention Delegate Expenditures ($ Millions)[1]
2008	64.6	70.82	7,669,475	563,164	691,525	607.5
2009	57.1	55.94	7,167,603	399,408	660,736	474.5
2010	59.3	57.02	7,768,002	535,400	736,325	636.1
2011	61.3	58.08	8,236,019	499,171	637,593	593.0
2012	63.5	60.79	8,651,826	449,202	635,829	533.7
2013	63.1	63.44	8,610,676	712,577	734,190	846.6
2014	65.3	67.03	8,874,090	652,443	725,333	775.1
2015	65.7	69.55	8,913,575	699,662	773,569	831.2
2016	65.9	71.12	9,116,363	637,658	676,501	N/A [2]
2017	66.0	73.45	9,268,901	823,561	816,582	N/A [2]

Note: [1] Reflects only those conventions booked by the San Antonio Convention and Visitors Bureau.
[2] The Convention Delegate Expenditures for 2016 - 2017 are not currently available from Visit San Antonio. Visit San Antonio is in the process of reviewing and recalibrating the methodology for calculating the Convention Delegate Expenditures and the County can make no representation as to when, or if, such calculations will again be made available to the County.

Source: San Antonio Convention and Visitors Bureau and the Smith Travel Research end of year historical reports.

Table 18

Bexar County, Texas
SAN ANTONIO HOTEL OCCUPANCIES AND AVERAGE DAILY RATES/HISTORY
Current Year and Nine Years Ago
(Unaudited)

San Antonio Hotel Occupancies and Average Daily Rates/History

	Room Count	Increase/Decrease (%)	Average Daily Room Rate ($)	Increase/Decrease (%)	Hotel Occupancy (%)	Increase/Decrease (%)
2008	37,919	8.8	106.27	4.5	64.1	(2.7)
2009	40,406	6.6	95.48	(10.2)	56.2	(12.3)
2010	43,307	7.2	95.85	0.4	58.2	3.6
2011	43,979	1.6	95.65	(0.2)	61.0	4.8
2012	44,310	0.8	97.01	1.4	63.4	3.9
2013	44,845	1.2	101.82	5.0	62.9	(0.8)
2014	43,928	(2.0)	103.57	1.7	64.9	3.2
2015	45,228	3.0	106.83	3.1	64.9	0.0
2016	46,061	1.8	108.42	1.5	64.7	(0.3)
2017	46,833	1.7	111.41	2.8	65.0	0.5

Source: Smith Travel Research end of year historical reports.

Tobin Center for the Performing Arts
Photo by Robert Parker
Https://robert-parker.smugmug.com

Bexar County, Texas
COUNTY EXPENDITURES FOR ASSETS OWNED BY OTHER ENTITIES
Current and Nine Years Ago[1]
(Unaudited)

Description	Ownership	Prior Years Expenditure	2009 Expenditure	2010 Expenditure	2011 Expenditure	2012 Expenditure	2013 Expenditure	2014 Expenditure	2015 Expenditure	2016 Expenditure	2017 Expenditure	Ending Balance
Governmental Activities												
Mission Trails MPO	City of SA	$ 42,586	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 42,586
Mid-Beitel Creek	City of SA	168,960	-	814	1,112,551	196,228	21,487	7,503	12,879	302,366	35,859	1,858,647
Perrin Beitel & Briar Glenn	City of SA	119,333	63,800	26,668	295,983	91,569	501,635	149,374	35,285	95,209	4,059,203	5,438,060
Ingram Road Low Water Crossing	City of SA	163,057	162,854	796,628	6,283,912	1,927,084	116,634	-	-	-	-	9,450,170
Hausman Road Drainage	City of SA	30,949	230,501	3,088,008	542,150	251,355	7,836,030	11,686	6,500	15,000	30,500	12,042,680
Hausman Road Drainage Phase II	City of SA	-	-	-	-	272,234	7,997,794	-	-	-	-	8,270,028
Huebner Creek at Prue Road	City of SA	-	61,351	36,706	31,994	478,110	154,432	50,232	374,750	2,614,907	221,196	4,023,678
Huebner Creek Enhanced Conveyance	City of SA	91,501	169,568	7,093,016	2,757,133	1,983,581	457,507	4,152,351	5,875,807	1,017,153	5,341,057	28,938,674
Laddie Place	City of SA	40,207	164,790	293,753	16,997,001	1,886,706	1,663,443	3,390,754	2,535,750	317,451	179,382	27,469,237
Shane Road Low Water Crossing	City of SA	-	185,344	237,401	718,060	968,982	5,000	8,855	-	-	-	2,123,642
Rock Creek Enhanced Conveyance	City of SA	6,534	153,189	-	377,288	94,645	450,072	1,102,722	1,117,611	72,105	-	3,374,166
San Pedro Huisache Phase II	City of SA	-	205,000	838,744	914,353	6,982,214	1,698,806	58,737	-	-	-	10,697,855
Olmos Dam Repair	City of SA	473,561	437,007	677,999	4,382,301	20,260	-	-	-	-	-	5,991,128
Balcone Heights Storm Water	City of SA	-	137,828	46,393	-	-	-	-	-	-	-	184,221
Rossillo Tributary	City of SA	-	97,200	135,237	504,542	302,186	2,099,778	2,207,920	2,324,070	2,087,792	199,272	9,957,996
Roland Avenue Bridge	City of SA	77,437	230,212	249,535	668,339	1,983,172	2,112,994	1,915,240	302,609	9,480	279	7,549,296
Huebner Creek at Hollyhock	City of SA	-	37,716	25,270	184,487	143,812	2,970	254,500	720,626	153,280	-	1,522,660
Broadway Drainage Improvements	City of SA	-	-	42,616	389,864	395,270	-	74,719	9,431	-	-	911,900
Six Mile Creek Drainage Improvements	City of SA	-	-	40,270	752,275	1,863,596	1,161,909	1,731,639	466,257	16,483	7,643	6,040,072
Elmendorf Lake	City of SA	-	-	223,386	262,791	185	-	631,097	3,068,760	3,126,068	174,075	7,486,362
French Creek Drainage Study	City of SA	-	-	-	73,342	94,333	-	-	-	-	-	167,676
French Creek Tributary	City of SA	-	-	-	28,990	237,751	215,683	637,515	120,198	792,457	1,381,660	3,414,254
Barbara Drive	City of SA	-	-	-	157,172	375,155	26,344	-	8,500,000	-	-	9,058,670
New Braunfels	City of SA	-	-	-	-	310,874	184,667	316,347	-	-	-	811,888
Science Park	City of SA	-	-	-	28,561	326,011	22,209	-	-	-	-	376,782
San Pedro Huisache Phase III	City of SA	-	-	-	155,236	509,509	102,420	952,784	668,124	-	-	2,388,073
Hausman Phase II	City of SA	-	-	-	138,631	-	-	-	-	-	-	138,631
VFW Drainage	City of SA	-	-	-	252,271	672,694	1,119,425	2,210,054	876,308	-	-	5,130,751
Concepcion Creek Drainage Improvement	City of SA	-	-	-	84,014	332,936	11,122	-	-	-	-	428,072
Knoll Creek	City of SA	-	-	-	204,111	3,660,236	527,197	248,699	2,296,611	2,283,540	146,754	9,367,147
Jones Maltsberger at Elm Creek	City of SA	-	-	-	-	167,140	100	1,090,913	-	-	-	1,258,153
Prue Road at French Creek	City of SA	-	-	-	-	-	345,185	216,635	236,148	2,953,316	1,534,027	5,285,311
North Verde Road LWC	City of SA	-	-	-	-	-	107,504	317,122	42,695	2,185,942	12,312	2,665,576
Salado Creek Tributary	City of SA	-	-	-	-	-	70,340	265,808	1,608	80,077	1,876,987	2,294,821
San Pedro Creek Restoration	City of SA	-	-	-	-	-	674,575	3,696,636	7,079,651	6,428,934	32,060,698	49,940,495
Applewhite Road	City of SA	7,552	-	-	-	-	-	-	-	-	-	7,552
Woodlawn at 36th Street Drain	City of SA	-	-	-	-	-	-	240,794	158,602	18,816	754,731	1,172,943
Seeling Channel Phase II-Flood	City of SA	-	-	-	-	-	-	-	4,000,000	-	-	4,000,000
Mission Trails	City of SA	133,203	33,488	-	-	-	-	-	-	-	-	166,691
Menger Creek Linear Park	City of SA	-	-	-	-	-	-	-	-	3,143,133	66,455	3,209,588
Cimarron Subdivision	City of Converse	-	-	-	35,983	108,973	203,364	74,730	14,762	10,763	222,245	670,820
CentroMedWellness Facility	Non Profit	-	-	-	-	-	-	-	-	-	728,125	728,125
Hertberg Historic Center	Non Profit	250,000	-	-	-	-	-	-	-	-	-	250,000
The DoSeum	Non Profit	-	-	-	-	-	-	-	740,000	-	-	740,000
Confluence Park	SA River Auth.	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000
Mission Reach Restoration	SA River Auth.	21,646,180	6,757,299	5,214,150	43,762,188	37,807,831	37,504,393	7,534,075	771,737	663,750	90,434	161,752,036
Mission Reach Restoration - Betterments	SA River Auth.	-	-	415,605	527,957	18,285,205	8,401,528	558,648	-	-	-	28,188,942
Museum Reach Restoration	SA River Auth.	10,531,030	-	-	133,228	3,809	-	-	-	-	-	10,668,067
Calaveras 8 Increase Detention	SA River Auth.	-	201,669	118,047	171,678	40,975	964,032	7,507	-	-	-	1,503,909
Calaveras Dam 6	SA River Auth.	-	-	181,912	656,426	63,801	51,074	6,137	-	-	-	959,350
Calaveras Dam 10	SA River Auth.	-	-	-	-	159,551	167,550	482,952	786,627	651,672	686,115	2,934,467
Eagleland Reach - Betterments	SA River Auth.	-	-	450,334	312,920	1,605,355	404,672	-	-	-	-	2,773,281
Eagleland Reach	SA River Auth.	-	-	142,346	147,129	629,052	34,718	-	-	-	-	953,244

Table 19 (Continued)

Bexar County, Texas
COUNTY EXPENDITURES FOR ASSETS OWNED BY OTHER ENTITIES
Current and Nine Years Ago[1]
(Unaudited)

Description	Ownership	Prior Years Expenditure	2009 Expenditure	2010 Expenditure	2011 Expenditure	2012 Expenditure	2013 Expenditure	2014 Expenditure	2015 Expenditure	2016 Expenditure	2017 Expenditure	Ending Balance
Governmental Activities (Continued)												
Martinez Dams	SA River Auth.	-	-	-	-	318,755	324,509	761,723	691,446	1,100,455	907,175	4,104,063
Park Reach	SA River Auth.	-	-	-	-	503	1,343,895	4,204	-	-	-	1,348,602
Millrace and Mulberry	SA River Auth.	-	-	-	-	-	-	-	-	854,793	-	854,793
St. Mary's Drainage Project	St. Mary's Univ.	-	-	-	107,751	996,925	630,451	661	-	-	-	1,735,789
Sewer Halliburton Economic Development	SA Water System	-	-	-	-	-	749,364	-	-	-	-	749,364
State Highway 211 Right of Way	STATE	548,770	1,425	10,600	-	-	-	-	-	-	-	560,795
Culebra Road	STATE	1,227,682	1,497,630	4,795,213	783,547	1,503,206	32,068	-	600,000	-	-	10,439,346
Blanco Road	STATE	6,912,969	11,835,827	7,560,445	1,350,504	10,812	3,900	-	-	-	-	27,674,457
Loop 1604 - Lower Sequin Road	STATE	-	-	-	-	1,409,664	905,553	11,326,891	14,645,785	650,397	25,710	28,964,000
Culebra Road FM 471	STATE	-	-	-	-	256,627	1,307,556	256,172	117,218	1,232,678	7,472,900	10,643,152
Potranco Road FM 1957	STATE	-	-	-	-	75,556	59,814	259,183	24,419	7,388,218	11,340,450	19,147,640
US Highway 281 and Loop 1604	STATE	-	-	-	-	-	92,000,000	-	-	60,919,967	39,080,033	192,000,000
Haven for Hope Homeless Campus	Haven for Hope	-	6,248,663	4,751,337	-	-	760,925	57,799	681,275	-	-	12,500,000
Medina Lake Dam	Bexar/Medina/Atascosa	-	-	-	-	1,134,963	97,387	12,410	20,528	25,810	21,272	1,312,370
Hot Wells Interpretive Center and Public P.	Dev. James Lifshutz	-	-	-	-	-	124,467	11,469	87,067	287,538	1,210,469	1,721,010
Tobin Center Parking Garage	Dev. James Lifshutz	-	-	-	-	-	-	-	-	658,179	9,270,779	9,928,958
Alameda Theatre	Dev. James Lifshutz	-	-	-	-	-	-	-	-	1,138	8,762	9,900
Jefferson H.S. Drainage-Flood	San Antonio ISD	-	-	-	-	-	-	-	750,000	-	-	750,000
Total Governmental Activities		$42,471,511	$28,912,362	$37,492,434	$ 86,286,662	$ 90,939,391	$175,758,486	$ 47,295,195	$ 60,761,144	$ 102,158,867	$ 120,146,560	$ 792,222,611
Business-type Activities												
Mission Reach		$ -	$ 3,108,167	$ 3,298,092	$ 335,451	$ -		$ -	$ -	$ -	$ -	$ 6,741,711
Eagleland Reach		-	677	-	-	-		-	-	-	-	677
Park Reach		-	677	-	-	-		-	-	886,926	148,084	1,035,687
Veteran's Memorial Plaza		-	-	-	110,917	591,455	2,037,602	5,260,026	-	-	-	8,000,000
Briscoe River Portal		-	-	-	934,734	1,695,749	-	-	-	-	-	2,630,483
UTSA Soccer/Track		-	677	-	446,519	5,713,829	8,428,717	410,259	-	-	-	15,000,000
NISD National Swim Center		-	677	52,122	567,473	5,642,643	737,085	-	-	-	-	7,000,000
Hartman/Soar Soccer		-	4,643,393	356,607	-	-	-	-	-	-	-	5,000,000
Brooks City Soccer		-	677	-	-	307,851	4,538,400	146,629	-	-	-	4,993,558
Mission Concepcion Athletic Co.		-	198,347	1,025,236	5,145,558	9,643,981	61,493	-	-	-	-	16,074,615
Culebra Creek Soccer		-	89,552	1,373,782	3,766,665	-		-	-	-	-	5,230,000
St. Mary's Athletic Comp.		-	677	-	-	5,999,323		-	-	-	-	6,000,000
Classics Elite Soccer		-	90,102	1,109,853	-	-		-	-	-	-	1,199,955
Wheatly Heights Athletic Comp.		-	105,439	581,163	4,687,977	2,122,565		-	-	-	-	7,497,144
McAllister Little League		-	182,364	2,487,636	-	-		-	-	-	-	2,670,000
S E Skyline Baseball		-	1,471,963	1,666,029	138,354	16,800		-	-	-	-	3,293,147
Texas Fencing Center		-	677	-	-	900,396	1,098,927	-	-	-	-	2,000,000
Missions Baseball Academy		-	677	-	1,767,334	1,303,489	914,159	11,380	-	-	-	3,997,039
Community Multi Purpose		-	677	5,599,323	-	964,432	1,196,407	7,343,351	2,151,204	-	-	17,255,394
Performing Arts Center		-	2,010,241	6,366,448	9,930,624	17,742,395	34,669,770	19,026,112	-	-	-	89,745,590
Almeda Theater		-	156,360	62,878	-	958,905	4,532,780	289,077	2,814	-	-	6,002,814
Briscoe Western Art Foundation		-	677	1,410,746	2,588,576	-	-	-	-	-	-	4,000,000
Total Business-type Activities		-	12,062,702	25,389,915	30,420,182	53,603,813	58,215,340	32,486,834	2,154,018	886,926	148,084	215,367,813
Total County Expenditures for Assets Owned by Others		$42,471,511	$40,975,064	$62,882,349	$116,706,844	$144,543,204	$233,973,825	$ 79,782,028	$ 62,915,162	$ 103,045,793	$ 120,294,644	$1,007,590,424

Note: [1] The information will be presented on a prospective basis. Further, expenses related to business-type activities began in 2009.

Table 20

Bexar County, Texas
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

Year	Estimated Population [1]	Personal Income (thousands of dollars) [2]	Per Capita Personal Income [3]	Unemployment Rate [4]	School Enrollment [5]	University Enrollment [6]
2008	1,641,170	56,891,253	35,090	5.1%	307,924	102,806
2009	1,645,301	60,220,178	36,465	7.2%	314,801	113,307
2010	1,714,773	59,911,913	34,761	7.3%	324,015	119,283
2011	1,756,153	63,532,926	36,177	8.1%	330,259	119,352
2012	1,785,704	68,567,177	38,398	6.1%	338,933	119,710
2013	1,817,610	70,896,476	39,005	6.2%	334,351	120,273
2014	1,855,866	75,825,317	40,857	4.8%	344,548	119,482
2015	1,897,753	81,038,194	42,702	3.7%	350,256	120,242
2016	1,928,680	84,122,309	43,617	4.0%	353,621	123,584
2017	1,928,680	N/A	N/A	3.2%	354,665	126,570

Source: [1] Source for Fiscal Year 2008 - 2016 - U.S. Census Bureau (www.census.gov).
Source for Fiscal Year 2009 -EDIS www.edis commerce.statenc.us/docs/countyprofile/old/Tx/48029.pdf.
The population for Fiscal Year 2017 will not be made available until April.
[2] Per capita personal income was computed using Census Bureau midyear population estimates.
[3] Personal Income and Per Capita Personal Income Figures - Bureau of Economic Analysis (2008 - 2016).
Figures for 2017 were not available for personal income and per capita personal income.
[4] Unemployment rates - Texas Workforce Commission September 2017, Quarterly Report.
[5] School Enrollment for schools located in Bexar County -Texas Education Agency.
Enrollment figures are for grades Pre-K through 12th grade. University enrollment figures are not included.
[6] Figures represent Fall enrollment for the calendar year.

Table 21

Bexar County, Texas
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago[2]
(Unaudited)

Principal Employers	Category (2017)	Total	Percent of County Employment
Joint Base San Antonio [1]	Government	89,661	10.48
H.E.B. Grocery Company	Retail	23,418	2.74
USAA	Finance/ Insurance	18,305	2.14
Northside Independent School District	Services	13,977	1.63
City of San Antonio	Government	11,462	1.34
Methodist Healthcare System	Medical	9,620	1.12
Northeast Independent School District	Services	9,292	1.09
University Health System	Medical	8,570	1.00
San Antonio Independent School District	Services	7,375	0.86
Baptist Health System	Medical	6,383	0.75
	TOTAL	198,063	23.14
Total County Employment for 2017 [2]		**855,886**	

Principal Employers	Category (2008)	Total	Percent of County Employment
Joint Base San Antonio[1]	Government	86,594	12.06
H.E.B. Grocery Company	Retail	30,000	4.18
USAA	Finance/Insurance	14,852	2.07
Northside Independent School District	Services	13,002	1.81
City of San Antonio	Government	10,913	1.52
Northeast Independent School District	Services	8,217	1.14
San Antonio Independent School District	Services	7,581	1.06
Methodist Healthcare System	Medical	7,013	0.98
UT Health Science Center at San Antonio	Medical	6,008	0.84
Baptist Health System	Medical	5,939	0.83
	TOTAL	190,119	26.47
Total County Employment for 2008 [2]		**718,256**	

Source: San Antonio Business Journal Book of Lists 2017-18, Greater San Antonio Chamber of Commerce and confirmation from individual corporate human resource offices.

Note: [1] Under the BRAC Joint Basing Recommendation for San Antonio, installation support functions at the the Army's Fort Sam Houston were combined with those at Randolph and Lackland Air Force Bases under a single organization (Joint Base San Antonio). Includes military personnel and civilian personnel. Figures for 2017 will not be made available until April 2018. Figures for 2016 were used for 2017.
[2] Total County Employment figure for 2008 and 2017 -Texas Workforce Commission website.

Table 22 | Table 22 (Continued)

Bexar County, Texas
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Function/Program		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
PUBLIC SAFETY											
Sheriff-Adult Detention	Average Daily Inmate Population										
	Male	3378	2946	3131	3,253	3,149	3,209	3,341	3,681	3,957	3,689
	Female	616	576	594	574	521	477	433	476	449	450
	Number of Prisoners Booked	58,530	53,002	58,986	61,378	62,031	57,267	59,322	66,893	68,513	62,973
	Number of Prisoners Released	56,052	52,782	58,970	60,871	61,653	57,308	59,298	66,587	68,308	62,154
	Number of Uniformed Officers	870	870	868	912	866	753	853	849	855	716
Sheriff-Law Enforcement	Number of Patrol Deputies [1]	236	254	235	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Patrol	Number of Law Enforcement Officers [2]	376	371	385	533	532	530	519	519	531	521
JUDICIAL											
District Courts											
Criminal	Cases Filed During the Year [3]	13,416	12,180	12,249	11,651	11,930	11,043	11,859	12,612	13,459	11,822
Civil	Cases Filed During the Year [3]	45,482	47,296	43,190	39,269	42,749	42,718	42,955	31,925	35,161	36,109
Juvenile	Cases Filed During the Year [3]	1,944	1,789	2,006	2,062	3,213	2,152	2,855	3,343	3,323	3,406
County Courts-At Law											
Criminal	Cases Filed During the Year [3]	27,129	25,417	29,573	32,452	33,174	31,474	30,589	34,834	38,274	34,717
Civil	Cases Filed During the Year [3]	9,730	9,250	9,527	8,567	9,145	8,807	9,302	8,490	9,227	10,566
Probate	Cases Filed During the Year [3]	4,949	4,806	4,937	4,789	4,677	4,629	5,328	3,966	4,291	4,327
Mental Health	Cases Filed During the Year [3]	7,102	8,178	7,981	7,802	7,265	5,744	5,335	2,754	3,201	3,555
Justice of the Peace Courts	Civil and Criminal Cases Filed During the Year [3]	154,728	162,478	168,906	205,553	204,041	153,438	155,272	185,653	170,192	172,062
HEALTH & PUBLIC WELFARE											
Number of Grants	Federal	39	60	73	44	46	47	51	41	85	86
	State	131	74	30	56	40	69	61	66	36	31
	Local	2	0	0	0	0	0	0	0	0	0
	Private	46	17	25	18	9	15	11	8	8	5
Child Welfare Board	Children in DFPS legal responsibility [4]	3,719	4,834	5,002	5,445	5,571	5,761	5,238	4,608	4,579	5,074
	Children in Substitute Care [4]	2,367	1,910	1,562	1,887	1,877	2,164	5,184	4,589	4,501	5,008
	Children in Foster Care [4]	3,587	3,155	3,158	3,379	3,413	3,672	3,444	3,154	3,159	3,513
PUBLIC WORKS	Number of Work Orders for Road Maintenance	4,200	4,000	3,402	2,800	2,400	8,812	8,723	8,723	8,789	8,723
	Number of Work Orders for Traffic Maintenance	6,200	6,100	6,043	1,250	1,250	2,800	2800	2,800	4,150	4,100
	Number of Capital Projects in Design	17	18	19	12	13	6	11	11	13	15
	Number of Capital Projects in Construction	13	12	14	9	9	13	9	9	8	6
	Number of Capital Projects Completed	14	13	11	8	2	8	3	3	6	4
GENERAL GOVERNMENT											
Commissioners Court	Number of Official Public Meetings										
	Regular Sessions	24	24	29	25	24	24	24	24	24	24
	Special Sessions (Work Sessions)	4	8	6	8	9	10	9	8	17	15

Source: Bexar County Annual Budget.

Note: [1] Includes only officers from the patrol division.

[2] Total now includes law enforcement officers from all divisions except Adult Detention.

[3] Totals are from the Texas Office of Court Administration.

[4] Totals are from the Texas Department of Family and Protective Services website.
The Texas Department of Family and Protective Services Children in Foster Care figures were updated in 2016 for 2008 - 2016.

[4 (continued)] Texas Department of Family and Protective Services (DFPS) works with the Bexar County Child Welfare Board to facilitate implementation and administration of the Children's Protective Services Program. Children in foster care are placed in foster homes or institutions; children in substitute care are placed in treatment facilities, hospitals, adoptive homes, or independent living arrangements. Children in the legal responsibility of DFPS are those whom the courts have awarded legal responsibility by temporary or permanent managing conservatorship or other court ordered legal basis. Children may reside in an out of home placement or were returned to their home of origin.

Table 23

Table 23 (Continued)

Bexar County, Texas
CAPTIAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Function/Program		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
PUBLIC SAFETY											
Sheriff-Adult Detention	Number of inmate beds	4,563	4,563	4,563	4,563	4,563	4,596	4,596	4,596	4,598	4,390
Sheriff-Law Enforcement	Number of patrol vehicles	252	164	152	135	132	136	132	171	171	110
JUDICIAL											
District Courts											
Criminal	Number of elected judges	13	13	13	12	12	11	11	11	11	9
Civil	Number of elected judges	14	14	14	14	14	14	14	14	13	13
Juvenile	Number of elected judges	3	3	3	3	3	3	3	3	3	2
County Courts-At-Law											
Criminal	Number of elected judges	13	13	13	13	13	13	13	13	13	9
Civil	Number of elected judges	2	2	2	2	2	2	2	2	2	3
Probate	Number of elected judges	2	2	2	2	2	2	2	2	2	2
Justice of the Peace Courts											
	Number of elected judges	7	8	8	8	8	6	6	6	6	6
EDUCATION & RECREATION											
County Parks	Number of acres maintained	481	481	481	481	481	481	247	1,135	570	570
	Number of county parks	11	11	11	11	11	11	11	11	11	11
	Number of civic centers	3	3	3	3	3	3	3	3	3	3
PUBLIC WORKS	Road Miles Maintained	1,350	1,310	1,270	1,270	1,231	1,200	1,200	1,004	1,030	1,026
	Road Resurfaced (miles)	118	80	76	97	122	93	78	103	117	121
	Heavy Trucks/Equipment	273	261	280	278	312	312	308	329	311	299
GENERAL GOVERNMENT											
	Number of Light Vehicles [1]	870	894	925	911	670	670	784	690	692	506

Source: Bexar County Annual Budget.

Note: [1] Light vehicles have a carrying capacity of one ton and under. This includes cars used by every department except the Sheriff Department.

Table 24

Bexar County, Texas
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government/										
Administrative	996	1,057	988	1,039	960	932	925	888	935	948
Judicial	722	736	754	707	689	692	686	729	754	778
Public safety										
Officers	1,779	1,948	1,935	2,048	1,943	1,849	1,899	2,056	2,065	2,054
Civilians	772	595	610	509	492	659	717	622	659	688
Education and recreation	53	16	67	14	14	71	70	79	81	86
Public works	262	259	267	268	259	256	264	264	264	267
Health and public welfare	93	155	119	207	194	109	109	91	87	98
Total	4,677	4,766	4,740	4,792	4,551	4,568	4,670	4,729	4,845	4,919

Source: Bexar County Adopted Budget.

Table 25

Bexar County, Texas
Texas County and District Retirement System
ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES
Last Ten Fiscal Years
(Unaudited)

	(a)	(b)	(a/b)	(b-a)	(c)	(b-a)/(c)	
Fiscal Year	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Accrued Liability	Annual Covered Payroll [1]	UAAL as a Percentage of Covered Payroll	Total TCDRS Required Contribution Rate [2]
2008	532,359,466	632,707,583	84.14%	100,348,117	205,997,638	48.71%	9.90%
2009	587,887,756	685,350,890	85.78%	97,463,134	214,085,357	45.53%	9.90%
2010	615,705,829	726,801,815	84.71%	111,095,986	217,066,212	51.18%	10.62%
2011 [4]	643,782,380	775,163,006	83.05%	131,380,626	210,826,765	62.32%	10.72%
2012 [5]	666,871,683	821,494,429	81.18%	154,622,746	213,634,303	72.38%	11.30%
2013 [6]	718,024,251	869,092,086	82.62%	151,067,835	220,622,466	68.47%	12.38%
2014	758,367,617	904,435,389	83.85%	146,067,772	231,087,684	63.21%	13.31%
2015	796,582,916	973,093,924	81.86%	176,511,008	240,592,521	73.37%	13.18%
2016	1,180,704,918	1,368,562,738	86.27%	187,857,820	251,255,949	74.77%	13.08%
2017 [3]	N/A	N/A	N/A	N/A	N/A	N/A	13.21%

Note:
[1] The annual covered payroll is based on the employee contribution received by TCDRS for the year ending with the valuation date.
[2] Figure from previous Comprehensive Annual Financial Statements (Fiscal Year 2007 - 2008 Note Q and Fiscal Year 2009 - present Note N)
[3] Fiscal Year 2017 figures will not be available from TCDRS until April or May 2017.
[4] Funding information for 2011 may differ from prior year compliance due to plan changes effective January 1, 2013.
[5] Funding information for 2012 may differ from prior year compliance due to plan changes effective January 1, 2014.
[6] Funding information for 2013 may differ from prior year compliance due to plan changes effective January 1, 2014.

Table 26

Bexar County, Texas
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2017		
Assessed Value of All Taxable Property	$ 139,279,867,321	
Assessed Value of Real Property	$ 125,077,711,161	
Roads Debt Limit (25% of Assessed Value of Real Property)[A]		$ 28,331,876,690
Amount of Debt Applicable to Constitutional Debt Limit:		
Total Bonded Debt Applicable	23,815,000	
Less: Debt Service Available Funds [1]	$ 3,202,638	20,612,362
Legal Debt Margin, Bonds Issued under Article 3, Section 52 of the Texas Constitution		$ 28,311,264,328

Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2008	19,632,861,079	37,202,333	19,627,902,244	18.95%
2009	22,294,858,899	35,778,296	22,292,803,785	16.05%
2010	22,867,713,689	34,265,846	22,866,310,393	14.98%
2011	22,463,790,333	32,681,736	22,462,089,487	14.55%
2012	22,641,570,765	31,036,511	22,639,979,029	13.71%
2013	23,084,641,277	29,321,566	23,083,557,632	12.70%
2014	24,444,710,084	27,292,098	24,417,417,986	11.16%
2015	24,781,567,617	24,691,199	24,756,876,418	9.96%
2016	28,331,876,690	22,661,612	24,758,906,005	8.00%
2017	31,269,427,790	20,612,362	28,311,264,328	6.59%

[A] Bonds Issued Under Article 3, Section 52 of the Texas Constitution

The County is authorized under Article 3, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

[1] Amount estimated based on the subsequent year debt requirement assumed to be available from the Debt Service Fund balance of $60,482,700.

Bonds Issued Under Article 8, Section 9 and Article 11, Section 2 of the Texas Constitution

In addition to unlimited tax bonds the County may issue bonds payable from the proceeds of a limited ad valorem tax provided for in Article 8, Section 9 of the State Constitution. Such constitutional provision provides that a county is limited to an ad valorem tax rate of $0.80 per $100 of assessed valuation for General Fund purposes.

Certain of the County's bonds payable from such limited tax may be issued under the provisions of Article 722, Vernon's Texas Civil Statutes. The principal amount of all bonds which may be issued under the provisions of such Statute is limited in the aggregate to 5% of all taxable property. The debt limit under Article 722 is approximately $6,963,993,366 compared to applicable bonds outstanding at September 30, 2017 of $1,672,900,000.

Table 27

Bexar County, Texas
MISCELLANEOUS INFORMATION
(Unaudited)

Employment Statistics [1]

	2017	2008
Total Employed	905,236	717,262
Total Unemployed	30,294	37,200
Total Labor Force	935,530	754,462
Percent of Unemployment	3.2%	4.9%

Non-agricultural employment by categories [2]

	2017	Percent		2008	Percent
Natural Resources & Mining	7,600	0.73	Natural Resources & Mining	3,700	1.00
Construction	56,000	5.34	Construction	52,900	6.00
Manufacturing	49,700	4.74	Manufacturing	48,267	6.00
Trade/Transportation/Utilities	177,700	16.96	Trade/Transportation/Utilities	151,967	17.00
Information	20,200	1.93	Information	21,667	2.00
Finance Activities	87,800	8.38	Finance Activities	65,700	8.00
Services and Miscellaneous [3]	475,400	45.36	Service and Micellaneous	357,666	42.00
Government	173,600	16.56	Government	149,900	18.00

	CPS Energy [4]		San Antonio Water System [5]		County
	Electric Customers	Gas Customers	Water Connections	Wastewater Connections	Registered Voters[6]
2008	681,295	319,261	348,834	389,894	872,957
2009	694,468	320,627	352,059	395,161	884,068
2010	707,509	322,593	356,546	400,096	844,171
2011	716,622	324,702	360,281	405,119	863,759
2012	728,307	328,300	365,099	412,275	874,173
2013	741,467	331,192	464,957	416,801	912,093
2014	756,545	334,023	475,528	424,257	918,912
2015	771,603	336,645	482,821	429,609	968,990
2016	786,455	338,951	488,705	437,460	1,020,079
2017	804,675	343,754	493,764	442,552	1,047,963

Source: [1] Texas Workforce Commission, Unemployment (LAUS) Report. Employment statistics are presented for the current year and for fiscal year 2008 for a limited ten year presentation.

[2] The Texas Workforce Commission, LMCI Economic Profiles, San Antonio, MSA Report.

[3] Professional & Business Services, Educational & Health Services, Leisure & Hospitality, and Other Services are combined.

[4] Formerly called City Public Service.

[5] Greater San Antonio Chamber of Commerce (San Antonio Region Economic Trends 2005)
As of 2006, San Antonio Water System now provides figures for water and wastewater connections separately.
As of 2013, BexarMet is now San Antonio Water System District Special Project.

[6] Bexar County Elections Department.

San Antonio Riverwalk
Photo by Robert Parker
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Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable County Judge and Commissioners
Bexar County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bexar County, Texas (the County), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2018. We did not audit the financial statements of the University Health System (the System), the Cibolo Canyons Special Improvement District (the District), and the Alamo Regional Mobility Authority (the Authority), discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the System, the District, and the Authority, is based solely on the report of the other auditors.

Our report includes a reference to other auditors who audited the financial statements of the System, the District, and the Authority, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the District audited by other auditors were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Garza/Gonzalez & Associates

March 29, 2018

Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

The Honorable County Judge and Commissioners
Bexar County, Texas

Report on Compliance for Each Major Federal and State Program

We have audited Bexar County, Texas (the County)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement and the State of Texas Single Audit Circular* that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2017. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas Single Audit Circular. Those standards, the Uniform Guidance, and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2017.

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Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We noted certain matters that we reported to management of the County in a separate letter dated March 29, 2018.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

Garza/Gonzalez & Associates

March 29, 2018

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
As of September 30, 2017

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	FEDERAL FUNDS				
	U.S. Department of Agriculture				
	Passed Through				
	Texas Department of Agriculture Commission				
100-4001-40534	National School Lunch Program Commodities - Juvenile Probation	10.555	TX-015-2048	$ 322,933	-
	Total U.S. Department of Agriculture			322,933	-
	U.S. Department of Defense				
	Office of the Economic Adjustment				
MS1233510001	Joint Land Use Study of Randolph Air Force Base	12.610	HQ00051110039	-	-
MS1234110301	Federal Voting Assistance Program	12.217	H98210-12-1-0019	23,231	-
	Total U.S. Department of Defense			23,231	-
	U.S. Department of Health and Human Services				
AR16	HIV Emergency Relief Project Part A, 2016-2017	93.914	6 H89HA00041-22-01	1,253,638	1,110,971
AR17	HIV Emergency Relief Project Part A, 2017-2018	93.914	6 H89HA00041-23-01	2,094,121	1,780,365
AM16	HIV Emergency Relief Project Part A - Minority AIDS Initiative Programs 2016-2017	93.914	6 H89HA00041-22-01	194,111	173,250
AM17	HIV Emergency Relief Project Part A - Minority AIDS Initiative Programs 2017-2018	93.914	6 H89HA00041-23-01	208,487	177,659
AS16	HIV Emergency Relief Project Part A - Supplemental, 2016-2017	93.914	6 H89HA00041-22-01	949,008	825,798
AS17	HIV Emergency Relief Project Part A - Supplemental 2017-2018	93.914	6 H89HA00041-23-01	504,784	477,568
SA1744	B.C. Adult Treatment Court Collaborative	93.243	5H79TI026078-02	221,770	-
SA1745	B.C. Adult Treatment Court Collaborative	93.243	1H79SM063519-01	504,283	489,608
	Passed Through				
	Texas Attorney General				
	Child Support Enforcement Program				
100-4001-40561	Title IV-D - Community Supervision	93.563	14-C0048	433,115	-
100-4001-41004	Title IV-D - Child Support Enforcement	93.563	12-C0014	1,672,934	-
	Texas Department of Housing and Community Affairs				
	Comprehensive Energy Assistance Program				
CEAP15102	CEAP15 - CEAP Program Services	93.568	58150002092	849	-
CEAP15199	CEAP15 - Training/Travel Allowance	93.568	58150002092	(1,733)	-
CEAP16102	CEAP16 - CEAP Program Services	93.568	58160002323	106,615	-
CEAP16104	CEAP16 - Training/Travel Allowance	93.568	58160002323	73,723	-
CEAP16104	CEAP16 - CEAP "Assurance 16"	93.568	58160002323	90,014	-
CEAP16106	CEAP16 - Utility Assistance Program	93.568	58160002323	1,924,867	-
CEAP16199	CEAP16 - CEAP Administration	93.568	58160002323	65,283	-
CEAP17102	CEAP17 - CEAP Program Services	93.568	58170002574	348,878	
CEAP17105	CEAP17 - CEAP "Assurance 17"	93.568	58170002574	608,353	-
CEAP17106	CEAP17 - Utility Assistance Program	93.568	58170002574	3,768,646	-
CEAP17199	CEAP17 - CEAP Administration	93.568	58170002574	245,364	-

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	Texas Department of State Health Services				
812-BS16	HIV Emergency Relief Project, Part B, Service Delivery, 2015- 2016 (4/01/16 - 3/31/17)	93.917	2016-001464-01	680,087	580,888
812-BS17	HIV Emergency Relief Project, Part B, Service Delivery, 2017- 2018 42/01/17 - 3/31/18)	93.917	537-16-0567-00001	550,099	550,099
812-BS17A	HIV Emergency Relief Project, Part B, Service Delivery, 2017 - 2018 (04/01/2017 - 03/31/2018)	93.917	537-16-0567-00001	81,558	-
812-SS16A /SS17	HIV Emergency Relief Project, Part B, Service Delivery Supplemental 2016 - 2017 (09/30/2016 - 03/31/2017)	93.917	2016-001464-01	224,221	205,828
812-SS17A	HIV Emergency Relief Project, Part B, Service Delivery Supplemental 2017 - 2018 (04/01/2017 - 09/29/2017)	93.917	537-16-0567-00001	233,268	213,843
812-BR16	HIV Emergency Relief Project, Part B, State R - Admin: H25, 2016 - 2017 (09/01/2016 - 03/31/2017)	93.917	2016-001464-01	28,267	-
812-BR17/BR17A	HIV Emergency Relief Project, Part B, State R - Admin: H25, 2017 - 2018 (04/01/2017 - 03/31/2018)	93.917	537-16-0567-00001	20,244	-
	Texas Juvenile Probation Commission				
JP160303	Title IV-E, Froster Care	93.658	TJJD-E-2016-015	28,498	-
JP170303	Title IV-E, Froster Care	93.658	TJJD-E-2017-015□	56,193	-
	The University of Texas Health Science Center at San Antonio				
MS1458410101	UTHSCSA Sex Education Program	93.297	5U58DP002919-04	7,000	-
	Total U.S. Department of Health and Human Services			17,176,545	6,585,877
	U.S. Department of Homeland Security				
MS1001230001	Immigration and Customs Enforcement	16.XXX	TX15000	52,591	-
	Texas Department of Public Safety's Division of Emergency Management				
100-5070-40526	Emergency Management Performance Grant (EMPG)	97.042	16TX-EMPG-0615	79,452	-
	Texas Governor's Office				
CJ1618	Bexar County Early Intervention Program	16.575	31127-01	198,305	-
CJ1629	Building Capacity - Drop-In Program (06/01/2017 - 05/31/2019)	16.575	32507-01	24,308	-
CJ1627	Jail Sexual Assault Prevention Program	16.588	30706-01	195,976	
CJ1523	8CALL90 Regional Deployment – Phase I – Bexar County	97.067	29641-01	20,703	-
CJ1525	Sustaining Regional Citizen Corps Programs	97.067	29643-01	26,115	
CJ1526	Regional Type 4 Incident Management Team	97.067	29644-01	42,337	-
CJ1623	Sustainment of the Bexar County Regional SWAT/ Negotiations Team	97.067	31446-01	104,801	
CJ1624	Bexar County - Interoperable Communications Coordinator	97.067	31449-01	46,610	-
	Total U.S. Department of Homeland Security			791,198	-
	U.S. Department of Housing and Urban Development				
CD11/ 120-C10	Community Development Block Grant 2010	14.218	B-10-UC-48-0500	1,941	1,941
CD12/ 120-C11	Community Development Block Grant 2011	14.218	B-11-UC-48-0500	16,175	16,175
CD13	Community Development Block Grant 2012	14.218	B-12-UC-48-0500	9,446	9,446
CD14	Community Development Block Grant 2013	14.218	B-13-UC-48-0500	87,535	87,535
CD15	Community Development Block Grant 2014	14.218	B-14-UC-48-0500	346,599	346,599
CD16	Community Development Block Grant 2015	14.218	B-15-UC-48-0500	678,476	673,119
CD17	Community Development Block Grant 2016	14.218	B-16-UC-48-0500	983,650	684,470
	Total Community Development Block Grant			2,123,822	1,819,285

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
As of September 30, 2017

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
HM10 / 117-H09	HOME Investment Partnership Agreement 2009	14.239	M09-UC-48-0500	136,299	136,299
HM12 / 117-H11	HOME Investment Partnership Agreement 2011	14.239	M11-UC-48-0500	2,348	707
HM13	HOME Investment Partnership Agreement 2012	14.239	M12-UC-48-0500	1,144	1,144
HM14	HOME Investment Partnership Agreement 2013	14.239	M13-UC-48-0500	34,478	34,478
HM15	HOME Investment Partnership Agreement 2014	14.239	M14-UC-48-0500	167,638	154,540
HM16	HOME Investment Partnership Agreement 2015	14.239	M15-UC-48-0500	173,355	136,975
HM17	HOME Investment Partnership Agreement 2016	14.239	M16-UC-48-0500	230,085	228,558
	Total HOME Investment Partnership Agreement			745,347	692,701
ESG15	Emergency Solutions Grant Program - 2014 (HESG)	14.231	E-14-UC-48-0500	2,512	-
ESG16	Emergency Solutions Grant Program - 2015 (HESG)	14.231	E-15-UC-48-0500	65,496	60,399
ESG17	Emergency Solutions Grant Program - 2016 (HESG)	14.231	E-16-UC-48-0500	58,803	53,866
	Total Emergency Solutions Grant Program			126,811	114,265
MS1656470401	Bexar County Continuum of Care Grants - 2014	14.231	TX0376L6J001400	61,781	61,781
	Total Continuum of Care Grants			61,781	61,781
	Passed Through				
	Texas Department of State Health Services				
812-BH16	HIV Emergency Relief Project, Part B, HOPWA, 2016- 2017 (2/01/16 - 3/31/17)	14.241	2016-002565-00	33,269	33,269
812-BH17	HIV Emergency Relief Project, Part B, HOPWA, 2016- 2017 (02/01/17 - 3/31/18)	14.241	537-16-0505-00001	128,856	128,856
	Texas Department of State Health Services			162,125	162,125
	Total U.S. Department of Housing and Urban Development			3,219,886	2,850,157
	U.S. Department of Justice				
100-9999-40522	State Criminal Alien Assistance Program (SCAAP)	16.606	2013-AP-BX-0523	99,891	-
JA13	Justice Assistance Grant - 2012	16.738	2012-DJ-BX-0821	(2,585)	-
JA14	Justice Assistance Grant - 2013	16.738	2013-DJ-BX-1037	12,540	-
JA15	Justice Assistance Grant - 2014	16.738	2014-DJ-BX-0900	34,903	-
JA16	Justice Assistance Grant - 2015	16.738	2015-DJ-BX-0993	15,719	-
JA17	Justice Assistance Grant - 2016	16.738	2016-DJ-BX-0205	588,002	265,924
MS0501230001	Organized Crime Drug Enforcement Task Force (OCDETF)	16.XXX	SWTXW0503H	38,065	-
MS0503230001	DEA - Sheriff	16.579	N/A	17,495	-
MS0504230001	U.S. Marshals Service - Sheriff	16.XXX	N/A	68,402	-
DJ1601	MIND (Males In Need of Direction) Court	16.745	2015-MO-BX-0004	62,610	-
DJ1602	Bexar County PREA Prevention Program	16.735	2015-RP-BX-0002	1,810	-
DJ1603	Bexar County Felony DWI Court	16.585	2015-DC-BX-0059	98,655	-
DJ1706	BexarCounty Felony Drug Court Discretionary Grant	16.585	2016-DC-BX-0018	83,280	-
	Passed Through				
	Texas Governor's Office				
CJ1621	Human Trafficking Unit Program	16.738	26795-04	109,731	-
CJ1605	Central Magistration Pretrial Assessment & Diversion Program	16.738	25769-05	177,158	-
CJ1620	New Life Project	16.575	27612-03	38,509	-
CJ1610	Bexar County PEARLS Court	16.575	30512-01	94,867	-
	Texas Attorney General				
807-JM172201	Access and Visitation Program - Title IV-D	93.597	17-C0128	53,139	-
807-OA182201	Access and Visitation Program - Title IV-D	93.597	17-C0128	4,842	-
OA1730	Internet Crimes Against Children	16.543	1774934/2015-MC-FX-K049	9,414	-
	Total U.S. Department of Justice			1,606,447	265,924
	U.S. Department of Transportation				
	Passed Through				
	Texas Department of Transportation				
DT1718230001	Texas Traffic Safety - S.T.E.P 2017 Comprehensive	20.616	2017-BexarCoS-S-1YG-0058	412,099	-
DT1726130001	No-Refusal Initiative (D.W.I.) - 2017	20.616	2017-BexarCoD-G-1YG-0149	21,856	-
	Total U.S. Department of Transportation			433,955	-

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
As of September 30, 2017

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	U.S. Department of the Treasury				
313-2001-42010	Sheriff Asset Forfeitures Program	21.XXX	N/A	246,613	-
308-1300-42010	District Attorney Asset Forfeitures Program	21.XXX	N/A	274,518	-
	Total U.S. Department of the Treasury			521,131	-
	U.S. Social Security Administration				
100-4001-40516	SSA Incentive	96.001	N/A	82,000	-
	Total U.S. Social Security Administration			82,000	-
	Total Federal Funds			24,177,326	9,701,958
	STATE FUNDS				
	Texas Comptroller of Public Accounts				
320-1100-40542	State Chapter 19 Vote	N/A	N/A	282,236	-
100-4001-40500	County Courts Cases - Section 51	N/A	N/A	1,260,000	-
100-1300-40502	Prosecutor Longevity Pay	N/A	N/A	253,243	-
100-1300-40506	DA Witness Reimbursement	N/A	N/A	72,762	-
100-4001-40530	Jury Pay Supplemental (State SB 1704)	N/A	N/A	492,286	-
302-4600-40529	Probate Supplemental	N/A	N/A	269,843	-
	Total Texas Comptroller of Public Accounts			2,630,370	-
	Texas Governor's Office				
CJ1606	Bexar County Adult Drug Court	N/A	20470-09	357,909	-
CJ1706	Bexar County Adult Drug Court	N/A	20470-10	9,167	-
CJ1607	Bexar County Veterans Court	N/A	23902-07	70,563	-
CJ1707	Bexar County Veterans Court	N/A	23902-08	13,912	-
CJ1608	Bexar County Family Drug Treatment Court	N/A	17367-13	209,057	-
CJ1708	Bexar County Family Drug Treatment Court	N/A	17367-14	17,326	-
CJ1609	Bexar County Prostitution Prevention Program	N/A	27603-03	279,252	-
CJ1709	Bexar County Prostitution Prevention Program	N/A	27603-04	9,345	-
CJ1628	Project Connect at Lanier H.S.	N/A	28710-02	97,909	-
CJ1619	Juvenile Drug Court	N/A	16922-14	83,021	-
CJ1622	Bexar County Body Worn Camera Program	N/A	30492-01	370,814	-
CJ1625	Border Prosecution Unit-TAG	N/A	31695-01	124,826	-
100-4001-40540	4th Court of Appeals	N/A	N/A	70,000	-
	Passed through				
	Texas Military Prepardness Commission				
MS1702	Defense Economic Assistance Adjustment Grant	N/A	Project # 1701-01-01	3,480,417	
	Total Texas Governor's Office			5,193,518	-
	Texas Attorney General				
MS1311	Texas Automated Victim Notification - VINE FY2017	N/A	1770411	88,080	
	Total Texas Attorney General			88,080	-

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
As of September 30, 2017

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	Texas Department of State Health Services				
812-SR17	HIV Emergency Relief Project, Part B, State Services (09/01/2016-08/31/2017)	N/A	2016-003759-00	575,614	575,614
812-SR18	HIV Emergency Relief Project, Part B, State Services (09/01/2017-08/31/2018)	N/A	537-18-0008-00001	24,421	24,421
812-RF17	HIV Emergency Relief Project, Part B, State Rebate Funds (09/01/2016 - 08/31/2017)	N/A	2016-003759-00	230,453	230,453
812-RF18	HIV Emergency Relief Project, Part B, State Rebate Funds (09/01/2017 - 08/31/2018)	N/A	537-18-0008-00001	7,895	7,895
812-RS17	HIV Emergency Relief Project, Part B, State Rebate Eligible Staff (09/01/2016 - 08/31/2017)	N/A	2016-003759-00	91,233	91,233
812-RS18	HIV Emergency Relief Project, Part B, State Rebate Eligible Staff (09/01/2017 - 08/31/2018)	N/A	537-18-0008-00001	10,262	10,262
	Passed Through				
	Texas State University - San Marcos				
DT1731230001	Tobacco Enforcement Program - Tobacco Compliance - Sheriff's Office	N/A	N/A	49,500	-
MS1757101301	Tobacco Enforcement Program - Tobacco Compliance - Constable Pct #3	N/A	N/A	1,800	-
	Total Texas Department of State Health Services			991,178	939,878
	Texas Health and Human Service Commission				
	Passed Through				
	Texas Department of Family Protective Services				
MS1701	Early Intervention Program for Toddler: Baby Court Services	N/A	24358716	256,183	-
MS1801	Early Intervention Program for Toddler: Baby Court Services	N/A	24358716	6,784	-
	Total Texas Health and Human Services Commision			262,967	-
	Texas Department of Transportation				
	Passed Through				
	City of San Antonio				
MS1604230001	Regional Auto Crimes Team	N/A	SA-T04-10063-16	305	-
MS1704230001	Regional Auto Crimes Team	N/A	SA-T04-10063-17	80,749	-
MS1804230001	Regional Auto Crimes Team	N/A	SA-T04-10063-18	8,050	-
	Total Texas Department of Transportation			89,104	-
	Texas Commission on Environmental Quality				
100-4001-40555	Texas Commission on Environmental Quality	N/A	N/A	56,967	-
MS1714	Local Emergency Planning Committee (LEPC) Grant Program	N/A	582-17-71502	92,627	-
	Total Texas Commission on Environmental Quality			149,594	-
	Texas Indigent Defense Commission				
MS1765490401	FY17 Discretionary Grant - Early Representation of Defendants with Mental Illness	N/A	212-67-D04	160,719	-
100-4001-40504	FY17 Formula Grant Program	N/A	N/A	1,101,529	-
	Total Texas Indigent Defense Commission			1,262,248	-
	Texas Veterans Commission				
MS1612	Veteran Texas Commission - General Assistance FY2015 - 2016	N/A	FVA_16_0380	122,938	-
MS1712	Veteran Texas Commission - General Assistance FY2016 - 2017	N/A	FVA_17_0476	40,584	-
	Total Texas Veterans Commission			163,522	-
	Total State Funds			10,830,581	939,878
	Total Federal and State Funds			$ 35,007,907	10,641,836

Bexar County, Texas
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended September 30, 2017

1. GENERAL

The accompanying schedule presents the activity of the federal and state award programs of Bexar County, Texas (the “County”), except for the federal and state award programs for the System and the Authority, the discretely presented component units of the County, which have been excluded. The System and the Authority are audited by other auditors and are separately reported for compliance with federal and/or state compliance. The County’s reporting entity is defined in Note A.1. to the County’s basic financial statements.

2. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. All federal and state grant funds were accounted for in the General Fund, Capital Projects Fund or various special revenue funds, which comprise the “Nonmajor Governmental Funds” column in the governmental funds financial statements. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Statements of Revenues and Expenditures and Changes in Fund Balances of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses).

The modified accrual basis of accounting is used in the governmental funds financial statements. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual (i.e., both measurable and available) and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.
Federal and state grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received in advance, they are recorded as unearned revenues until earned.
Expenditures for some programs are not specifically attributable to the federal revenue source and are shown on the schedule in amount equal to the federal and/or state revenue.

3. INDIRECT COST

Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. The County has elected to charge only direct costs to state and federal programs.

4. CONTINGENT LIABILITIES RELATED TO COMPLIANCE

The County participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required, and the collectability of any related receivable at September 30, 2017 may be impaired.

BEXAR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended September 30, 2017

SECTION I -- SUMMARY OF AUDITORS' RESULTS

Financial Statements		
Type of auditor's report issued: Unmodified		
Internal control over financial reporting: Material weakness(es) identified?	____Yes	_X_No
Significant deficiency(ies) identified not considered to be material weaknesses?	____Yes	_X_None Reported
Noncompliance material to financial statements noted?	____Yes	_X_No

Financial Statements		
Type of auditor's report issued: Unmodified		
Internal control over financial reporting: Material weakness(es) identified?	____Yes	_X_No
Significant deficiency(ies) identified not considered to be material weaknesses?	____Yes	_X_None Reported
Noncompliance material to financial statements noted?	____Yes	_X_No

Identification of Major Programs

CFDA Number(s)	Name of Federal or State Program
Federal	
93.914	HIV Emergency Relief Project, Part A
93.917	HIV Emergency Relief Project, Part B
State	
N/A	HIV Emergency Relief Project, Part B, State
N/A	Defense Economic Assistance Adjustment Grant
N/A	Body-Worn Camera Program
N/A	Adult Drug Court

SECTION I -- SUMMARY OF AUDITORS' RESULTS (Continued)

Dollar Threshold used to distinguish between Type A and Type B programs: Federal – $750,000 State – $324,917		
Auditee qualified as low-risk auditee?	_X_ Yes	_____No

SECTION II --- FINANCIAL STATEMENT FINDINGS

There are no financial statement findings required to be reported in accordance with *Government Auditing Standards* for the year ended September 30, 2017.

SECTION III --- FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

There are no federal or state award findings and questioned required to be reported in accordance with 2 CFR 200.516(a) for the year ended September 30, 2017.

SECTION IV --- PRIOR YEAR FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

There are no prior year federal or state award findings for the year ended September 30, 2017.

APPENDIX D

FORM OF BOND COUNSEL'S OPINION

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BRACEWELL

December 27, 2018

$198,035,000
BEXAR COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION,
SERIES 2018

WE HAVE ACTED as bond counsel for Bexar County, Texas (the "Issuer"), in connection with an issue of certificates of obligation described as follows:

> BEXAR COUNTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018, dated December 1, 2018 (the "Certificates").
>
> The Certificates mature, bear interest and may be transferred and exchanged as set out in the Certificates and in the order adopted by the Issuer's Commissioners Court authorizing their issuance and an approval certificate executed pursuant to the authority delegated in such order (together, the "Order").

WE HAVE ACTED as bond counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Certificates under the Constitution and laws of the State of Texas, and with respect to the exclusion of interest on the Certificates from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the transcript of certified proceedings described in the following paragraph. We have not assumed any responsibility with respect to the financial condition or capabilities of the Issuer or the disclosure thereof in connection with the sale of the Certificates.

IN OUR CAPACITY as bond counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Certificates which contains certified copies of certain proceedings of the Issuer, customary certificates of officers, agents and representatives of the Issuer and other public officials and other certified showings relating to the authorization and issuance of the Certificates. We have also examined such applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), court decisions, Treasury Regulations and published rulings of the Internal Revenue Service (the "Service") as we have deemed relevant. We have also examined executed Bond No. T-1 of this issue.

BASED ON SUCH EXAMINATION, IT IS OUR OPINION that the transcript of certified proceedings evidences complete legal authority for the issuance of the Certificates in full compliance with the Constitution and laws of the State of Texas presently effective, and that therefore the Certificates constitute valid and legally binding obligations of the Issuer, and that a continuing ad valorem tax, within the limits prescribed

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by law, has been levied on all taxable property in the Issuer and pledged irrevocably to the payment of the principal of and interest on the Certificates.

IT IS OUR FURTHER OPINION that the Certificates are additionally payable from and equally and ratably secured by a lien on and pledge of the Pledged Revenues (as defined in the Order), such lien on and pledge of the Pledged Revenues will be subordinate and inferior to the lien on and pledge of Net Revenues (as defined in the Order) securing payment of any Prior Lien Bonds or Additional Revenue Obligations hereafter issued by the Issuer.

THE ISSUER has reserved the right to issue Prior Lien Bonds, Additional Revenue Obligations, and Additional Parity Obligations (all as defined in the Order) without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

THE RIGHTS OF THE OWNERS of the Certificates are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

BASED ON SUCH EXAMINATION, IT IS OUR FURTHER OPINION that under existing law:

(A) Interest on the Certificates is excludable from gross income for federal income tax purposes.

(B) The Certificates are not "private activity bonds" within the meaning of the Code, and, as such, interest on the Certificates is not subject to the alternative minimum tax on individuals.

In providing such opinions, we have relied on representations of the Issuer, the Issuer's co-financial advisors, and the underwriters of the Certificates, with respect to matters solely within the knowledge of the Issuer, the Issuer's co-financial advisors, and the underwriters of the Certificates, respectively, which we have not independently verified, and have assumed continuing compliance with the covenants in the Order pertaining to those sections of the Code that affect the excludability from gross income of interest on the Certificates for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or the Issuer fails to comply with the foregoing provisions of the Order, interest on the Certificates could become includable in gross income from the date of original delivery of the Certificates, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership, or disposition of, the Certificates.

Owners of the Certificates should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income tax payers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the “branch profits tax” on their effectively-connected earnings and profits (including tax-exempt interest such as interest on the Certificates).

The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Certificates. If an audit is commenced, in accordance with its current published procedures, the Service is likely to treat the Issuer as the taxpayer. We observe that the Issuer has covenanted in the Order not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Certificates as includable in gross income for federal income tax purposes.

Very truly yours,

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