BEXAR COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended

September 30, 2008

OFFICIAL ISSUING REPORT

TOMMY J. TOMPKINS, C.P.A.
COUNTY AUDITOR

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Bexar County, Texas

Comprehensive Annual Financial Report

September 30, 2008

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INTRODUCTORY SECTION

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March 31, 2009

TOMMY J. TOMPKINS, C.P.A.
BEXAR COUNTY AUDITOR

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, 2008. 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 Code §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 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 Health District) is considered a component unit for reporting purposes and is discretely presented in the report. The Commissioners' Court for the County appoints the seven member board of the

County's Health District and approves the District's tax rate. 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 and Associates, a firm licensed as certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Bexar County for the fiscal year ended September 30, 2008, 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 GAAP, and therefore able to render an unqualified 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.*

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 with special emphasis on internal controls and legal requirements 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 with Requirements Applicable to Each Major Program and Internal Control Over Compliance,
- Schedule of Expenditures of Federal and State Awards,
- Notes to Schedule of Expenditures of Federal and State Awards, and,
- 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 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, with alkaline soils over limestone 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 Plains 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

[1] The Hand Book of Texas

founded. 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. However, the County's history began in 1718 with a formal military and civilian settlement and then in 1731 when 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. The Texas State Demographer estimates the population of Bexar County at 1.6 million at January 1, 2008 (a 14% increase over the 2000 census) which makes it the fourth largest County in the State. The County contains 25 incorporated cities. The Demographer also estimates the population for the greater San Antonio Metropolitan Area to be 2.1 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, and a sheriff (alguacil), and supported by a secretary.[5]

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 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.

The County Commissioners' Court or County Board was established by the Constitution of 1876 and was composed of the 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, 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, letting 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.

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[2] Ibid
[3] Habig, Marion A., A History of San Antonio's Five Missions
[4] Texas State Data Center (www.txsdc.utsa.edu)
[5] The Handbook of Texas

Economic

San Antonio is the county seat for Bexar County. San Antonio is currently the fourth largest city in Texas and the Seventh largest city in the United States. In Bexar County the unemployment rate is currently at 5.1% a full one percent above the level at September 2007 (4.1%), but, still below that of the State (5.6%)[6]. The County's diverse economic base ranges from agribusiness, manufacturing and construction, to tourism, medicine and the military. For metropolitan areas with one million plus populations, San Antonio is ranked among the lowest in cost of living at 94.5% which was 5.5% below the national average[7]. The County continues to provide new industries with one of the lowest cost workforces of any major U.S. city. Combined, the biomedical, aerospace and information technology industries generate an economic impact of an estimated $15.3 billion on the local economy.[8]

The health care industry in Bexar County has several key components; three major military medical centers, the South Texas Medical Center (which includes five University of Texas health professional schools, ten major hospitals and 80 health related facilities), the Southwest Foundation for Biomedical Research, and the Southwest Research Institute. Agribusiness is still a leading industry in Bexar 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. Government is the second largest industry in the County with the military being the predominate employer. The three major military installations contributed an economic impact which exceeded $4.9 billion. The latest research indicates (2006) that tourism provides an estimated $10.5 billion to the economy from approximately 13 million overnight visitors annually. Accordingly the hospitality work force is now the fifth largest employer in the County. Not only is San Antonio the number one tourist destination in Texas, it is among the top ten in the world.[9]

The County's proximity to Mexico provides favorable conditions for international business relations in the areas of agriculture, tourism, manufacturing, wholesale and retail markets. Fifty percent of U.S. exports to Mexico and fifty percent of Mexican exports to the U.S. pass through San Antonio. Trade between the United States and Mexico was projected at $151 billion in 2006 - an increase of $27 billion since 2001 (22%). The increase in trade is largely attributed to the passage of the North American Free Trade Agreement (NAFTA) in 1993. 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 60 miles of the US/Mexican border. With a lending capacity of $2 billion, NADBank finances projects including water, wastewater and solid waste programs. The Mexican consulate has been expanded in San Antonio to assist the transition and to facilitate the development of the NAFTA agreement.[10]

FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

The County has continued to enjoy a favorable financial environment during the fiscal year ended September 30, 2008. 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.

The County 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 the San Antonio River Authority for projects in Bexar County. The tax rate for the year ended September 30, 2007 was $0.326866 per $100 of valuation, and the rate for the year ended September 30, 2008 was maintained at the same level.

Current financial policies include:

- Commercial paper is utilized to take advantage of short term interest rates during interim financing periods;
- Reimbursement resolutions are used on an interim basis to finance projects rather than initially issuing long-term bonds;
- Balanced financial operations will be maintained;

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[6] Texas Workforce Commission, September 2008, Quarterly Report
[7] Cost of Living Index, October 2007(www.Infoplease.com)
[8] 2006-07 Economic Impact Study, San Antonio Chamber of Commerce
[9] Ibid
[10] Ibid

- Expenditures are to be budgeted and controlled to insure that at the end of the fiscal year the undedicated 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, 2008 the County had been assigned bond ratings of AA+, AA, and Aa1, respectively;

Current long-term financial policies of the County are:

- Expenditures by function are controlled to not exceed available resources;
- Use technological solutions to improve operations;
- Provide an equitable justice system that is responsive to the needs of the County;
- Delivery of service to the constituents;
- Encourage flexibility and accountability in all offices and departments;
- Promote diversity in the workforce;
- Maintain full disclosure and open lines of communications with the rating agencies; and
- 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

Community Venues Projects

In 1999, the Bexar County voter approved the Visitor Tax to pay for construction of the County-owned AT&T Center through a combined 1.75% hotel/motel occupancy tax and a 5% short-term car rental tax. An analysis projected that the 20-year bonds would expire much sooner than originally projected. This created an opportunity to explore the future use of these revenues to help finance other community projects allowed by Local Government Code Chapter 334 *Sports and Community Venue.* The original venue bonds were refunded in fiscal year 2008.

Commissioners' Court directed the project consultant to work with County and community stakeholders to develop a sports and community venue projects plan. The task was to not only assess the possible projects within Chapter 334 Local Government Code but to determine and recommend the amount of public and private funding that could be allocated to the projects. The Court developed a strategy that took under advisement the consultant's findings.

With the Community Venues under review by Court members and the existing Citizens Advisory Board, three other Citizen Advisory Committees were formed and appointed by the Commissioners' Court. Three groups with over 25 volunteer members began their deliberations in July 2007, with a goal of taking projects to the Commissioners' Court at the end of the year for a proposed vote in May 2008.

Each of the committees was charged with evaluating opportunities within their areas on some basic evaluation criteria:

1) Will it drive tourism;
2) Will it create an economic impact;
3) Are there leveraging opportunities;
4) Is there community benefit;
5) Is there geographic diversity; and
6) Is there sustainability?

The committees met often over the six months and came to the Commissioners' Court with their final recommendations in December of 2007. The Commissioners' Court heard and approved the recommendations with very little alterations and set the election for May of 2008.

On May 10, 2008, Bexar County voters approved: $125 million for San Antonio River Improvements, $100 million for Community Arenas and Grounds, $80 million for Amateur Sports Facilities, and $110 million for Performing Arts & Cultural Facilities.

With this successful election outcome, the Commissioners' Court began to implement these $415 million in projects and subsequently formulated the Community Venues Program Office to serve as the County's point of contact regarding the venue projects that were approved by voters on May 10th. The Program Office will oversee development of the contracts, inter-local agreements and oversee the development and implementation of all contracts. The office will also provide oversight of planning, construction, and stability of all the projects to insure fiscal responsibility and quality management. Commissioners' Court authorized the original venue bonds to be refunded in fiscal year 2008. The Court unanimously approved 19 agreements with various organizations to develop athletic, performing art, cultural art and San Antonio River projects using the extension of the visitor tax which is a combination of a 1.75% levy on hotel rooms and a 5% levy on short-term car rentals, to fund the projects divided into the following initiatives:

- **PROPOSITION 1 -San Antonio River Improvements:**
  $125 million has been allocated for San Antonio River expansion and improvements. These improvements are to be made in three different parts of the river; Park Reach - $12.5 million, Eagleland Reach - $2.8 million, and Mission Reach - $109.7 million. These improvements will connect the river from Brackenridge Park to Mission Espada. Other aspects of these projects are to restore the natural course of the river south of downtown to Mission Espada and restore the natural ecosystem by planting thousands of native trees and grasses. Also, additional hike and bike trails, pedestrian footbridges, recreational amenities and river access points will be added to the river.

- **PROPOSITION 2 -Amateur Sports Facilities:**
  $80 million has been allocated for the purchase, acquisition, construction and equipping of Youth and Amateur Athletic Facilities in Bexar County. This proposition consists of a total of 13 projects. The approved projects are as follows: Brooks Soccer/Rugby- $5 million; Classics Elite Soccer- $1.2 million; Culebra Creek Soccer- $5.23 million; Hartman Soccer- $5 million; McAllister Little League- $2.67 million; Mission Concepcion Athletic Complex- $16.1 million; Missions Baseball Academy- $4 million; National Swim Center- $7 million; St. Mary's Complex- $6 million; SE Skyline- $3.3 million; Texas Fencing Center- $2 million; UTSA Complex- $15 million; Wheatley Heights Complex- $7.5 million.

- **PROPOSITION 3 -Community Arenas and Grounds**
  $100 million has been allocated to upgrade and refurbish the Bexar County's Freeman Coliseum ($10 million), the AT&T Center ($75 million), and the Exhibition and Stock Show Facilities ($15 million). The intent of the projects funded through this Proposition is to keep these County-owned facilities up-to-date and viable for our tenants and citizens.

- **PROPOSITION 4 -Performing Arts Facilities**
  $110 million has been allocated to upgrade and improve the performing arts facilities in Bexar County - Alameda Theater-$6 million; Briscoe Western Art Museum-$4 million; and the Performing Arts Center-$100 million.

Flood Control and Capital Program

The County is currently undertaking the most ambitious Flood Control and Capital Improvement Program in the history of Bexar County with a combined total of about $1.1 billion in projects. This program includes $550 million in flood control projects to be implemented over ten years. This amount represents Bexar County's contribution to over $1 billion in flood control projects identified by the Countywide Citizens Watershed Master Plan Committee. Separately, the County's Capital Improvement Program, valued at $450 million, includes several major projects including the Justice Center Expansion, a new Adult Probation Facility, new and improved Juvenile Probation facilities, two parking garages and the completion of an Adult Detention Center Campus. The County will also continue to complete road projects at an estimated value of $85 million.

In order to fully fund this Flood Control and Capital Program without increasing the property tax, a funding strategy was approved by Commissioners' Court in FY 2007-08. This strategy caps growth in the General Fund at an amount equal to five percent growth in ad valorem tax revenue. The cap growth allows excess tax revenues to then be utilized to fund flood control and capital projects.

Technology

Bexar County Information Services presented an Information Technology Strategic Roadmap to Commissioners' Court in September 2008, that reviewed current County system requirements and provided a course of action to successfully fund and implement a number of projects. Work on the following four major on-going technology projects continued during FY 2007-08 and are anticipated to have a significant impact to County-wide operations:

1) **Bexar County Integrated Justice System (CIJS)** This project began in 2002 to replace the antiquated mainframe legacy system that is currently used by the judicial system. The project was originally budgeted at $18,000,000. However, due to expansion to the scope of the project by the CIJS Steering Committee and a change of vendors, the new cost of the project is estimated at $26,000,000.

2) **Cashiering System** The Countywide Cashiering System will allow the County to standardize its collection process and allow the County to accept credit card payments. The current cashiering system used by the County does not permit the use of credit cards and electronic checks. As a result, there is no standardized method for accepting payments throughout offices and departments. Currently, the County is entering into an agreement with a vendor to upgrade the current cashiering system to accept credit cards and electronic checks Countywide.

3) **Juvenile Case Management System (JCMS)** Bexar County is working with the Conference of Urban Counties (CUC) to develop the Juvenile Case Management System currently referred to as the Juvenile Justice Information System (JJIS). This system is primarily used by the Juvenile Probation Department (BCJP). The current JJIS is a second generation mainframe-based application originally developed in the mid 1980's. The goal of the JCMS project is to create an application that could be used Statewide and meet the needs of the County and the State of Texas. The project is currently in its second phase, and a new vendor has been selected to complete the second phase. The project is budgeted at $3,682,609.

4) **Financial Management System** Bexar County uses a financial system that operates on a ten year old mainframe system. In order to better serve the County, implementation of a new financial system is currently underway. The project to replace the current financial system began in FY 2005-06. The cost of the project is estimated at $5.1 to $5.9 million. The County is in the process of selecting the appropriate vendor for this project.

EMPLOYMENT GROWTH

Bexar County was a big winner in the 2005 Defense Base Closure and Realignment Commission's recommendations. Significant new missions, especially in the medical training arena, are being realigned to Ft. Sam Houston. The resulting expansion has brought an additional 5,000 families and more than $2 billion in construction projects to San Antonio. Even with the economic slowdown in the last six months of 2008, the County unemployment rate only increased from 4.1% to 5.1%, while at the same time, there was a net 14,800 jobs created. The State's unemployment rate rose to 6.0% and 153,600 jobs were created during the same period.

Source: Texas Workforce Commission

During the fiscal year the County enjoyed external corporate employment growth (1,294 positions) from various sectors:

Company	Positions
Power Loft (Data Center)	81
Tindal Corp. (Manufacturing)	500
Healthways (Business Services)	400
Whataburger (Business Services, HQ)	250
Beck Industrial (Manufacturing)	50
Aqua de Piedra (Warehouse/Distribution)	5
Rochal Industries, Inc. (Research Laboratory)	5
High Barrier Packaging (Business Services, HQ)	3

Source: San Antonio Economic Development Foundation

The Alamo Work Force has reported that the non-farm employment over the past three years in the metropolitan statistical area (MSA) has increased regularly. The following table reflects the internal and external creation of 24,646 new jobs over the last twelve months ended September 30, 2008.

Employment			
Sectors	**2007**	**2008**	**Percent Inc. (Dec.)**
Trade/Transportation/Utilities	145,200	151,967	4.66%
Government	143,100	149,900	4.75%
Education/Health Services	114,367	117,733	2.94%
Professional/Business Services	109,167	106,733	(2.23)%
Leisure and Hospitality	100,267	102,767	2.49%
Financial Activities	65,967	65,700	(0.40)%
Manufacturing	46,700	48,267	3.36%
Construction	48,933	52,900	8.11%
Information	20,333	21,667	6.56%
Aerospace	10,887	9,438	(13.31)%
Natural Resources	3,400	3,700	8.82%
Other Services	18,980	20,995	11.68%
	830,068	**851,767**	**2.98%**

Source: Alamo Work Force

FINANCIAL INFORMATION

Budgetary Control

Budgets are adopted for the General, Special Revenue and Debt Service Funds on a basis wherein expenditures include encumbrances outstanding at the end of the fiscal year. 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 the State or Federal sources.

Debt Administration

Commissioners' Court has established policy to provide guidelines to control tax rates levied. Currently limited tax bonds, certificates of obligation and tax notes are part of the maximum rate of $.80 per $100 valuation that can be set by Texas counties. In FY 2008 the General Fund maintenance and operation tax rate was set at $0.265594 and the debt service rate was set at $0.029510. The maintenance and operation tax rate for flood control was set at $0.019217 and at $0.012545 for debt service. The overall rate was set at $0.326866 per $100 dollars of taxable appraised value for FY 2008.

For the fiscal year ending September 30, 2009, the Commissioners' Court set the General Fund maintenance and operation tax rate at $0.250920, and the debt service rate at $.038479. The maintenance and operation tax rate set for flood control was set at $0.021560 and at $0.015907 for debt service. The overall rate for FY 2009 was maintained at $0.326866 per $100 dollars of taxable appraised value. An analysis of the changes in outstanding bonds and obligations is shown in Note G to the financial statements.

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 and 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, 2007. This was the twentieth 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, 212 Stumberg, Suite 100, San Antonio, Texas, 78204, or call (210) 335-2301.

Tommy J. Tompkins, C.P.A.
County Auditor

Bexar County, Texas

PRINCIPAL OFFICIALS

COUNTY JUDGE	NELSON W. WOLFF
COMMISSIONER, PRECINCT 1	SERGIO "CHICO" RODRIGUEZ
COMMISSIONER, PRECINCT 2	PAUL ELIZONDO
COMMISSIONER, PRECINCT 3	LYLE LARSON
COMMISSIONER, PRECINCT 4	TOMMY ADKISSON
COUNTY AUDITOR	TOMMY J. TOMPKINS
ASSESSOR-COLLECTOR OF TAXES	SYLVIA ROMO
COUNTY CLERK	GERARD C. RICKHOFF
DISTRICT ATTORNEY	SUSAN D. REED
DISTRICT CLERK	MARGARET G. MONTEMAYOR
SHERIFF	ROLANDO R. TAFOLLA

Certificate of Achievement for Excellence in Financial Reporting

Presented to

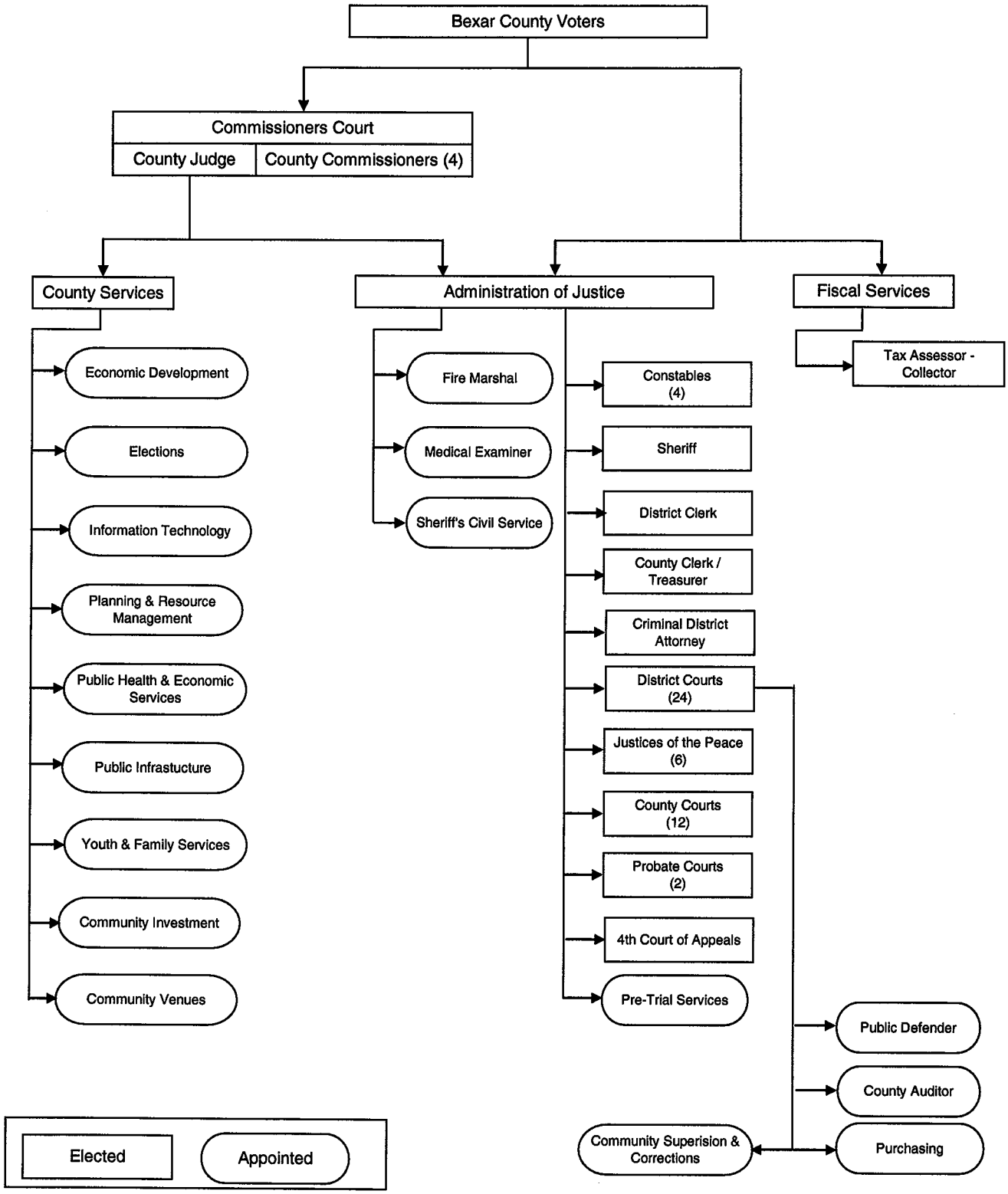
Bexar County Texas

For its Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director


Bexar County Voters
Commissioners Court
County Judge
County Commissioners (4)
County Services
Administration of Justice
Fiscal Services
Economic Development
Elections
Information Technology
Planning & Resource Management
Public Health & Economic Services
Public Infrastucture
Youth & Family Services
Community Investment
Community Venues
Fire Marshal
Medical Examiner
Sheriff's Civil Service
Constables (4)
Sheriff
District Clerk
County Clerk / Treasurer
Criminal District Attorney
District Courts (24)
Justices of the Peace (6)
County Courts (12)
Probate Courts (2)
4th Court of Appeals
Pre-Trial Services
Tax Assessor - Collector
Public Defender
County Auditor
Purchasing
Community Superision & Corrections
Elected
Appointed

FINANCIAL SECTION

Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Honorable County Judge and Commissioners
Bexar County, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bexar County, Texas (the "County"), as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 discretely presented component unit. 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, is based on the report of 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

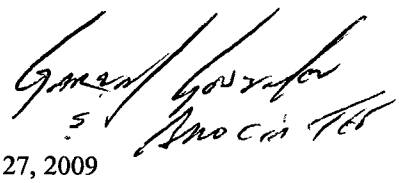
In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2008, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2009, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

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

The Management's Discussion and Analysis; the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual and the Schedules of Funding Progress as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations,* and State of Texas Single Audit Circular and is not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and schedule of expenditures of federal and state awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.



March 27, 2009

Bexar County, Texas
Management Discussion & Analysis
For Year Ended September 30, 2008

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, 2008. 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 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, 2008 offered by management of Bexar County (the County). The reader is encouraged to consider the information presented here in concurrence with additional information that is furnished in the letter of transmittal on pages I-1 through I-12.

For information specific to the University Health System (the "System"), the 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.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statement:

- The total government-wide assets of the County exceeded the liabilities at September 30, 2008 by $704 million, and are reported as total net assets of the primary government. This is comparable to the previous year when assets exceeded liabilities by $577 million. The total net assets is comprised of unrestricted net assets (funds that may be used to meet ongoing obligations to citizens and creditors), restricted net assets (funds to be used for a specified purpose), and amounts invested in capital assets, net of related debt.

- The government-wide total net assets increased $127 million during the fiscal year ending September 30, 2008. The increase can be attributed to governmental activities ($111.6 million) and to business-type activities ($14.6 million). Comparative changes can be examined as follows:

- Total net assets of the primary government are comprised of:
  1) Capital assets net of related debt include land, buildings, improvements, roads, bridges, equipment, furniture and fixtures as well as construction in progress, net of accumulated depreciation:

September 30, 2008	$529,923,764
September 30, 2007	$420,727,143

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

September 30, 2008	$111,133,914
September 30, 2007	$96,571,948

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

September 30, 2008	$62,875,371
September 30, 2007	$59,651,339

Fund Financial Statements:

- As of September 30, 2008, the County's governmental funds reported combined fund balances of $360,279,944. This compares to the prior year combined fund balances of $262,363,692. Approximately 20.88% of the combined fund balances are (unreserved) at September 30, 2008 ($75.1 million) and are available to meet the County's current and future needs. The total fund balance for the Nonmajor funds was $31,219,058 at September 30, 2008 and $31,114,583 at September 30, 2007. The fund balance for the Nonmajor funds is dedicated to service specific County functions.

- At the end of the current fiscal year, fund balance for the General Fund was $51,490,183 or 16% of total General Fund expenditures for the year ended September 30, 2008. The County's General Fund experienced a $2.2 million decline in fund balance as compared to the prior fiscal period.

FINANCIAL HIGHLIGHTS (Continued)

Long-Term Debt:

- Bexar County's total long-term debt related to governmental activities at September 30, 2008 increased $165.3 million (53%) over existing debt at the beginning of the fiscal year.
- Bexar County's total long term debt related to business-type activities (Venue bonds) at September 30, 2008 increased $1.7 million over existing debt at the beginning of the fiscal year.
- The County issued $138.9 million of governmental securities during the fiscal year.
- The County retired $15.2 million of governmental outstanding debt during the fiscal period.
- Voter approved General Obligation Bonds (2003 - $99.2 million) in the amount of $49.9 million have been issued ($15.2 million in fiscal 2008), leaving $49.3 million to be issued.
- During the current fiscal year the County issued certificates of obligation of:
  1. $69 million to provide funding for the 10 year flood control project, and
  2. $54.7 million to provide financing for various capital projects

Currently there is no statutory or imposed debt limitation on the County that may impact planned capital expenditures. At year end the County had not experienced any changes in its credit ratings. The Commissioners' Court has been pro-active in anticipating capital expenditure needs for the current and the near future.

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 County finances in a manner similar to a private-sector business. They include a Statement of Net Assets and a Statement of Activities. Both of these statements are presented using the accrual method of accounting; therefore, revenues and expenses are taken into account regardless of when cash is received or when liabilities are paid.

The Statement of Net Assets presents information on all County assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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.

The Statement of Activities presents information showing how net assets changed during the most recent fiscal year. All changes in net assets 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 (Tables 2 and 3 – Statistical Section).

Both government-wide financial statements distinguish functions of the County that are governmental activities that are principally supported by taxes (51.8%), grants (30.4%), intergovernmental revenues (charges for services) that are intended to recover all or in part a portion of their costs through user fees (14.4%), and investment earnings and miscellaneous (3.4%).

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-wide Financial Statements (Continued)

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, and the Commissary operated by the Sheriff's office for inmates.

Component units are included in the County's basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. 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 University Health System (the System) is reported as a discrete component unit because there is financial accountability by the System to the County Commissioners' Court. 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.

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 31 and 33.

Information is presented separately in the governmental funds' Balance Sheet and in the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances. The County maintains one General, Debt Service, and Capital Projects Fund.

Data from the other governmental funds (29 special revenue funds), three blended component units, one grant fund, and one asset forfeiture fund, are combined into a single, aggregated presentation (Nonmajor Governmental Funds). Individual fund data for each of these non-major governmental funds is provided in the form of combining statements which can be found on pages 102 – 115.

Proprietary Funds

The County's proprietary funds are maintained in two formats:

(1) An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the community venue operation – which includes the AT&T Center – and the Sheriff's commissary fund.

(2) 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)

Proprietary Funds (Continued)

The County uses internal service funds to account for other post employment benefits, maintenance of County vehicles; administration of the County's self-insurance programs for health, workers compensation, and other liabilities; 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.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Community Venue Fund is considered to be a major fund of the County. In 2008 the County brought the Commissary Fund back under its umbrella. The County's four internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements on pages 148 – 150.

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. Agency funds are purely custodial and thus do not involve measurement of results of operations.

Special Revenue Funds

The County maintains various special revenue funds, many of which are statutory and are required to annually submit a budget to the Commissioners' Court for review and adoption. Many of these programs receive financial resources from fees specifically designated by the State's legislature to be used for a specified purpose:

- County Clerk Records Management
- County Records Management
- District Clerk Records Management
- Courthouse Security
- Justice of the Peace Security
- Justice of the Peace Technology
- Probate Contributions
- Probate Guardianship
- Probate Education
- Grants
- Unclaimed Money
- Parking Facilities
- Technology Improvement
- Chapter 19 Voter Registration
- Election Contracting Services
- Drug Court Program
- Law Library
- Asset Forfeitures
- Farm to Market and Lateral Road
- District Attorney State Supplement
- District Attorney Programs
- Fire Code
- Law Enforcement Officer Special Education
- Domestic Relations
- Dispute Resolution
- Child Abuse Prevention
- Juvenile Case Manager
- Juvenile Delinquency Prevention
- Tax Collector's Special Inventory

The County has been awarded several 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 have been 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, annually the departments appropriate funds on hand that will be used in the following year.

Additionally, the County maintains two funds that are special revenue funds that are not statutory: Parking Facilities Fund and the Technology Improvement Fund. These funds are funded with public funds and the Commissioners' Court has specified in the annual budget how these funds are to be used.

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 the government-wide and fund financial statements. The notes can be found on pages 41-84 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Required Supplementary Information

Required supplementary information is presented to reflect budgetary compliance for the County's General Fund and the funding progress related to the other post employment benefits for retiree's health programs. 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. Required supplementary information can be found on pages 85-98 of this report.

The combining and individual fund statements and schedules referred to earlier provide information for non-major governmental funds, internal service funds and agency funds and are presented immediately following the required supplementary information. The County legally adopts budgets for a number of other governmental funds. Budgetary comparison schedules and combining and individual fund statements and schedules can be found on pages 102-159 of this report.

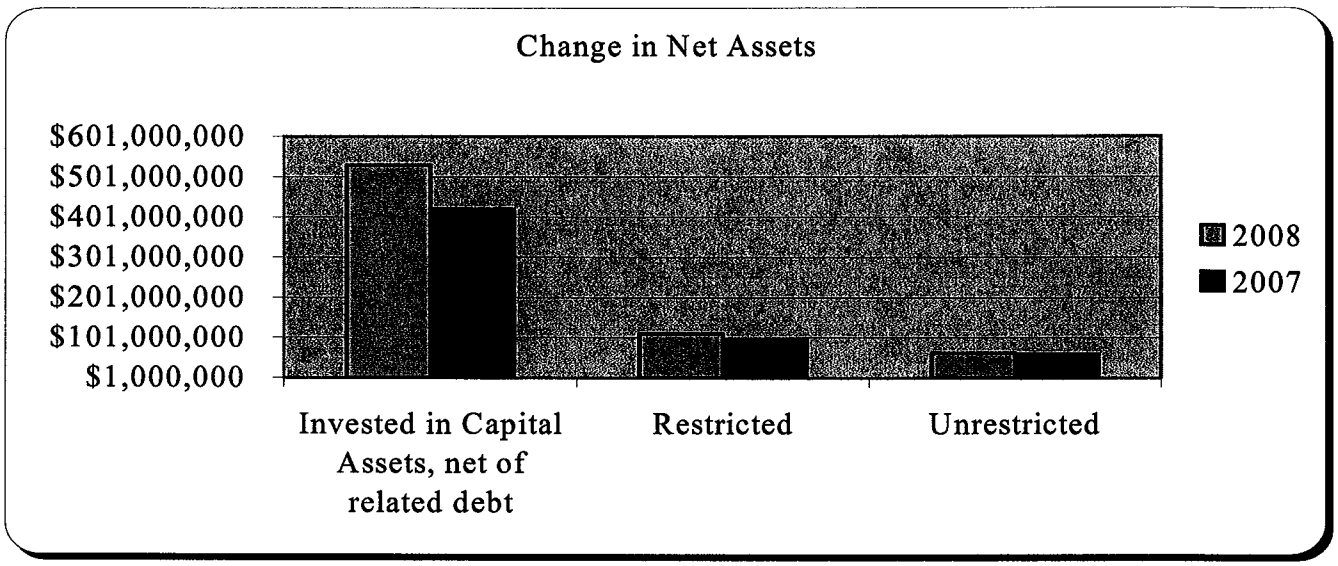
GOVERNMENT-WIDE FINANCIAL ANALYSIS

The current financial reporting model focusing on net assets serves as a useful indicator of a government's financial position. For the primary government, assets exceeded liabilities by $703.9 million at the close of the most recent fiscal year as compared to $576.9 million at the close of the last fiscal year. This represents a 22% increase. A comparative analysis of the changes in the primary government is presented below:

	September 30,	
	2008	**2007**
Invested in capital assets, net of related debt	$ 529,923,764	$ 420,727,143
Assets Restricted for:		
Debt Service	65,825,735	47,348,059
Grants	9,101,649	10,738,290
Capital Projects	15,479,227	19,355,258
Legislative	20,727,303	19,130,341
Unrestricted	62,875,371	59,651,339
Total Net Assets	**$ 703,933,049**	**$ 576,950,430**

$111.6 million of the change is due to governmental activities and $14.6 million is attributed to the business-type activities. The primary government's investment in capital assets (e.g. land, improvements, buildings, equipment, and infrastructure), less accumulated depreciation, less any related debt used to acquire those assets that is still outstanding, represents 75.2% of the County's net assets at the end of the fiscal year as compared to 72.9% for the previous fiscal period. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)



The County's net investment in its capital assets is reported net of related debt, but 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.

In the current fiscal year, 15.8% of net assets represent resources that are subject to external restrictions as to the use of the funds, as compared to 16.7% at the end of the prior year. The County has net assets in various grant programs; however, these net assets are 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. The special revenue funds that the County maintains were created through the establishment of fees by the State Legislature or through federal funding to serve specific purposes. Accordingly the revenues generated may only be used for functionality as directed by legislation.

Unrestricted net assets are available to the primary government to meet ongoing obligations to citizens and creditors. For the fiscal year ending September 30, 2008, the unrestricted net assets increased $3.2 million from the level for the prior fiscal year. The primary reasons for the increase in the government-wide net asset presentation ($127 million) is due to the total assets increased $303.7 million while total liabilities increased $176.8 million during the fiscal period.

Cash & investments	Increase	$ 134,595,576	
Receivables	Increase	2,943,376	
Other current assets	Increase	4,894,877	
Non current assets	Decrease	(6,074,562)	
Capital assets, net	Increase	167,406,934	303,766,201
Accounts Payable	Increase	20,133,770	
Other current liabilities	Decrease	(762,742)	
Current long term debt	Increase	7,251,951	
Long term debt	Increase	150,717,603	
Other non-current liabilities	Decrease	(557,000)	176,783,582
			$ 126,982,619

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table provides a comparative overview of Bexar County's Statement of Net Assets:

Condensed Statement of Net Assets
(Amounts in Thousands)
As of September 30,

	2008 Primary Government			2007 Primary Government		
Assets	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Cash and investments	$ 417,607	$ 18,576	$436,183	$ 293,449	$ 8,138	$301,587
Receivables	30,409	3,259	33,668	27,523	3,202	30,725
Other current assets	3,132	11,628	14,760	2,287	7,577	9,864
Non-current assets	3,590	23,200	26,790	2,657	30,208	32,865
Capital assets, net	688,188	150,067	838,255	516,166	154,682	670,848
Total Assets	1,142,926	206,730	1,349,656	842,082	203,807	1,045,889
Liabilities						
Current:						
Accounts payable	44,840	1,344	46,184	31,792	23	31,815
Other current liabilities	15,405	-	15,405	7,200	-	7,200
Long-term debt	38,734	1,279	40,013	29,560	6,403	35,963
Non-current:						
Long term debt	451,416	92,000	543,416	292,016	100,683	392,699
Other liabilities	705	-	705	1,262	-	1,262
Total Liabilities	551,100	94,623	645,723	361,830	107,109	468,939
Net Assets						
Invested in capital assets, net of debt	471,706	58,217	529,923	370,478	50,249	420,727
Restricted net assets	93,764	17,370	111,134	88,433	8,138	96,571
Unrestricted net assets	26,356	36,520	62,876	21,341	38,311	59,652
	$ 591,826	$112,107	$ 703,933	$ 480,252	$ 96,698	$576,950

During the fiscal year ended September 30, 2008 the County sold $123.7 million of certificates of obligation to provide funding for flood control capital improvement projects. The capital improvements that will develop from the flood investment will become the property of other governmental entities. Additionally the County sold $11.5 million in tax exempt revenue bonds to fund community venue projects. The improvements that will be created from the investment will become the property of non-profit agencies to manage. Table 14 in the Statistical Section show a complete breakdown.

Total assets increased 29% ($304 million) over the prior year. This increase was due to:

- Cash and investments increased $134 million due to the availability of debt proceeds received during the final 60 days of the fiscal year and capital projects had not begun.
- Net capital assets increased $167 million due to the County implementing flood control and facility projects and the Commissioners' Court acceptance of $133.6 million in donated assets (roads and bridges) from developers.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Total liabilities for the current fiscal period increased 37.7% ($177 million) over the prior fiscal period. This increase was primarily due to:

- Long term debt increased $151 million over the previous fiscal period

Revenue Analysis:

For the year ended September 30, 2008, total revenues for the primary government were $605.1 million compared to $496.9 million for the year ending September 30, 2007. Governmental activities provided $579.8 million revenues and the business-type activity provided $25.3 million in 2008 and $473.3 million and $23.6 million respectively in 2007.

Property taxes represented the largest revenue source for the governmental activities for the two periods. The tax rate for fiscal year 2008 was $0.326866 per hundred ($100) dollars of valuation and the tax rate for fiscal 2007 was $0.326866 per hundred ($100) dollars of valuation.

A comparative overview of ad valorem taxes for the current and prior fiscal periods is as follows:

	Year Ended September 30, 2008	Year Ended September 30, 2007
Ad Valorem Tax Revenue	$ 282,013,294	$ 243,432,307
Percentage of Total Revenue	48.64%	51.44%
Appraised Value	$ 96,343,097,746	$ 82,430,267,209
Percent Increase Over Prior Year	16.88%	14.91%
Taxable Value	$ 86,921,985,819	$ 74,916,971,550
Percent Increase Over Prior Year	16.02%	14.40%

Commissioners' Court authorized the ad valorem tax rate for fiscal year 2008 to be maintained at the 2007 level. The appraised values for 2008 increased 16.88% over the level of 2007, and accordingly revenues for ad valorem revenue increased 16%.

Governmental program revenues 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, 2008 and 2007 program revenues for the County were $262,034,088 and $192,248,160, respectively. Program revenue is made up of charges for service and operating and capital grants and contributions. Comparative overviews of these revenues are:

	Year Ended September 30, 2008	Year Ended September 30, 2007
Charges For Services	$ 85,683,154	$85,410,493
Percentage of Total Revenues	14.16%	17.19%
Operating and Capital Grants and Contributions	$176,350,936	$106,837,667
Percentage of Total Revenues	29.14%	21.50%

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following table provides an overview of the changes in net assets for the governmental and business-type activities:

Condensed Statement of Activities
(Amounts in Thousands)
As of September 30,

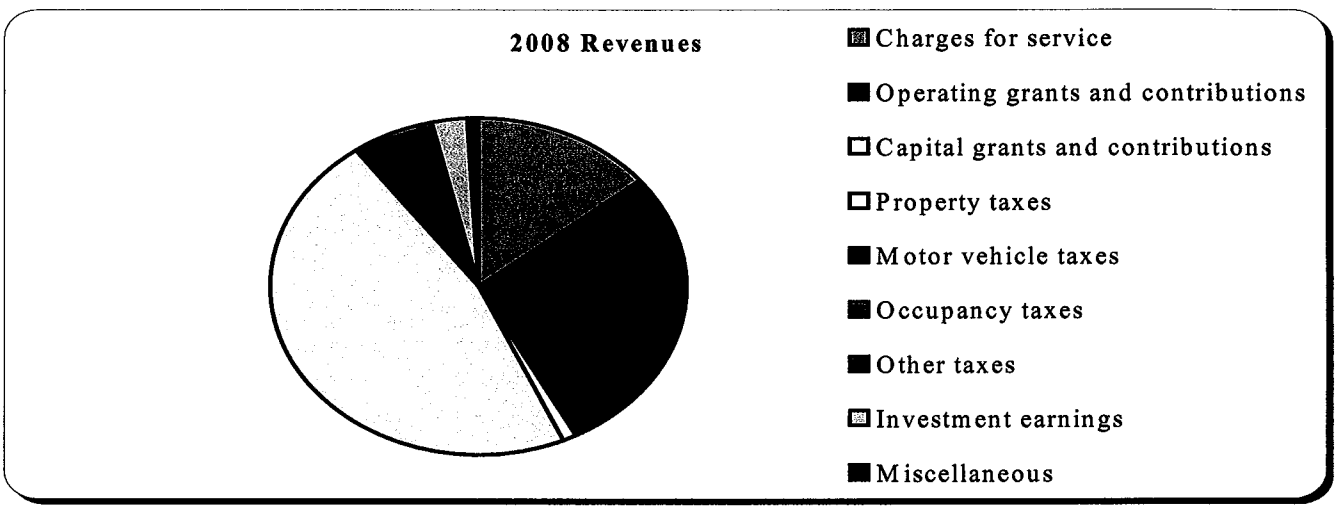
	2008 Primary Government			2007 Primary Government		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Revenues						
Program revenues:						
Charges for service	$ 83,642	$ 2,041	$ 85,683	$ 84,110	$ 1,300	$ 85,410
Operating grants and contributions	169,644	-	169,644	100,707	-	100,707
Capital Grants and contributions	6,707	-	6,707	6,131	-	6,131
General revenues:			-			
Ad valorem taxes	282,013	-	282,013	243,432	-	243,432
Motor vehicle taxes	11,293	7,097	18,390	11,924	6,963	18,887
Other taxes	6,990	13,668	20,658	6,452	12,799	19,251
Investment earnings	15,027	2,464	17,491	14,543	2,585	17,128
Miscellaneous	4,538	-	4,538	5,960	-	5,960
Total Revenues	579,854	25,270	605,124	473,259	23,647	496,906
Expenses						
General government	91,980	-	91,980	70,903	-	70,903
Judicial	79,390	-	79,390	70,394	-	70,394
Public safety	177,888	-	177,888	163,589	-	163,589
Education and recreation	12,434	-	12,434	9,367	-	9,367
Public works	73,060	-	73,060	36,184	-	36,184
Health and public welfare	18,881	-	18,881	15,977	-	15,977
Interest and other charges	14,532	-	14,532	8,668	-	8,668
Unallocated depreciation	115	-	115	115	-	115
Community venue	-	10,132	10,132	-	13,749	13,749
Commissary	-	530	530			
Total Expenses	468,280	10,662	478,942	375,197	13,749	388,946
Chang in Net Assets	111,574	14,608	126,182	98,062	9,898	107,960
Net Assets - Beginning of Period	480,252	97,499	577,751	382,191	86,800	468,991
Net Assets - End of Period	591,826	112,107	703,933	$ 480,253	$ 96,698	$ 576,951

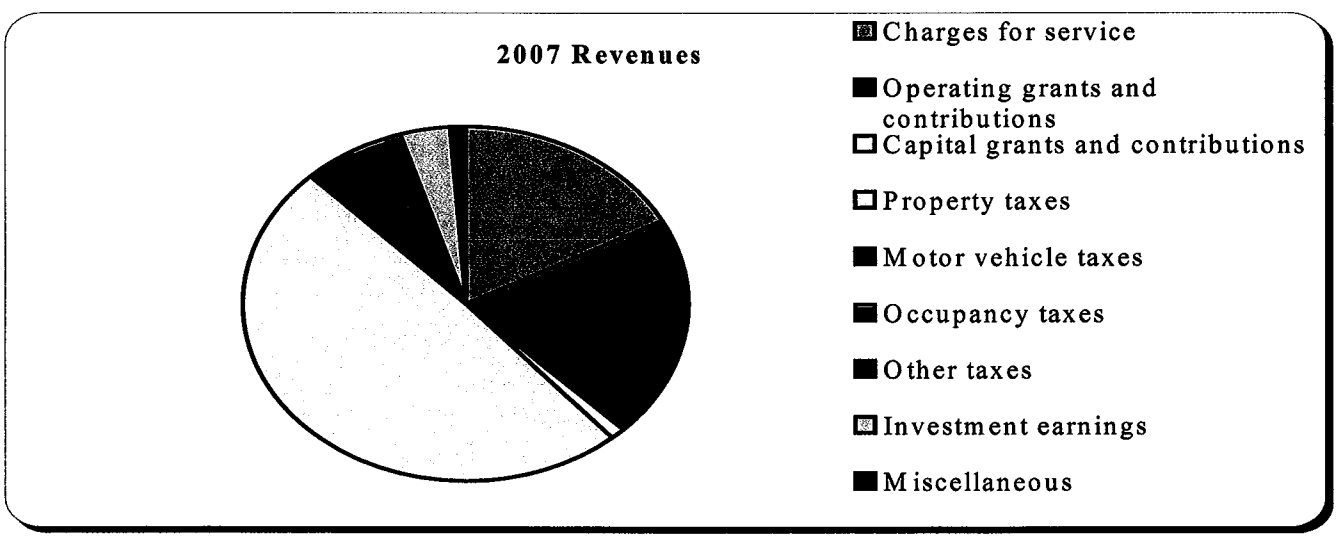
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Revenue Analysis (Continued)

The other material increase in the County's revenue stream resulted from increased grant and contribution activity. During the fiscal period the County was fortunate to receive an additional $2 million in grants that they had not received in the past. In addition the County received $133.6 million in contributed fixed assets (roads and bridges) from developers. The contribution from developers was $63 million more than that received in fiscal 2007.

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





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. General revenues for the primary government increased $38.4 million over the prior fiscal period. This increase is directly attributed to the $39 million increase in ad valorem taxes. The remainder of the revenues remained fairly even.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Expense Analysis

For the year ended September 30, 2008, the function and program costs for the governmental activities were $468.3 million and $10.7 million for the business-type activity. Comparative figures for the prior fiscal year are $375.2 million and $13.7 million, respectively.

Operating expenditures for the Governmental Activities during the fiscal year were $468.3 million, an increase of $93.2 million over the previous fiscal year.

- General government expenses increased $21.1 million. The majority of the increase ($11.5 million) was related to increased costs associated with County-wide, non-departmental expenses (utilities, legal services, legislative services, and County participation in other governmental programs), and $6.5 million was attributed to the accrual of OPEB expense.
- Judicial expenses increased ($9 million) due to the County assuming the duty of Central Magistration ($2.7 million) which had been performed by the City of San Antonio. In addition personnel costs (salary and benefits) were adjusted which provided for an additional $4.7 million increase.
- The expenses to support public safety increased $14.3 million. $10 million was due to personnel costs - salary adjustments and added benefits.
- The expenses for public works increased $36.9 million. This increase was primarily due to the reclassifying of $33.2 million in capital outlay as operating expenses due the fact that the assets being constructed will be dedicated to other governmental entities.

FINANCIAL ANALYSIS OF FUNDS

Governmental Funds

The County's major governmental functions are contained in the General, Debt Service, and Capital Project 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 financing requirements. In particular, unreserved 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, 2008, the County's governmental funds reported combined fund balances of $360.3 million and at September 30, 2007 the County reported $262.4 million, an increase of $97.9 million. The increase in fund balance was due to several factors:

1) Operating expenditures were $79.2 million greater than operating revenues, and
2) Other financing sources provided a net $177.1 million

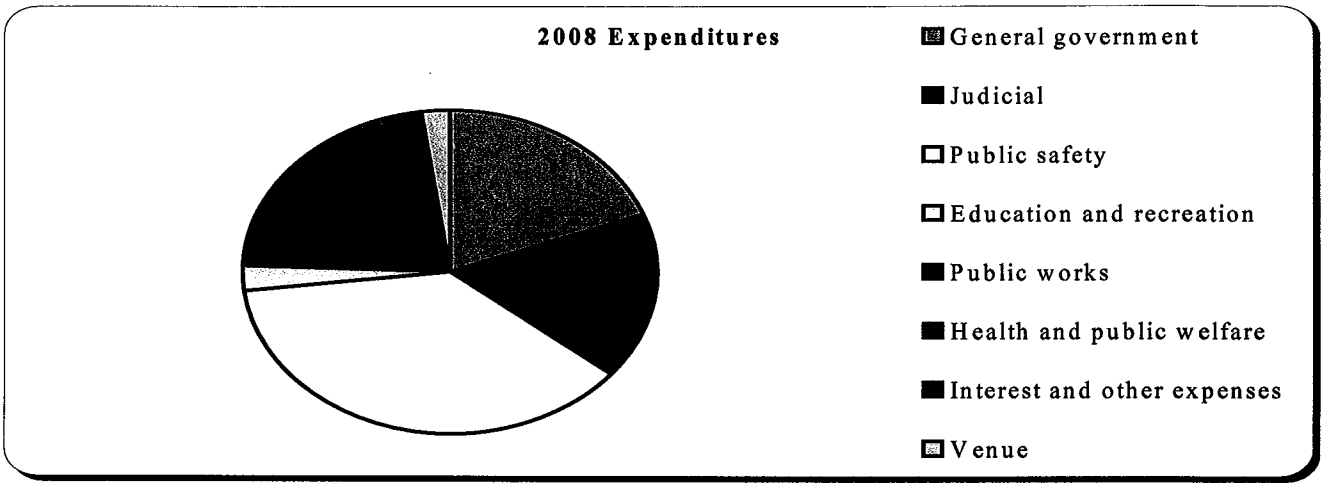
The General Fund experienced a $2.2 million loss for the current fiscal period, but, that was $8 million less than originally expected.

During the fiscal year Capital Project Funds received $176 million in debt proceeds to support the construction and the acquisition of capital assets. At the end of the fiscal year $105 million of the proceeds from the sale of debt was still available to finance projects in the Capital Projects Fund and $122 million was available to finance projects that will be dedicated to other governments.

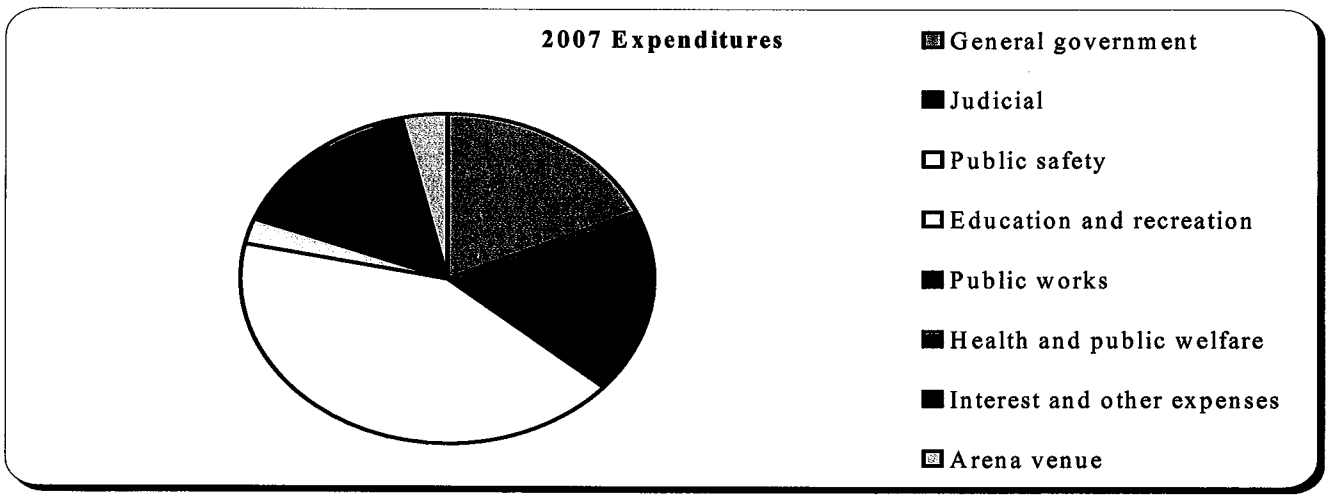
FINANCIAL ANALYSIS OF FUNDS (Continued)

Governmental Funds (Continued)

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



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



FINANCIAL ANALYSIS OF FUNDS (Continued)

Governmental Funds (Continued)

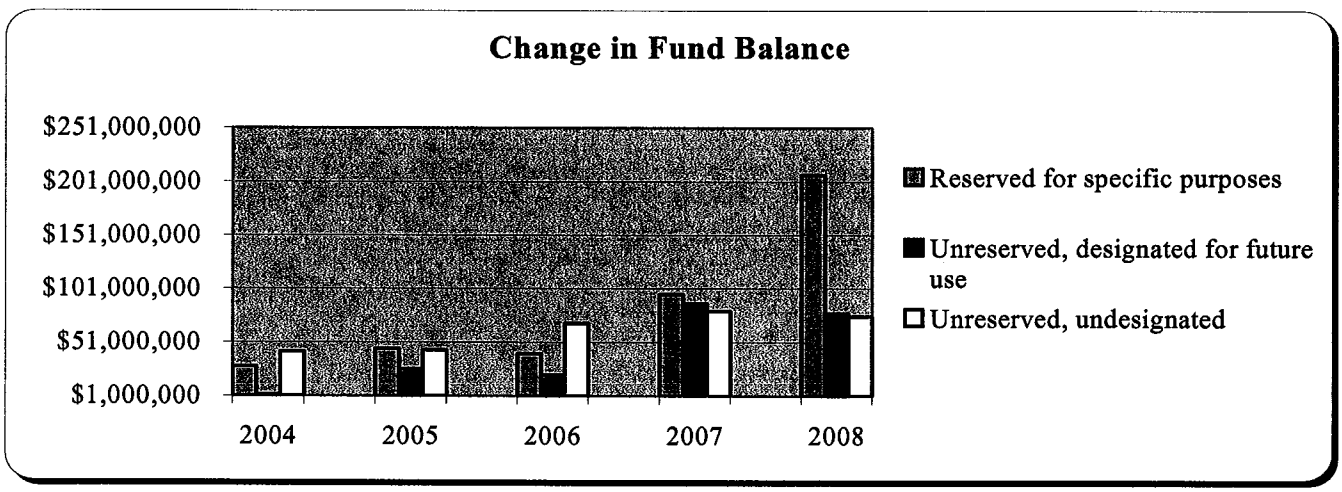
The Debt Service Fund had operating revenues in excess of operating expenditures of $7 million. For fiscal year 2007 the Fund's operating revenues exceeded operating expenditures by $4.5 million.

A comparative analysis of the net change in fund balances for the major funds is set out in the following table:

Net Change Increase (Decrease) In Fund Balance
Year Ended September 30,

Fund	Net Change	2008	2007
General Fund	$ (2,245,766)	$ 51,490,183	$ 53,735,949
Debt Service Fund	9,232,036	47,481,395	38,249,359
Capital Project Fund	90,982,586	230,089,308	139,106,722
Other Major Funds	(52,604)	31,219,058	31,271,662
Total Net Change	$ 97,916,252	$ 360,279,944	$ 262,363,692

Approximately 20.9% of the combined fund balances at September 30, 2008 for the governmental funds constitutes unreserved fund balance as compared to 30.5% at September 30, 2007. The unreserved balances are available to meet the County's current and future needs. The remainder of fund balance is reserved and/or designated to indicate that it is not available for new spending because it has been committed for encumbrances, debt service, long-term receivable, capital expenditures and special revenue funds.



The economy in Bexar County stayed fairly strong during the past fiscal year. Taxable assessed value for 2008 was 16.02% above 2007 ($22 billion). For 2007 the increase in taxable value had been $9.5 billion over the prior year. Due to the consistency in appraised values over the past ten years the Mortgage Bankers Association had described San Antonio as a "benchmark" city by the end of calendar 2008. There was no variance in the General Fund's operating revenue budget between the final and the original.

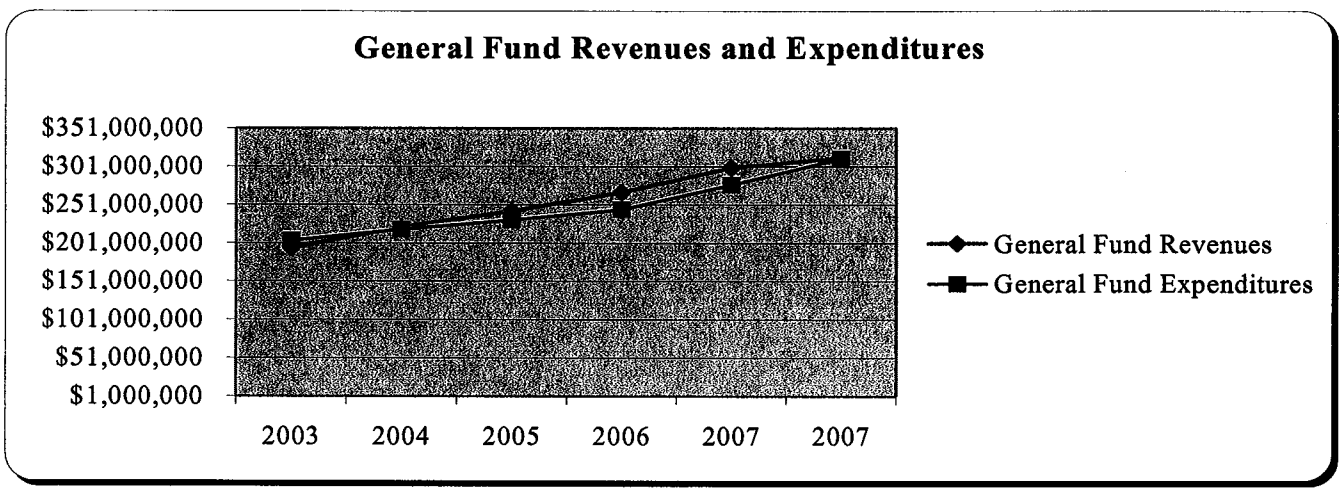
FINANCIAL ANALYSIS OF FUNDS (Continued)

The General Fund

The County did experience a $5.2 million variance (decrease) between final budget and actual revenue for fines, fees and court costs. The 8% increase the County experienced in the previous fiscal year did not materialize, and revenues stayed fairly constant with prior years. The County's actual investment interest was $1.1 million less than the final budget. This was directly related to the average return to the County began to slowly slip during the first six months with a 50% reduction in the final two months.

The General Fund's original operational expenditure budget and the final approved budget reflect a $16.3 million net increase (5.3%). The actual operational expenditures for the General Fund reflect 2.3% less than the final budget, but 3% more ($9 million) than the original budget. $6.9 million of the increase was due to unanticipated increases within the non-departmental category of General Government (utilities, legal assistance, legislative assistance, and County participation with other governmental agencies). The remaining $2.1 million was due to payroll and benefit adjustments throughout the entire County during the fiscal year.

The General Fund is the chief operating fund for the County. At September 30, 2008, the General Fund reported operating revenues of $312.7 million, an increase of $13.1 million over the previous year. The majority of the increase was due to a $15.5 million increase in ad valorem tax revenue.



The variances in the budgets are not expected to have any impact on future services to County constituents or the County's liquidity. An overview of the changes follows:

FINANCIAL ANALYSIS OF FUNDS (Continued)

The General Fund (Continued)

General Fund Budget
Comparative Analysis Original to Final
And
Comparative Analysis of Final Budget to Actual
Year Ended September 30, 2008

Particulars	Original Budget	Final Budget	Variances	Actual Amount	Variances
Revenues:					
Ad valorem taxes	$ 228,593	$ 228,593	$ -	$ 228,787	$ 194
Other taxes	11,340	11,340	-	11,388	48
Intergovernmental	5,698	5,698	-	6,328	630
Court costs and fines	27,899	27,899	-	24,710	(3,189)
Fees	18,460	18,460	-	16,372	(2,088)
Revenue from use of assets	18,394	18,394	-	17,341	(1,053)
Other revenue sources	7,407	7,407	-	7,765	358
	317,791	317,791	-	312,691	(5,100)
Interfund transfers-In	44	44	-	108	64
Total Revenues	$ 317,835	$ 317,835	$ -	$ 312,799	$ (5,036)
Expenditures:					
General government	$ 67,818	$ 78,157	$ 10,339	$ 74,308	$ (3,849)
Judicial	70,077	72,560	2,483	71,148	(1,412)
Public safety	147,633	154,611	6,978	153,581	(1,030)
Education and recreation	3,203	3,412	209	3,282	(130)
Public works	6,237	1,332	(4,905)	1,220	(112)
Health and public welfare	5,670	6,732	1,062	5,978	(754)
Intergovernmental	4,185	4,264	79	4,264	-
	304,823	321,068	16,245	313,781	(7,287)
Contingency	23,914	-	(23,914)	-	-
Interfund transfers-out	5,356	2,447	(2,909)	2,366	(81)
Encumbrances	-	-	-	(1,102)	(1,102)
Total Expenditures	$ 334,093	$ 323,515	$(10,578)	$ 315,045	$ (8,470)

FINANCIAL ANALYSIS OF FUNDS (Continued)

The General Fund (Continued)

A comparative analysis of revenues for 2008 and 2007 to their previous fiscal years reveals the following increases and decreases in revenues:

Net Change Increase (Decrease) In General Fund Revenues
Between the Current Year and the Prior Year
Year Ended September 30,

	2008	2007
Ad valorem taxes	$ 15,493,627	$ 24,679,857
Other, taxes, license, and permits	1,578,096	1,725,877
Intergovernmental	1,047,149	(422,031)
Court costs and fines	(944,075)	3,728,144
Other fees	(1,779,420)	(325,014)
Use of assets	(2,178,137)	4,322,840
Other	(80,946)	(1,729,218)
Total Net Change	**$ 13,136,294**	**$ 31,980,455**

- Ad valorem tax revenue was anticipated to increase 7.3% over the prior fiscal period. The general fund tax rate was reduced in fiscal year 2008 as compared to fiscal year 2007, but the appraised values of property increased and the net taxable value increased 16.02%, allowing for ad valorem taxes to increase 7.3% over the prior year.
- Intergovernmental revenues rose sharply during the fiscal period as compared with the prior period due to recovery of funds ($.7 million) from State Criminal Alien Assistance Program (SCAAP) and a new Equalization Disbursement ($.4 million) from the Task Force on Indigent Defense.
- The initial budget had anticipated an increase in court cost and fine revenue due to the success of the collection department fully implemented in the prior fiscal period. The anticipated 8% increase did not materialize. Revenues remained fairly constant in relationship to cases adjudicated.
- The County's revenue from "other fees" remained fairly constant with the prior year. There were no new fees implemented in 2008.
- The decrease in revenue from the use of assets was anticipated (6%) in the original budget. In the final analysis the decrease was 11.2% from the level of the prior year. This is attributed to the dramatic decline of the short term interest rates in the last six months of the fiscal year.
- Actual realized operating revenues fell short of the anticipated budget by $5.1 million (1.6%) for the fiscal year.

Operating expenditures in the General Fund during the fiscal year were $313.8 million, an increase of $35.2 million over the previous fiscal year.

- The majority of the increase in General Government was $11.3 million related to increased costs associated with County-wide, non-departmental expenses (utilities, legal services, legislative services, and County participation in other governmental programs).
- Judicial expenses increased during the current fiscal period due to the County taking on the duty of Central Magistration ($2.7 million) which had been performed by the City of San Antonio. In addition, personnel costs (salary and benefits) were adjusted which provided for an additional $4.7 million increase.
- The expenditures to support public safety increased $12.1 million over the prior fiscal period. $10 million was due to personnel costs - salary adjustments and added benefits.

FINANCIAL ANALYSIS OF FUNDS (Continued)

The General Fund (Continued)

The General Fund's fund balance was maintained at a respectable 16.4% of expenditures. A comparative analysis of 2008 to 2007 reveals the following increases and decreases in expenditures:

Net Change Increase (Decrease) In General Fund Expenditures
Between the Year Shown and the Prior Year
Year Ended September 30,

	2008	2007
General government	$ 11,348,241	$ 9,077,151
Judicial	7,398,561	4,124,178
Public safety	12,146,510	16,506,035
Education and recreation	83,354	343,986
Public works	239,284	(12,980)
Health and public welfare	1,000,175	910,576
Other	1,873,202	1,220,991
Total Net Change	$ 34,089,327	$ 32,169,937

The Debt Service Fund

The Debt Service Fund accounts for receipts and disbursements of funds related to the County's long-term bonded debt obligations and notes payable. The fund balance at the end of 2008 was $47,481,395 as compared to the fund balance at the end of 2007, $38,249,359. At the end of fiscal year 2008, the fund balance increased $9.2 million. The increase had been anticipated during the budget process due to increased property values and a $1.4 million transfers from other funds.

During the year ended September 30, 2008, the County retired principal on its Governmental Activities' debt of:

Refunding Bonds	$ 8,900,000
General Obligation Bonds	545,000
Certificates of Obligation	5,775,000
Capital Leases	3,358,639
Notes Payable	1,351,938
	$ 19,930,577

Additionally, the County issued debt for Governmental Activities as follows:

General Obligation Bonds	$ 15,205,000
Certificates of Obligation:	
Flood Control	68,975,000
Capital Improvements	54,675,000
Capital Leases	4,719,752
Commercial Paper	32,384,000
	$ 175,958,752

FINANCIAL ANALYSIS OF FUNDS (Continued)

The Debt Service Fund (Continued)

For fiscal year 2009, the County's debt service requirements for the Governmental Activities are $39.2 million - $20.2 million in principle and $19 million in interest. In 2009, the County will be required to retire $3.9 million in capital leases and $929 thousand in notes payable. During the fiscal year ended September 30, 2008 the arbitrage requirement related to investment income from investment of debt proceeds increased by $143,000. Additional information is available to the reader in Note G - Long Term Debt in the Notes to the Financial Statements.

The Community Venue Fund (business activity) accounts for receipts and disbursements on the full accrual basis. The fund balance at the beginning of the fiscal period was $96.7 million and was $ 111.1 million at the end of the fiscal period. The fund began the year with $43.9 million in cash and investments and ended the year with $46.6 million. During the fiscal year ended September 30, 2008 the arbitrage requirement related to investment income from investment of debt proceeds increased by $523,673.

In addition the County retired the outstanding Venue Series 2000 bonds in September 2008 through the use of a refunding issue (Series 2008):

Venue Bonds (Retired):	
Tax-Exempt Venue Bonds	$ 85,180,000
Taxable Venue Bonds	18,155,000
	$ 103,335,000

Accordingly, the County issued a Venue Refunding Bond Series 2008 to replace the Series 2000 retired and issued a new Series 2008 of Venue Bonds to begin the funding of the propositions passed by the voters in May 2008:

Refunding Venue Bonds Issued:	
Tax-Exempt Series A	$ 42,145,000
Taxable Series B	50,810,000
Venue Project Bonds:	
Tax-Exempt Series C	5,525,000
Tax-Exempt Series D	5,985,000
	$ 104,465,000

The bond election in May 2008 authorized the County to issue $415 million in venue bonds to fund some 19 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. Funding for the bonds will be developed from the County Venue Tax (motor vehicle rental tax and the hotel occupancy tax).

The debt requirements for the business-type activities for fiscal year 2009 are $7.2 million - $1.4 million principal and $5.8 million in interest. Additional information is available to the reader in Note G - Long Term Debt in the Notes to the Financial Statements.

The Capital Project Fund

The Capital Project Fund is used to account for receipts and disbursements relating to the acquisition or construction of major capital projects. At the end of fiscal year 2008, the fund balance was $230.1 million and at the end of 2007 the fund balance was $139.1 million. The increase in fund balance ($91 million) represents the net increase of debt proceeds in excess of construction expenditures. During the current fiscal period capital projects received $176 million in direct revenue funding; $138.9 million from the issuance of debt, $32.4 million from the issuance of commercial paper, and $4.7 million from capital leases. There were expenditures of $122.5 million during the current fiscal period. More detailed information concerning capital improvement activity can be evaluated by examining Note A of the Notes to the Financial Statements, and Note E – Capital Assets.

FINANCIAL ANALYSIS OF FUNDS (Continued)

Proprietary Fund

The County accounts for three proprietary funds – two business-type activities (the Sheriff Commissary Fund and the Community Venue 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

The Community Venue Fund currently is the County's only major business-type proprietary fund at September 30, 2008. This fund provides the accounting structure for the construction, improvements, financing, and leasing of the various community projects approved by the voters in the May 2008 election. The fund is also used to account for the resources received to pay off the debt associated with the AT&T arena and debt associated with the bonds approved by the voters in May 2008. The arena has now been open for six years, and is the home for the San Antonio Spurs, the San Antonio Silver Stars, the San Antonio Rampage, and the San Antonio Stock Show and Rodeo. As of September 30, 2008 the Venue Fund's net assets ($111.1 million) is made up of $58.2 million invested in capital assets net of related debt, $17.4 million of restricted net assets and $35.5 million of unrestricted net assets. The change in net assets was $14.4 million from the previous fiscal period.

Non-operating revenues from hotel occupancy and motor vehicle taxes contributed $20.7 million in revenues in the current fiscal year, a $1 million increase over the prior period. The net assets were further augmented by $1.3 million in license fees from the San Antonio Spurs and investment revenue of $2.5 million. Operating expenses for the Community Venue Fund were $113,787 and $4.6 million in depreciation and amortization. Additionally there was $5.4 million in interest expense.

The Commissary Fund

The Commissary Fund is under the oversight of the County Sheriff and for the past several years the program has been leased out to independent third parties to operate. With the election of a new County Sheriff, the decision was made that it was in the best interest of the inmates to bring the Commissary back under the Sheriff's office. 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 Fund. 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.

The fund officially opened July 1, 2008. At September 30, 2008 the Commissary Fund had total net assets of $1 million. Revenues for the period derived from sales were $740,783 and earned from investments was $4,439. Cost of sales for the period was $529,786.

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. For the year ended September 30, 2008, the funds reflected total net assets of $5.4 million as compared to $5 million in the prior fiscal year. Revenues were provided through $39.7 million in premiums, charges for service, sales and other income. Operating expenses for the current fiscal year were $39.3 million. Additional cash flow was provided by investment income of $21,017. The largest expenditure areas were claims paid through self insurance funds of $28 million and $6.5 million accrued for other postemployment benefit liability.

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, 2008, capital assets (net of depreciation) for the governmental activities of the County were $688.2 million and at September 30, 2007 it was $516.2 million. Retirements for the County were $47.3 million and $21.4 million respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

Depreciation on capital assets is recognized in the government-wide financial statements. Depreciation provided for the current fiscal period for the governmental activities was $32.6 million as compared to $27.2 million for the year ended September 30, 2007. At September 30, 2008, the County's governmental activities had $110.9 million invested in ongoing construction in progress compared to $72.2 million at the end of the prior fiscal year. For additional information related to capital asset activity the reader is directed to Note E.

The net investment in capital assets in the County's Business-type activity at September 30, 2008 was $150.1 million, as compared to the investment at September 30, 2007 of $154.7 million. The depreciation provided for the current fiscal year was $4.6 million and $6.9 million for the prior fiscal period.

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

CAPITAL ASSETS

	Original Cost	Accumulated Depreciation	Net Capital Assets
Governmental Activities:			
Land	$ 37,340,183	$ 343,097	$ 36,997,086
Buildings	250,484,344	102,100,751	148,383,593
Machinery and Equipment	73,584,791	40,669,191	32,915,600
Infrastructure	546,257,489	192,576,418	353,681,071
Construction in Progress	116,211,063	-	116,211,063
Totals	1,023,877,870	335,689,457	688,188,413
Business-Type Activities:			
Buildings	176,278,539	26,238,892	150,039,647
Reference library	38,960	11,688	27,272
Equipment	12,174,366	12,174,366	-
Totals	188,491,865	38,424,946	150,066,919
Total Government-wide	$1,212,369,735	$ 374,114,403	$ 838,255,332

Long-Term Debt

At September 30, 2008, the County had total long-term debt and other liabilities outstanding of $576,097,295 as compared to $423,851,838 in the prior year:

	2008	2007
Governmental Activities	$ 483,551,546	$ 317,533,759
Business-Type Activities	92,545,749	106,318,079
	$ 576,097,295	$ 423,851,838

During the current fiscal period the County issued $15.2 million in general obligation bonds and retired $9.4 million in outstanding bonds. The County issued $123.6 million in Certificates of Obligation and retired $5.7 million.

The County retired $16 million of the outstanding $103.3 million in Venue bonds and elected to refund the balance (taxable and tax exempt). In August 2008 the County issued refunding bonds of $92.9 million. In addition the County issued $11.5 million in 2008 Series tax exempt venue bonds to begin the financing of the new community venue projects (see Note G to the Financial Statements).

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Long-Term Debt (Continued)

A comparative analysis of debt requirements for the fiscal years ending September 30, 2008 and 2007 is as follows:

COMPARATIVE ANALYSIS OF LONG TERM DEBT

	Outstanding At September 30,		Amount Due In
	2008	2007	One Year
Governmental Activities:			
Bonds Payable	$103,020,001	$ 97,260,001	$ 9,275,000
Certificates of Obligations	293,835,000	175,960,000	10,885,000
Unamortized Premium and Discount	8,069,172	7,657,015	808,453
Commercial Paper	39,384,000	7,000,000	-
Capital leases	7,087,785	5,726,672	3,905,131
Notes payable	929,461	2,281,399	929,461
Compensated Absences	26,433,153	23,798,395	6,608,289
Deferred Charges and Other	(1,704,651)	(2,149,723)	(276,072)
OPEB Obligation	6,497,625	-	-
Total Governmental Activities	$ 483,551,546	$ 317,533,759	$ 32,135,262
Business-Type Activities:			
Tax Exempt Bonds	$ 53,655,000	$ 85,180,000	$ 430,000
Taxable Bonds	50,810,000	18,155,000	985,000
Unamortized Premium and Discount	(770,557)	2,783,078	(20,916)
Deferred Charges	(11,872,368)	-	(848,027)
Arbitrage Rebate	723,674	200,001	-
Total Business-Type Activities	$ 92,545,749	$ 106,318,079	$ 546,057

Refer to Note G for a detailed breakdown of long-term debt owed by the County. 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 and this ratio is presented in the statistical section of this report.

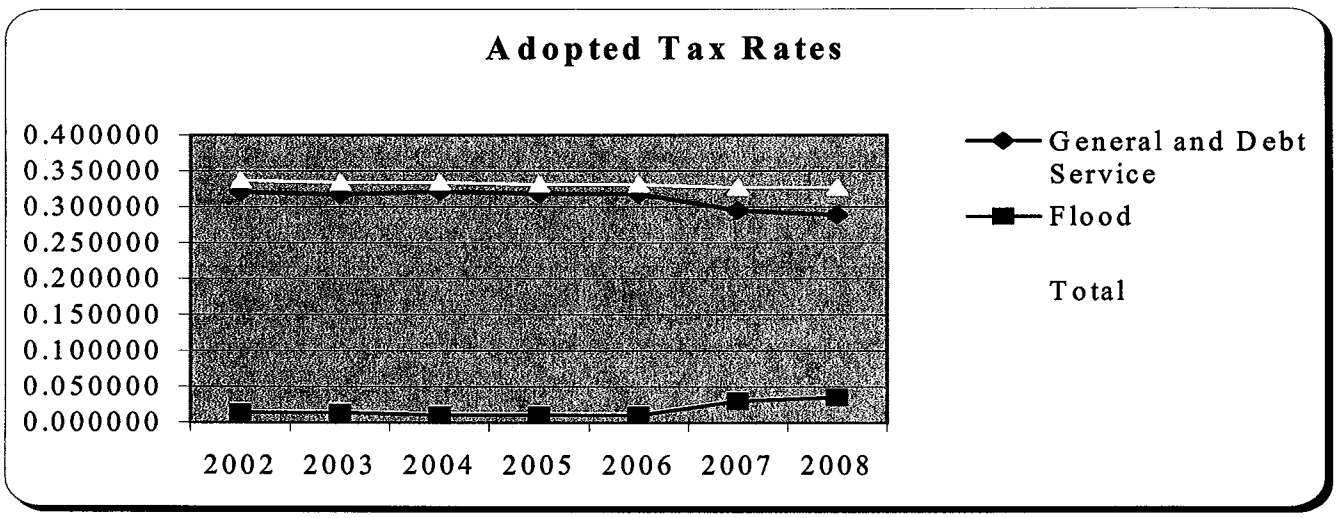
The County is currently in compliance with all required bond covenants. The County continues to enjoy a favorable debt rating. The bond rating services have assigned Bexar County the following long term bond ratings:

- Standard & Poor's Rating Services AA
- Fitch IBCA, Inc. AA+
- Moody's Investor Service, Inc. Aa1

The County issued an additional $32 million in commercial paper during the year. The commercial paper was used to provide interim financing for funding various capital projects until debt instruments could be properly prepared.

ECONOMIC FACTORS

For the fiscal year ending September 30, 2009, the current tax rate was left unchanged at $0.326866 per $100 valuation. It is anticipated that fiscal year 2009 ad valorem tax revenues for the County will increase $25 million (8.9%). There was $281 million collected during fiscal year 2008, an increase of $37.1 million over the prior year. The increase is due to the certified market value of property increasing by $13.9 billion (16.8%) and the adjusted taxable valuation increasing by $12 billion (16%). For the last several years, the County has enjoyed a collection rate for ad valorem taxes in excess of 98%. All other revenue streams for the County are anticipated to remain fairly constant with those that the County has enjoyed for the prior two years.



The Commissioners' Court adopted the County's budget for the fiscal year 2008 – 2009 on September 9, 2008. The budget was adopted based on anticipated resources and estimated uses in fiscal year 2009. The total available resources for all funds are anticipated to be $1.636 billion. This represents a $628 million increase (62%) over the prior period. The majority of the increase is due to anticipated expenditures related to capital outlay ($49.8 million) and capital improvements ($587.2 million). The County anticipates that the majority of these expenditures will be funded with new debt issues and available fund balances.

For the County's General Fund, total operating resources were estimated to be $375.2 million including appropriated fund balance of $49.1 million and total operating expenditures were appropriated at $375.2 million including a contingency allowance established at $20.1 million.

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, 212 Stumberg – Suite 100, San Antonio, Texas 78204.

BASIC FINANCIALS

GOVERNMENT

WIDE

FINANCIAL

STATEMENTS

Bexar County, Texas
STATEMENT OF NET ASSETS
September 30, 2008

	Primary Government			
	Governmental Activities	**Business-Type Activities**	**Total**	**Component Unit**
ASSETS				
Current Assets				
Cash, cash equivalents, and temporary investments	$ 207,209,656	$ 18,575,646	$ 225,785,302	$ 152,132,000
Investments	210,397,557	-	210,397,557	13,156,000
Receivables:				
Delinquent taxes, net of allowance for uncollectible accounts	9,378,705	-	9,378,705	167,135,000
Accounts and other	21,008,216	3,281,645	24,289,861	60,241,000
Internal balances	22,336	(22,336)	-	-
Inventories	358,038	-	358,038	-
Restricted Assets:				
Cash and cash equivalents	-	11,437,262	11,437,262	-
Accrued interest	2,253,546	-	2,253,546	-
Prepaid assets	71,988	-	71,988	25,859,000
Deposits	170,150	-	170,150	-
Deferred charges	277,138	190,314	467,452	-
Total Current Assets	451,147,330	33,462,531	484,609,861	418,523,000
Noncurrent Assets				
Investments	-	-	-	19,090,000
Accounts receivable	-	-	-	18,015,000
Restricted assets:				
Cash and cash equivalents	-	17,814,256	17,814,256	-
Other assets	-	-	-	251,449,000
Deferred charges	3,589,958	5,386,113	8,976,071	917,000
Capital assets:			-	
Land, equipment and construction in progress	153,058,878	-	153,058,878	96,552,000
Other capital assets, net of depreciation	535,129,535	150,066,919	685,196,454	118,440,000
Total Noncurrent Assets	691,778,371	173,267,288	865,045,659	504,463,000
TOTAL ASSETS	$1,142,925,701	$ 206,729,819	$1,349,655,520	$ 922,986,000

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET ASSETS
September 30, 2008

	Primary Government			
	Governmental Activities	**Business-Type Activities**	**Total**	**Component Unit**
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	$ 44,840,069	$ 1,344,425	$ 46,184,494	$ 106,437,000
Due to other governmental units	12,084,101	-	12,084,101	-
Unearned tax revenue	-	-	-	214,173,000
Deferred other revenue	-	-	-	8,569,000
Contract retainage	3,320,694	-	3,320,694	-
Current portion of:				
Long-term liabilities	11,468,881	-	11,468,881	12,062,000
Payable from restricted assets:				
Current portion of long-term debt	20,666,381	546,057	21,212,438	-
Accrued interest payable	6,598,338	732,549	7,330,887	-
Total Current Liabilities	98,978,464	2,623,031	101,601,495	341,241,000
Noncurrent Liabilities				
Long-term liabilities	451,416,284	91,999,692	543,415,976	-
Claims payable	705,000	-	705,000	-
Estimated self-insurance reserves	-	-	-	3,558,000
Total Noncurrent Liabilities	452,121,284	91,999,692	544,120,976	3,558,000
TOTAL LIABILITIES	551,099,748	94,622,723	645,722,471	344,799,000
NET ASSETS				
Invested in capital assets, net of related debt	471,706,192	58,217,572	529,923,764	214,992,000
Restricted for:				
Debt service	48,455,747	17,369,988	65,825,735	-
Grants	9,101,649	-	9,101,649	-
Capital projects	15,479,227	-	15,479,227	-
Health care	-	-	-	272,000
Legislative	20,727,303	-	20,727,303	-
Unrestricted	26,355,835	36,519,536	62,875,371	362,923,000
TOTAL NET ASSETS	$ 591,825,953	$ 112,107,096	$ 703,933,049	$ 578,187,000

The accompanying notes are an integral part of this statement.

Bexar County, TEXAS
STATEMENT OF ACTIVITIES
For Fiscal Year Ended September 30, 2008

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 91,979,961	$ 27,309,879	$ 1,618,364	$ -
Judicial	79,390,023	14,093,877	5,516,970	-
Public safety	177,888,141	27,828,996	15,621,641	658,582
Education and recreation	12,434,366	199,715	1,191,067	-
Public works	73,059,766	13,231,057	133,723,103	6,048,624
Health and public welfare	18,881,286	978,847	11,972,585	-
Interest and other fees	14,532,168	-	-	-
Unallocated depreciation	114,711	-	-	-
Total governmental activities	$ 468,280,422	$ 83,642,371	$ 169,643,730	$ 6,707,206
Business-type activities:				
Venue Fund	10,131,567	1,300,000	-	-
Commissary Fund	529,786	740,783	-	-
Total business-type activities	10,661,353	2,040,783	-	-
Total primary government	$ 478,941,775	$ 85,683,154	$ 169,643,730	$ 6,707,206
Component Unit:				
University Health System	$ 760,029,000	$ 573,022,000		$ (1,286,000)

General revenues:
Taxes:
Property taxes
Flood control taxes
Bingo taxes
Motor vehicle taxes
Occupancy taxes
Mixed drink taxes
Unrestricted investment earnings
Miscellaneous
Total general revenues, special items, and transfers
Change in net assets
Net assets - beginning (restated)
Net assets - ending

The accompanying notes are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Unit
$ (63,051,718)	$ -	$ (63,051,718)	
(59,779,176)	-	(59,779,176)	
(133,778,922)	-	(133,778,922)	
(11,043,584)	-	(11,043,584)	
79,943,018	-	79,943,018	
(5,929,854)	-	(5,929,854)	
(14,532,168)	-	(14,532,168)	
(114,711)	-	(114,711)	
$ (208,287,115)	$ -	$ (208,287,115)	
	(8,831,567)	(8,831,567)	
	210,997	210,997	
	(8,620,570)	(8,620,570)	
$ (208,287,115)	$ (8,620,570)	$ (216,907,685)	
			$ (188,293,000)
$ 255,429,534	$ -	$ 255,429,534	194,071,000
26,583,760	-	26,583,760	-
797,163	-	797,163	-
11,291,934	7,097,116	18,389,050	-
-	13,668,374	13,668,374	-
6,193,140	-	6,193,140	-
15,026,865	2,463,345	17,490,210	24,049,000
4,538,252	-	4,538,252	7,266,000
319,860,648	23,228,835	343,089,483	225,386,000
111,573,533	14,608,265	126,181,798	37,093,000
480,252,420	97,498,831	577,751,251	541,094,000
$ 591,825,953	$ 112,107,096	$ 703,933,049	$ 578,187,000

The accompanying notes are an integral part of this statement.

Bexar County, Texas
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2008

	Major Funds				
	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and temporary investments	$ 55,392,280	$ 3,464,077	$ 98,353,385	$ 33,867,985	$ 191,077,727
Investments	1,417,356	43,893,410	162,734,202	2,352,589	210,397,557
Receivables:					
Taxes, Net	7,860,950	1,123,224	382,440	12,091	9,378,705
Accounts receivable, Net	9,006,572	-	-	1,036,332	10,042,904
Due from other funds	4,008,152	-	59,035	963,092	5,030,279
Advances to other funds	6,321,375	-	-	-	6,321,375
Due from other governmental units	5,619,118	-	3,343,697	1,059,184	10,021,999
Accrued interest	347,635	998,554	354,556	552,801	2,253,546
Deferred charges	10,538	-	-	171	10,709
Deposits	160,150	-	-	-	160,150
TOTAL ASSETS	$ 90,144,126	$ 49,479,265	$ 265,227,315	$ 39,844,245	$ 444,694,951
LIABILITIES					
Vouchers payable	$ 8,610,094	$ 216,737	$ 17,896,329	$ 3,799,093	$ 30,522,253
Accrued interest payable	-	806,781	-	-	806,781
Accrued liabilities	6,944,685	-	1,238,934	933,118	9,116,737
Due to other funds	1,222,442	-	1,146,557	2,946,391	5,315,390
Advances from other funds	-	-	5,561,375	650,000	6,211,375
Due to other governmental units	6,152,118	-	5,647,396	284,587	12,084,101
Deferred revenues	15,724,604	974,352	326,722	11,998	17,037,676
Contract retainage payable	-	-	3,320,694	-	3,320,694
TOTAL LIABILITIES	38,653,943	1,997,870	35,138,007	8,625,187	84,415,007
FUND BALANCE					
Reserved for:					
Encumbrances	1,102,382	-	152,534,699	5,426,779	159,063,860
Debt service	-	47,481,395	-	-	47,481,395
Employment visa	2,416	-	-	-	2,416
Long-term receivable	285,253	-	554,965	-	840,218
Unreserved, Designated for:					
Capital expenditures	-	-	76,999,644	-	76,999,644
Special revenue funds	-	-	-	679,068	679,068
Unreserved, reported in:					
General fund	50,100,132	-	-	-	50,100,132
Special revenue fund	-	-	-	25,113,211	25,113,211
TOTAL FUND BALANCES	51,490,183	47,481,395	230,089,308	31,219,058	360,279,944
TOTAL LIABILITIES AND FUND BALANCES	$ 90,144,126	$ 49,479,265	$ 265,227,315	$ 39,844,245	$ 444,694,951

The accompanying notes are an integral part of this statement.

Bexar County, Texas
Reconciliation of Balance Sheet - Governmental Funds to
Statement of Net Assets
September 30, 2008

Total Fund Balances--Governmental Funds		$ 360,279,944
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		688,123,116
Certain receivables are not available and, therefore, are deferred in governmental funds.		8,796,003
Certain receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		8,241,673
Internal service funds are used by the County's management for self insurance, fleet maintenance, and records management. The assets and liabilities of the funds are included with governmental activities in the Statement of Net Assets but are not included at the fund level.		5,374,308
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	(396,855,001)	
Capital leases	(7,087,785)	
Commercial paper	(39,384,000)	
Notes	(929,461)	
Deferred charge on refunding (to be amortized as interest expense)	1,877,651	
Deferred charge for issuance cost (to be amortized as interest expense)	3,856,387	
Issuance premium (to be amortized as interest expense)	(8,131,660)	
Issuance discount (to be amortized as interest expense)	62,488	
Accrued interest	(5,791,557)	
Arbitrage rebate	(173,000)	
Compensated absences	(26,433,153)	
		(478,989,091)
Total Net Assets--Governmental Activities		$ 591,825,953

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, 2008

	Major Funds				
	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Ad valorem taxes	$228,787,319	$ 36,316,007	$ 16,157,228	$ 2,836	$ 281,263,390
Other taxes, licenses, and permits	11,388,377	-	4,214,327	164,304	15,767,008
Intergovernmental revenue	6,327,669	-	1,743,742	29,037,795	37,109,206
Court costs and fines	24,709,816	-	-	5,563,374	30,273,190
Fees on motor vehicles	5,281,979	-	12,291,787	8,012,354	25,586,120
Other fees	11,089,848	-	-	5,456,257	16,546,105
Commissions from governmental units	3,369,191	-	-	-	3,369,191
Revenues from use of assets	17,340,769	5,820,308	2,121,659	2,124,789	27,407,525
Sales, refunds and miscellaneous	4,395,775	-	2,045,113	2,508,497	8,949,385
TOTAL REVENUES	312,690,743	42,136,315	38,573,856	52,870,206	446,271,120
EXPENDITURES					
Current					
General government	69,881,291	-	1,346,388	5,903,069	77,130,748
Judicial	71,133,334	-	7,701	4,792,962	75,933,997
Public safety	153,089,321	-	3,256,164	16,206,677	172,552,162
Education and recreation	6,794,790	-	2,482,812	2,944,644	12,222,246
Public works	1,139,642	-	36,255,486	11,914,666	49,309,794
Health and public welfare	6,638,246	-	-	12,185,319	18,823,565
Capital expenditures	422,213	-	79,173,739	1,150,877	80,746,829
Debt Service:					
Principal	3,358,639	16,571,938	-	-	19,930,577
Interest	221,024	12,062,833	-	-	12,283,857
Bond issuance cost	-	1,329,858	-	-	1,329,858
Debt service SARA	-	5,200,000	-	-	5,200,000
TOTAL EXPENDITURES	312,678,500	35,164,629	122,522,290	55,098,214	525,463,633
Excess (deficiency) of revenues over expenditures	12,243	6,971,686	(83,948,434)	(2,228,008)	(79,192,513)
OTHER FINANCING SOURCES (USES)					
Interfund transfers in	107,790	1,399,921	-	2,378,675	3,886,386
Interfund transfer out	(2,365,799)	-	(1,317,316)	(203,271)	(3,886,386)
Issuance of capital lease	-	-	4,719,752	-	4,719,752
Issuance of commercial paper	-	-	32,384,000	-	32,384,000
Issuance of long term debt	-	-	138,855,000	-	138,855,000
Premium on bond issues	-	860,429	289,584	-	1,150,013
TOTAL OTHER FINANCING SOURCES (USES)	(2,258,009)	2,260,350	174,931,020	2,175,404	177,108,765
Net change in fund balances	(2,245,766)	9,232,036	90,982,586	(52,604)	97,916,252
FUND BALANCE - beginning as restated (see Note V)	53,735,949	38,249,359	139,106,722	31,271,662	262,363,692
FUND BALANCE - ending	$ 51,490,183	$ 47,481,395	$230,089,308	$ 31,219,058	$ 360,279,944

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
September 30, 2008

Net Change in Fund Balances--Total Governmental Funds		$ 97,916,252
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.		80,746,829
Depreciation expense for capital assets that is allocated over their estimated useful lives.		(32,577,027)
Capital asset donations		133,657,591
The net effect of sales and contributions of capital assets is to decrease net assets.		(9,870,286)
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 assets. Also, governmental funds report the effect of issuance costs, 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	(15,205,000)	
Certificates of obligation	(123,650,000)	
Capital leases	(4,719,752)	
Commercial paper	(32,384,000)	
Premiums	(1,150,013)	
Issuance costs	1,200,016	(175,908,749)
Repayments:		
To paying agent for bond principal	15,220,000	
Capital leases	3,358,639	
Notes	1,351,938	
		19,930,577
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 arbitrage	(143,000)	
Accrued interest on debt	(2,347,240)	
Amortization of debt premium	742,022	
Amortization of deferred charges	(302,072)	
Amortization of discounts	(4,166)	
Amortization of issuance costs	(207,013)	
Compensated absences	(2,634,758)	
		(4,896,227)
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 revenues increased by this amount in the current period.		2,180,485
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 internal service funds is reported with governmental activities.		394,088
Change in Net Assets of Governmental Activities		$ 111,573,533

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2008

	Business-Type Activities			Governmental Activities
	Major Fund	Non Major Fund		
	Community Venue Fund	Sheriff's Commissary Fund	Total Business-Type Activities	Internal Service Funds
ASSETS				
Current assets:				
Cash, cash equivalents, and temporary investments	$ 17,369,988	$ 1,205,658	$ 18,575,646	$ 16,131,929
Receivables:				
Accounts	-	-	-	943,598
Due from other funds	285	-	285	746,677
Due from other governmental units	3,281,360	-	3,281,360	-
Inventories	-	-	-	358,035
Restricted Assets:			-	
Cash and cash equivalents	11,437,262	-	11,437,262	-
Deposits	-	-	-	10,000
Prepaid insurance	-	-	-	71,988
Deferred charges	190,314	-	190,314	-
TOTAL CURRENT ASSETS	32,279,209	1,205,658	33,484,867	18,262,227
Noncurrent Assets:				
Deferred charges	5,386,113	-	5,386,113	-
Restricted Assets:			-	
Cash and cash equivalents	17,814,256	-	17,814,256	-
Capital assets:			-	
Buildings and improvements	176,278,539	-	176,278,539	-
Equipment	12,174,366	-	12,174,366	68,737
Reference library	-	38,960	38,960	-
Less: Accumulated depreciation	(38,413,258)	(11,688)	(38,424,946)	(3,437)
TOTAL NONCURRENT ASSETS	173,240,016	27,272	173,267,288	65,300
TOTAL ASSETS	$ 205,519,225	$ 1,232,930	$ 206,752,155	$ 18,327,527

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2008

	Business-Type Activities			Governmental Activities
	Major Fund	Non Major Fund		
	Community Venue Fund	Sheriff's Commissary Fund	Total Business Type Activities	Internal Service Funds
LIABILITIES				
Current Liabilities:				
Accounts payable	$ -	$ 9,977	$ 9,977	$ -
Vouchers payable	7,550	197,915	205,465	52,959
Claims payable	-	-	-	3,758,550
Accrued liabilities	1,120,202	8,781	1,128,983	1,389,570
Due to other funds	22,336	-	22,336	439,515
Payable from restricted assets:			-	
Accrued interest payable	732,549	-	732,549	-
Revenue bonds payable	546,057	-	546,057	-
TOTAL CURRENT LIABILITIES	2,428,694	216,673	2,645,367	5,640,594
Noncurrent Liabilities:				
Advances from other funds	-	-	-	110,000
Revenue bonds payable	91,276,018	-	91,276,018	-
Claims payable	-	-	-	705,000
OPEB obligation	-	-	-	6,497,625
Arbitrage rebate payable	723,674	-	723,674	-
TOTAL NONCURRENT LIABILITIES	91,999,692	-	91,999,692	7,312,625
TOTAL LIABILITIES	94,428,386	216,673	94,645,059	12,953,219
NET ASSETS				
Invested in capital assets, net of related debt	58,217,572	-	58,217,572	-
Restricted for debt service and construction	17,369,988	-	17,369,988	-
Unrestricted	35,503,279	1,016,257	36,519,536	5,374,308
TOTAL NET ASSETS	$ 111,090,839	$ 1,016,257	$ 112,107,096	$ 5,374,308

The accompanying notes are an integral part of this statement.

Bexar County, Texas
Statement of Revenues, Expenses, and Changes in Fund Net Assets
All Proprietary Funds
For Fiscal Year Ended September 30, 2008

	Business-Type Activities			Governmental Activities
	Major Fund	Non Major Fund		
	Community Venue Fund	Sheriff's Commissary Fund	Total Business-Type Activities	Internal Service Funds
OPERATING REVENUES				
Premiums	$ -	$ -	$ -	$ 38,372,451
Records management storage fees	-	-	-	411,283
Commissary sales	-	740,783	740,783	-
Fleet maintenance sales	-	-	-	611,489
License fee	1,300,000	-	1,300,000	-
Other income	-	-	-	294,264
TOTAL OPERATING REVENUES	1,300,000	740,783	2,040,783	39,689,487
OPERATING EXPENSES				
Administrative fees	6,500	-	6,500	2,272,539
Claims expense	-	-	-	27,996,592
Insurance expense	-	-	-	1,367,850
OPEB costs	-	-	-	6,497,625
Personnel costs	88,183	116,972	205,155	860,809
Rent and utilities	418	-	418	51,326
Purchased services	14,627	349,713	364,340	205,154
Supplies	4,059	61,153	65,212	31,221
Repairs and maintenance	-	-	-	29,863
Depreciation and amortization	4,642,742	1,948	4,644,690	3,437
TOTAL OPERATING EXPENSES	4,756,529	529,786	5,286,315	39,316,416
Net operating income (loss)	(3,456,529)	210,997	(3,245,532)	373,071
NON-OPERATING REVENUES (EXPENSES)				
Hotel occupancy tax	13,668,374	-	13,668,374	-
Motor vehicle tax	7,097,116	-	7,097,116	-
Investment income	2,458,906	4,439	2,463,345	21,017
Interest expense	(5,375,038)	-	(5,375,038)	-
TOTAL NON-OPERATING REVENUES	17,849,358	4,439	17,853,797	21,017
Change in Net Assets	14,392,829	215,436	14,608,265	394,088
Net Assets at beginning of year	96,698,010	800,821	97,498,831	4,980,220
Net Assets at end of year	$ 111,090,839	$ 1,016,257	$ 112,107,096	$ 5,374,308

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, 2008

	Business-Type Activities			Governmental Activities
	Major Fund	Non Major Fund		
	Community Venue Fund	Sheriff's Commissary Fund	Total Business-Type Activities	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for premiums	$ -	$ -	$ -	$ 38,700,342
Cash received for fleet maintenance services	-	-	-	611,487
Cash received for parking	-	-	-	3,520
Cash received for records management storage	-	-	-	411,283
Cash received for commissary sales	-	740,783	740,783	-
Cash received for license fee	1,300,000	-	1,300,000	-
Receipts from other funds	-	-	-	(718,885)
Payments to other funds	22,336	-	22,336	411,612
Payments to suppliers	(25,756)	(452,479)	(478,235)	(4,773,633)
Payments to employees for services	(81,163)	(109,111)	(190,274)	(856,409)
Claims paid	-	-	-	(27,697,961)
Net cash provided for operating activities	1,215,417	179,193	1,394,610	6,091,356
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes received	20,686,001	-	20,686,001	-
Net cash provided by noncapital financing activities	20,686,001	-	20,686,001	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on long-term debt	(16,015,000)	-	(16,015,000)	-
Advance refundings of long-term debt	(100,085,696)	-	(100,085,696)	-
Proceeds from long-term debt	103,694,443	-	103,694,443	-
Interest payments on long-term debt	(5,410,351)	-	(5,410,351)	-
Interest earned and payable as arbitrage	523,673	-	523,673	-
Bond issuance costs	(4,478,943)	-	(4,478,943)	-
Purchase of capital assets	-	-	-	(68,737)
Net cash used for capital and related financing activities	(21,771,874)	-	(21,771,874)	(68,737)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	2,555,906	4,439	2,560,345	21,017
Net cash provided by investing activities	2,555,906	4,439	2,560,345	21,017
Net increase in cash and cash equivalents	2,685,450	183,632	2,869,082	6,043,636
Cash and cash equivalents--beginning of year	43,936,056	1,022,026	44,958,082	10,088,293
Cash and cash equivalents--end of year	$ 46,621,506	$ 1,205,658	$ 47,827,164	$ 16,131,929

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, 2008

	Business-Type Activities			Governmental Activities
	Major Fund	Non Major Fund		
	Community Venue Fund	Sheriff's Commissary Fund	Total Business-Type Activities	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided for operating activities:				
Operating income (loss)	$ (3,456,529)	$ 210,997	$ (3,245,532)	$ 373,071
Adjustments to reconcile operating income (loss) to net cash provided for operating activities:				
Amortization expense	-	-	-	-
Depreciation expense	4,642,742	1,948	4,644,690	3,437
Change in net assets and liabilities:				
Decrease in inventories	-	-	-	11,549
Increase in accounts receivable	-	-	-	(608,815)
Increase in due from other funds	(285)	-	(285)	(746,677)
Increase in prepaid insurance	-	-	-	(4,620)
Increase (Decrease) in vouchers and accounts payable	7,550	(41,613)	(34,063)	(23,874)
Increase (Decrease) in accrued liabilities	(397)	7,861	7,464	5,703,284
Increase in due to other funds	22,336	-	22,336	450,238
Increase in claims payable	-	-	-	910,508
Decrease in due from other governmental units	-	-	-	23,255
Net cash provided for operating activities	$ 1,215,417	$ 179,193	$ 1,394,610	$ 6,091,356
Reconciliation of cash and cash equivalents on Statement of Cash Flows to Statement of Net Assets				
Cash and temporary investments	$ 17,369,988	$ 1,205,658	$ 18,575,646	$ 16,131,929
Restricted cash and cash equivalents	29,251,518	-	29,251,518	-
Cash and cash equivalents	$ 46,621,506	$ 1,205,658	$ 47,827,164	$ 16,131,929

Noncash operating, capital and related financing activities:
Depreciation expense - $4,648,127

The accompanying notes are an integral part of this statement.

Bexar County, Texas
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
September 30, 2008

	Total
ASSETS	
Cash and temporary investments	$ 64,166,729
Accounts receivable	104,062
Due from other governmental units	373,822
TOTAL ASSETS	$ 64,644,613
LIABILITIES	
Vouchers payable	$ 497,542
Accrued liabilities	3,157,148
Due to participants	23,586,482
Due to other governmental units	37,403,441
TOTAL LIABILITIES	$ 64,644,613

The accompanying notes are an integral part of this statement.

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NOTES TO FINANCIALS

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 Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The underlying concept of GASB Statement No. 14 is that elected officials are "accountable" to their constituents for their actions. One of the objectives of this concept is to provide users of governmental financial statements with a basis for assessing the accountability of those elected officials. Accordingly, the definition of the financial reporting entity is based on accountability. GASB Statement No. 39 amends GASB Statement No. 14 to provide guidance to determine if certain organizations for which the primary government is not financially accountable should be reported as component units based upon the nature and significance of the relationship with the primary government.

The financial reporting entity consists of: (a) the primary government, (b) blended component units, which are legally separate organizations for which the County is financially accountable, and (c) a discretely presented component unit, which the nature and significance of the relationship with the County is such that exclusion from the reporting entity's financial statements would be misleading or incomplete.

Using the criteria of GASB Statements Nos. 14 and 39, potential component units were evaluated for inclusion or exclusion in the reporting entity and further evaluated for financial statement presentation. Due to the closeness of the relationships with the County, some component unit financial statements were blended as though they are part of the County's operations, and one was discretely presented.

Blended with the Primary Government The relationship between the following component units and the County meet the criteria, as set forth in GASB Statement No.14, for inclusion as part of the Reporting Entity and is such that the financial statements are blended as governmental fund types with those of the County.

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.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. The Reporting Entity (Continued)

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.

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.

Separate, audited financial statements for these corporations are available from the County Auditor's Office, 212 Stumberg, Suite 100, San Antonio, Texas 78204.

Discretely Presented Component Unit The relationship between the following component unit and the County is such that it meets the criteria, as set forth in GASB Statement No. 14, for inclusion as a discretely presented component unit in the reporting entity:

University Health 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 Center Downtown, University Family Health Center-Southwest, University Family Health Center-Southeast, University Family Health Center-Basse, University Center for Community Health 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.

Commissioners' Court appoints members of the System's Board of Managers. The System is partially supported by a County-wide ad valorem tax. The County also approves the System's annual budget. The System's financial information presented in the government-wide financial statements is as of, and for the year ended, December 31, 2007, which is the latest, audited System financial information available.

It is management's belief that to exclude essential disclosures from the County's financial statements as they pertain to the System would be misleading. The System has been identified as a significant discretely presented component unit as it relates to the primary government. Therefore, relevant disclosures have been included in the County's financial statements. 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)

2. Government-wide Financial Statements

Government-wide financial statements consist of the Statement of Net Assets 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 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, and interest expense, which are classified as nonoperating revenues and expenses.

The effect of interfund activity has 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 current liabilities 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 fund 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 liabilities (whether current or non-current) associated with their activity are included in the funds' statement of net assets. 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Level Financial Statements (Continued)

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, liabilities, fund equity, revenues and expenditures or expenses. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter 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 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

Enterprise Fund
The 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 (see note G, page 67). As a result, numerous sports and tourist related facilities will be constructed through-out the County in the future. The tax revenues and construction cost will be recorded in the 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 fund include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenue and expenses.

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 self-insurance 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 148.

The County also uses various special revenue funds to account for the proceeds of specific revenue sources for specified purposes. A complete description of the County's special revenue funds can be found on page 99.

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 153.

The System

For purposes of display, transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as revenues and expenses. Operating revenues include those generated from direct patient care and related support services. Non-operating revenues include those generated from property taxes, investment income, and proceeds from the tobacco settlement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Budget

Primary Government

Annual budgets are legally approved and adopted for the general, special revenue, and debt service funds. 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 within the Capital Project Fund are project oriented rather than by period. Therefore, project-length budgets are adopted based on resource allocation, and appropriations at the 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 unrestricted 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 unused portion of the revenue and expenditure line items are closed to budgetary fund balance.

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

5. Proprietary Fund Accounting

Primary Government

The County has implemented GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.*

Pursuant to this statement, the County has elected to apply only FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with or contradict GASB Pronouncements for its business-type activities and enterprise fund included in the government-wide financial statements.

The System

Pursuant to GASB Statement No. 20, the System has elected not to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board issued after November 30, 1989.

6. Implementation of New Standards

Primary Government

In the current year, the County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* which establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. Complete OPEB information can be found in footnote R on page 77.

Additionally, the County implemented GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenue* which establishes criteria that governments will use to ascertain whether certain transactions should be regarded as sales or collateralized borrowings and GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations,* which provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. Neither of these Statements required reporting or disclosures in the financial statements of the County.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Implementation of New Standards (Continued)

The County implemented GASB Statement No. 50,*Pension Disclosures,* which modifies requirements related to finaincial reporting pension plans and by employers that provide defined benefit pensions.

The County will implement the following standards in future years if they are applicable to the County.

The GASB has issued Statement No. 51, "*Accounting and Financial Reporting of Intangible Assets.*" This statement establishes accounting and financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

The GASB has issued Statement No. 52, "*Land and Other Real Estate Held as Investments by Endowments.*" This Statement establishes standard for accounting and financial reporting for land and other real estate held as investments by endowments. It applies to all state and local governments and is effective for accounting periods beginning after June 15, 2008. As of September 30, 2008, the County holds no real estate as an investment.

The GASB has issued Statement No. 53, "*Accounting and Financial Reporting for Derivative Instruments.*" *This* Statement is intended to improve how state and local governments report information about derivative instruments—financial arrangements used by governments to manage specific risks or make investments—in their financial statements. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2009.

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. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. Temporary investments consist of U.S. Treasury notes and funds invested in local government investment pools. Such temporary investments are stated at 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.*

The System

The System considers all highly liquid investments with original maturities of less than 90 days to be cash equivalents. Cash and cash equivalents at year-end include demand deposits, as well as direct and indirect obligations of the U.S. government, bankers' acceptances, and commercial paper. All demand deposits are collateralized with securities held in safekeeping at the Federal Reserve Bank in the name of the System. All cash equivalents are registered in the name of the System.

8. Long-term Investments

Primary Government and the System

Long-term investments are stated at fair value which is based on quoted market prices.

9. 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.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Restricted Assets and Liabilities

Primary Government

Certain proceeds of the revenue bonds issued for the County's enterprise fund, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Assets 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.

The System

Designated net assets includes assets set aside by the Board of Managers for future capital improvements, future contingencies (reserve fund), and assets held by trustees under self-insurance trust arrangements.

11. 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. Capital assets are valued at cost, when historical records are available, and at an estimated historical cost when no records exist. Donated capital assets are valued at their estimated fair market value on the date received.

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:

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Capital Assets (Continued)

The System

The System records capital assets at cost and provides for depreciation of capital assets by charging against current operations amounts sufficient to amortize the cost of properties over their estimated useful lives. The System's policy is to capitalize assets greater than $5,000. Depreciation is computed using the straight-line method. The System uses American Hospital Association guidelines in establishing useful lives, which generally fall within the following ranges:

Land improvements	5–15 years
Building and improvements	10–30 years
Equipment	5–15 years

Amounts, which materially extend useful lives or increase values or capabilities, are capitalized; whereas routine maintenance, repair, and replacement costs are charged against current income.

12. Compensated Absences

Primary Government

The County allows employees to accumulate compensatory time, vacation, and sick leave with certain limitations. At September 30, 2008, the accumulated compensated absences amount to $26,433,153. 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 Assets as a liability for compensated absences.

The System

At December 31, 2007, the accumulated vacation, sick pay, and other leave benefits amount to $12,062,000. These amounts will be liquidated in future years. Accumulated leave is reported in the government-wide Statement of Net Assets as a liability for compensated absences.

13. Property Taxes

Primary Government

Property taxes for the County and the Flood Control District 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 revenue at the governmental fund level.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Property Taxes (Continued)

The System

As provided under State law, the Commissioners' Court of Bexar County levies a tax for the System 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 taxes are levied and become collectible from October 1 to January 31 of the succeeding year. The taxes are based on the assessed values listed as of the prior January 1, which is the date a lien attaches to the taxable property. Current taxes receivable and deferred revenue represent the current year's tax levy, net of assessment fee, collection fee, and an allowance for uncollectible amounts. Property taxes collected in advance of the year for which they are levied are recorded as deferred revenue and recognized as revenue in the year for which they are levied.

NOTE B – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Primary Government

As of September 30, 2008, the carrying amount of the County's cash and cash equivalents is:

Cash in Bank	$ 170,211,158
Logic	25,812
Texpool	84,025,737
TexStar	64,940,842
Total	$ 319,203,549

Local government investment pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Local government investment pools use amortized cost rather than fair value to report net assets to compute share prices. Accordingly, the fair value of the position in the local government investment pools is the same as the value of the local government investment shares.

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 collaterize deposits at 105% of the deposit amount. As of September 30, 2008, the County's bank balances in excess of federal depository insurance were fully collateralized.

NOTE C – LONG-TERM 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 deposit 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 Investment Act.

NOTE C – LONG-TERM INVESTMENTS (Continued)

Primary Government (Continued)

As of September 30, 2008, the County had the following investments at fair value:

FHLB	$ 95,575,134
FREDN	16,860,114
FHLMC	28,348,855
FNMA	21,866,122
FNMDN	19,893,553
Commercial Paper	27,853,779
Total	$ 210,397,557

As of September 30, 2008, 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)	$ 95,575,134	0.3998	26.59%
Federal Home Loan Mortgage Corporation Discount Note (FREDN)	16,860,114	0.2674	4.69%
Federal Home Loan Mortgage Corporation Note (FHLMC)	28,348,855	0.5832	7.89%
Federal National Mortgage Association Note (FNMA)	21,866,122	0.6054	6.08%
Federal National Mortgage Association Discount Note (FNMDN)	19,893,553	0.1274	5.54%
Commercial Paper:			
(Toyota Mtr Corp)	11,944,300	0.0973	3.32%
(American Express Card)	5,952,750	0.1945	1.66%
(General Electric)	9,956,729	0.0201	2.77%
Investment Pools	148,992,392	0.1627	41.46%
Total fair value	$ 359,389,949		100.00%
Portfolio weighted average maturity		0.2794	

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 2 years. In addition, the timing of maturities are 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. As of September 30, 2008, the published ratings on FHLB, FREDN, FHLMC, FNMA and FNMDN instruments were Aaa by Moodys and AAA by Standard & Poors. Investments in commercial paper were each rated A-1+ by Moodys and P-1 by Standard and Poors. Texpool and Texstar are rated AAAm; Logic is rated AAA.

NOTE C – LONG-TERM INVESTMENTS (Continued)

Primary Government (Continued)

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 table on previous page shows the percentage of concentration risk for each investment type. The following investments comprise more than 5% of the fair value of the County's total portfolio: FHLB (26.59%), FHLMC (7.89%), FNMA (6.08%) and FNMDN (5.54%).

The System

The disclosures required under GASB Statement No. 40, Deposit and Investment Risk Disclosures, for University Health System are reflected below. Separate financial statements of the Plan include applicable investment disclosures.

(A) Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally-recognized statistical rating organization (NRSRO). The System and CFHP, its affiliated nonprofit Health Maintenance Organization (HMO), each have formal investment policies adopted by the Board of Managers and Board of Directors, respectively, that limit investment in securities based on an NRSRO credit rating. The System's investments are also subject to the Public Funds Investment Act (the Act), Texas Administrative Code Section 2256, and CFHP's investments are also subject to regulations enumerated in Title 28, Chapter 11 of the Texas Administrative Code (TAC) and Chapter 20A of the Texas Insurance Code (TIC).

Investments authorized by the Act and the System's investment policy are limited to obligations of the United States government or its agencies, repurchase agreements collateralized by obligations of the United States government or its agencies; investment pools with at least a AA-m or better rating by one nationally-recognized rating service; commercial paper with a stated maturity of 270 days or less and a credit rating of A-1 or P-1 or its equivalent by at least two nationally-recognized credit rating agencies; certificates of deposit issued by a state bank, national bank, or a savings and loan association domiciled in Texas, with F.D.I.C. insurance and collateralized by obligations of the U.S. government or its agencies, with market value of 102% of the insured principal amount; bankers acceptances of a bank organized and existing under the laws of the United States, whose short-term obligations are rated not less than A-1 or P-1 or its equivalent by at least one nationally-recognized rating agency, and with a stated maturity of 270 days or less; and no-load money market mutual funds registered by the SEC with a dollar-weighted average stated maturity of ninety days or less and have an investment objective of a stable net asset value of one dollar.

Investments authorized by the TAC, TIC, and CFHP's investment policy are limited to obligations of the United States government or its agencies; certificates of deposit with a credit rating of Moody's A2 or S&P A; corporate obligations with a credit rating of Moody's A1 or S&P A+; municipal notes and bonds with a credit rating of Moody's Aaa or S&P AAA; auction rate securities with a credit rating of Moody's A2 or S&P A; and asset-backed securities with a credit rating of Moody's Aaa or S&P AAA.

Per GASB Statement No. 40, unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. GASB Statement No. 40 also provides that securities with split ratings, or a different rating assignment between NRSROs, are disclosed using the rating indicative of the greatest degree of risk.

NOTE C – LONG-TERM INVESTMENTS (Continued)

The System (Continued)

The following table presents each applicable investment type grouped by rating as of December 31, 2007:

Investment Type	Fair Value	Rating
	(In Thousands)	
U. S. government, Treasury	$ 16,427 *	Exempt from disclosure
U.S. government, Treasury strips	1,403	AAA
Total U.S. government, guaranteed	17,830	
U.S. government, nonguaranteed:		
FHLB Notes	117,218 *	AAA
FNMA Notes	69,792 *	AAA
FFCB Notes	3,022	AAA
FHLMC mortgage-backed securities	3,136	AAA
FNMA mortgage-backed securities	149	AAA
GNMA mortgage-backed securities	327	AAA
Total U.S. government, nonguaranteed	193,644	
Corporate Obligations:		
Domestic	490	AAA
Domestic	1,000	AA
Domestic	3,293	A
Domestic	1,383	BBB
Total Corporate Obligations	6,166	
Cash and cash equivalents - money market funds	218,187	AAA
Total Cash and investments	$ 435,827	

* Securities comprise greater than 5% of the total

In accordance with the System's investment policy, the System has no limit on the amount of investments with a single authorized issuer other than a 15% limit on repurchase agreements with a single issuer. As of December 31, 2007, the System was in compliance with this policy. According to GASB Statement No. 40, concentration of credit risk is defined as more than 5% of the market value of the total portfolio invested in securities issued by one issuer. Investments with an explicit guarantee by the U.S. government are exempt from the disclosure requirement. The System maintained no investments in derivatives at December 31, 2007 and 2006.

(B) Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the System will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the System will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The System's policy does not contain specific requirements to limit the exposure to custodial credit risk for deposits or investments. As of December 31, 2007, all investments are registered in the System's name.

NOTE C – LONG-TERM INVESTMENTS (Continued)

The System (Continued)

(C) Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair value of an investment held for a long period of time will vary more than the fair value of investments held for shorter periods due to changes in market interest rates. Interest rate risk inherent in the portfolio is measured by monitoring the segmented time distribution of the investments in the portfolio. The System's investment policy limits the maturity periods of its investments by type. The table below summarizes the System's segmented time distribution investment maturities in years by investment type as of December 31, 2007.

		Years		
	Fair Value	**<1**	**1 - 5**	**6 - 10**
			(In Thousands)	
2007				
Money Market	$ 218,187	$ 218,187	$ -	$ -
Domestic corporate bonds	6,166	1,498	4,668	-
U.S. government, Treasury	16,427	13,045	2,854	528
U.S. government, Treasury strips	1,403	-	1,403	-
U.S. government, FHLB and FNMA notes	190,032	59,214	129,779	1,039
U.S. government, mortgage-backed securities	3,612	410	2,385	817
Total	$ 435,827	$ 292,354	$ 141,089	$2,384

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NOTE C – LONG-TERM INVESTMENTS (Continued)

The System (Continued)

(D) Reconciliation of Investments by Type to Balance Sheet Presentation

The following table presents each applicable investment grouped by type and balance sheet presentation at December 31, 2007:

Reconciliation of Investment by Type to Balance Sheet

Investment Type		Fair Value	Balance Sheet Line
		(In Thousands)	
Investments, at fair value:			
Money Market		$ 161,750	
Cash		(9,618)	
	Total	152,132	Cash and cash equivalents
Money Market			
Corporate Obligations		1,499	
U.S. government, guaranteed		2,074	
U.S. government, nonguaranteed		9,561	
U.S. government, nonguaranteed asset-backed		22	
	Total	13,156	Short-term investments
Corporate Obligations		4,668	
U.S. government, guaranteed		174	
U.S. government, nonguaranteed		14,119	
U.S. government, nonguaranteed asset-backed		129	
	Total	19,090	Other noncurrent investments
Cash		(984)	
Money Market		57,477	
U.S. government, guaranteed		4,436	
U.S. government, nonguaranteed		54,002	
U.S. government, nonguaranteed asset-backed		880	
	Total	$ 115,811	Investments designated for capital acquisition

NOTE C – LONG-TERM INVESTMENTS (Continued)

The System (Continued)

Reconciliation of Investment by Type to Balance Sheet (Continued)

Investment Type	Fair Value	Balance Sheet Line
	(In Thousands)	
Cash	$ 7,794	
U.S. government, guaranteed	8,893	
U.S. government, nonguaranteed	108,262	
U.S. government, nonguaranteed asset-backed	1,764	
Total	126,713	Investments designated for contingency
Cash	1,446	
U.S. government, guaranteed	2,575	
U.S. government, nonguaranteed	4,904	
Total	8,925	Held by trustee funds for professional self-insurance
Total cash and investments	$ 435,827	

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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	$ 10,273,950	$ 2,413,000	$ 7,860,950
Debt Service Fund	1,468,224	345,000	1,123,224
Capital Project Fund	500,440	118,000	382,440
Non-major Governmental Funds	12,091	-	12,091
Total Primary Government	$ 12,254,705	$ 2,876,000	$ 9,378,705
The System			
Current taxes	$ 161,802,000	$ 3,808,000	$ 157,994,000
Delinquent taxes	16,129,000	6,988,000	9,141,000
Total System	$ 177,931,000	$ 10,796,000	$ 167,135,000

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

	General	Nonmajor Governmental Funds	Total
Court fines and fees	$ 39,737,391	$ -	$ 39,737,391
Accounts receivable	210,569	1,036,332	1,246,901
Gross receivables	39,947,960	1,036,332	40,984,292
Less: allowance	(30,941,388)	-	(30,941,388)
Net total receivables	$ 9,006,572	$ 1,036,332	$ 10,042,904

NOTE E – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2008 was as follows:

Primary Government

	October 1, 2007	Additions	Deletions	September 30, 2008
Governmental activities:				
Capital assets, not being depreciated:				
Land (row, bldg, parks)	$ 32,115,938	$ 4,741,554	$ (9,677)	$ 36,847,815
Equipment in progress	3,971,477	1,754,595	(404,740)	5,321,332
Construction in progress	72,241,768	75,708,310	(37,060,347)	110,889,731
Total capital assets, not being depreciated	108,329,183	82,204,459	(37,474,764)	153,058,878
Capital assets, being depreciated:				
Buildings	246,608,786	3,875,558	-	250,484,344
Depreciable Land Assets	492,368	-	-	492,368
Machinery and Equipment	69,017,255	7,517,885	(2,950,349)	73,584,791
Infrastructure	397,777,759	158,340,342	(9,860,612)	546,257,489
Total capital assets being depreciated	713,896,168	169,733,785	(12,810,961)	870,818,992
Less accumulated depreciation for:				
Buildings	(95,395,875)	(6,704,876)	-	(102,100,751)
Depreciable Land Assets	(320,019)	(23,078)	-	(343,097)
Machinery and Equipment	(34,828,367)	(8,791,173)	2,950,349	(40,669,191)
Infrastructure	(175,515,081)	(17,061,337)	-	(192,576,418)
Total accumulated depreciation	(306,059,342)	(32,580,464)	2,950,349	(335,689,457)
Total capital assets, being depreciated, net	407,836,826	137,153,321	(9,860,612)	535,129,535
Governmental activities capital assets, net	$ 516,166,009	$219,357,780	$(47,335,376)	$ 688,188,413
Business-type activities:				
Capital assets, being depreciated:				
Buildings and improvements	$ 176,278,539	$ -	$ -	$ 176,278,539
Reference library	38,960	-	-	38,960
Equipment	12,174,366	-	-	12,174,366
Total capital assets, being depreciated	188,491,865	-	-	188,491,865
Less accumulated depreciation for:				
Buildings and improvements	(21,799,057)	(4,439,835)	-	(26,238,892)
Reference library	(9,740)	(1,948)	-	(11,688)
Equipment	(11,971,459)	(202,907)	-	(12,174,366)
Total accumulated depreciation	(33,780,256)	(4,644,690)	-	(38,424,946)
Business-type activities capital assets, net	$ 154,711,609	$ (4,644,690)	$ -	$ 150,066,919

NOTE E – CAPITAL ASSETS (Continued)

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

Governmental activities:	
General Government	$ 3,989,614
Judicial	1,577,702
Public Safety	7,708,322
Education and Recreation	252,564
Public Works	18,882,563
Health and Public Welfare	54,988
Unallocated	114,711
Total depreciation expense - governmental activities	$ 32,580,464
Business-type activities:	
Venue Fund	$ 4,642,742
Sheriff's Commissary Fund	1,948
Total depreciation expense - business-type activities	$ 4,644,690

Capital assets, net of related debt on page 27 was computed as follows:

Net Assets Calculation for the Government Wide Statement of Net Assets

Invested in Capital Assets, net of related debt:		
Fixed Assets, net of depreciation		$ 688,188,413
Total outstanding debt	$(449,518,307)	
Less expenditures for assets owned by other entities	43,065,410	
Less County expenditures for items not capitalized	12,614,457	
Less unspent debt proceeds	$ 177,356,219	(216,482,221)
Capital assets, net of related debt		$ 471,706,192

The System

The System's capital asset activity for the year ended December 31, 2007 (in thousands) was as follows:

	Beginning Balance at January 1, 2007	Additions	Deletions	Ending Balance at December 31, 2007
Land and land improvements	$ 7,597	$ 240	$ (2)	$ 7,835
Buildings and leasehold improvements	234,362	17,060	(6,290)	245,132
Equipment	244,299	29,052	(57,888)	215,463
Total capital assets being depreciated	486,258	46,352	(64,180)	468,430
Less: accumulated depreciation	(317,057)	(25,615)	64,180	(278,492)
Construction in progress	33,879	19,007	(27,832)	25,054
Total capital assets, net	$ 33,879	$ 19,007	$ (27,832)	$ 25,054

NOTE F – RESTRICTED ASSETS AND LIABILITIES

Primary Government

The government-wide and business-type activities financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted and unrestricted. In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various designations are established by actions of the Commissioners' Court and management and can be increased, reduced or eliminated by similar actions. These designations and restrictions can be found on pages 27 and 30.

The System

Restricted assets are comprised of net long-term patient receivables, deferred charges, restricted assets and assets limited as to use. The composition of other assets is set forth in the following table.

Capital improvements	$ 115,811,000
Professional self-insurance held in trust	8,925,000
Reserve fund	126,713,000
Total assets limited as to use	$ 251,449,000

NOTE G - LONG-TERM DEBT

Primary Government

Long-term obligations of the County consist of bonds, certificates of obligation, notes, capital lease obligations, 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 2008 were as follows:

	Balance Outstanding October 1, 2007	Issued During Year	Retired During Year	Balance Outstanding September 30, 2008	Amount Due Within One Year
Governmental Activities:					
Refunding Bonds					
Limited Tax General Obligation and Refunding Bonds, Series 1999: Date Issued: March 15, 1999 Interest Rate: 4.40 - 5.00 Original Amount: $31,974,985 Maturing Date: June 15, 2019	$ 16,740,001	$ -	$ 2,590,000	$ 14,150,001	$ 2,705,000
Limited Tax General Obligation Refunding Bonds, Series 2002: Date Issued: April 15, 2002 Interest Rate: 5.00 - 5.25 Original Amount: $31,595,000 Maturing Date: June 15, 2010	7,430,000	-	4,230,000	3,200,000	1,970,000
Limited Tax General Obligation Refunding Bonds, Series 2004: Date Issued: February 15,2004 Interest Rate: 2.50 - 5.00 Original Amount: $14,090,000 Maturing Date: June 15, 2015	$ 11,115,000	$ -	$ 1,135,000	$ 9,980,000	$ 1,160,000

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2007	Issued During Year	Retired During Year	Balance Outstanding September 30, 2008	Amount Due Within One Year
Limited Tax General Obligation Refunding Bonds, Series 2004:					
Date Issued: September 15, 2005					
Interest Rate: 4.00 - 5.00					
Original Amount: $21,355,000					
Maturing Date: June 15, 2020	$ 21,355,000	$ -	$ -	$ 21,355,000	$ -
Limited Tax General Obligation Refunding Bonds, Series 2006:					
Date Issued: May 1, 2006					
Interest Rate: 4.00 - 4.25					
Original Amount: $5,175,000					
Maturing Date: June 15, 2012	5,150,000	-	945,000	4,205,000	975,000
General Obligation Bonds					
Limited Tax General Obligation Bonds, Series 2000:					
Date Issued: August 1, 2000					
Interest Rate: 5.00					
Original Amount: $13,000,000					
Maturing Date: June 15, 2010	1,720,000	-	545,000	1,175,000	575,000
Limited Tax Bonds, Series 2004:					
Date Issued: October 15, 2004					
Interest Rate: 3.00 - 5.25					
Original Amount: $9,400,000					
Maturing Date: June 15, 2023	8,450,000	-	-	8,450,000	460,000
Unlimited Tax Bonds, Series 2004:					
Date Issued: October 15, 2004					
Interest Rate: 3.00 - 4.60					
Original Amount: $6,080,000					
Maturing Date: June 15, 2023	6,080,000	-	-	6,080,000	315,000
Unlimited Tax Bonds, Series 2007:					
Date Issued: August 1, 2007					
Interest Rate: 4.00 - 5.00					
Original Amount: $19,220,000					
Maturing Date: June 15, 2027	19,220,000	-	-	19,220,000	670,000
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	-	15,205,000	-	15,205,000	445,000
Total Bonds	$ 97,260,001	$ 15,205,000	$ 9,445,000	$ 103,020,001	$ 9,275,000

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2007	Issued During Year	Retired During Year	Balance Outstanding September 30, 2008	Amount Due Within One Year
Certificates of Obligation					
Combination Tax and Revenue Certificates of Obligation Series 1999 Date Issued: March 15, 1999 Interest Rate: 4.25 - 4.75 Original Amount: $12,000,000 Maturing Date: June 15, 2014	$ 5,665,000	$ -	$ 1,085,000	$ 4,580,000	$ 1,130,000
Combination Tax and Revenue Certificates of Obligation Series 2002: Date Issued: April 15, 2002 Interest Rate: 4.00 - 5.50 Original Amount: $14,215,000 Maturing Date: June 15, 2016	10,720,000	-	1,090,000	9,630,000	1,145,000
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2002: Date Issued: April 15, 2002 Interest Rate: 4.00 - 5.00 Original Amount: $4,240,000 Maturing Date: June 15, 2016	3,610,000	-	335,000	3,275,000	345,000
Combination Tax and Revenue Certificates of Obligation, Series 2004: Date Issued: February 15, 2004 Interest Rate: 2.00 - 5.00 Original Amount: $14,500,000 Maturing Date: June 15, 2019	12,830,000	-	865,000	11,965,000	885,000
Combination Tax and Revenue Certificates of Obligation, Series 2004 - A: Date Issued: October 15, 2004 Interest Rate: 5.00 - 5.25 Original Amount: $23,960,000 Maturing Date: June 15, 2023	23,130,000	-	-	23,130,000	2,615,000
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2004: Date Issued: October 15, 2004 Interest Rate: 3.00 - 4.60 Original Amount: $3,595,000 Maturing Date: June 15, 2023	$ 3,595,000	$ -	$ -	$ 3,595,000	$ 185,000

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2007	Issued During Year	Retired During Year	Balance Outstanding September 30, 2008	Amount Due Within One Year
Pass-Through Revenue and Limited Tax Bonds, Series 2007:					
Date Issued: August 9, 2007					
Interest Rate: 4.31					
Original Amount: $22,385,000					
Maturing Date: June 15, 2021	$ 22,385,000	$ -	$ -	$ 22,385,000	$ -
Combination Tax and Revenue Certificates of Obligation, Series 2007:					
Date Issued: August 1, 2007					
Interest Rate: 4.00 - 5.25					
Original Amount: $22,205,000					
Maturing Date: June 15, 2027	22,205,000	-	840,000	21,365,000	740,000
Combination Flood Control Tax and Revenue Certificates of Obligation, Series 2007:					
Date Issued: August 1, 2007					
Interest Rate: 4.00 - 5.25					
Original Amount: $71,820,000					
Maturing Date: June 15, 2037	71,820,000	-	1,560,000	70,260,000	1,165,000
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	-	68,975,000	-	68,975,000	985,000
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	-	54,675,000	-	54,675,000	1,690,000
Total Certificates of Obligation	175,960,000	123,650,000	5,775,000	293,835,000	10,885,000
Total Bonds, Certificates of Obligation	$ 273,220,001	$ 138,855,000	$ 15,220,000	$ 396,855,001	$ 20,160,000

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2007	Issued During Year	Retired During Year	Balance Outstanding September 30, 2008	Amount Due Within One Year
Other Liabilities					
Arbitrage rebate	$ 30,000	$ 143,000	$ -	$ 173,000	$ 26,000
Capital leases	5,726,672	4,719,752	3,358,639	7,087,785	3,905,131
Commercial paper	7,000,000	32,384,000	-	39,384,000	-
Compensated absences	23,798,396	8,584,357	5,949,599	26,433,154	6,608,289
Notes	2,281,399	-	1,351,938	929,461	929,461
OPEB obligation	-	6,497,625	-	6,497,625	-
Total Other Liabilities	38,836,467	52,328,734	10,660,176	80,505,025	11,468,881
Total Governmental Activities	$ 312,056,468	$ 191,183,734	$ 25,880,176	$ 477,360,026	$ 31,628,881
Business-type Activities:					
Revenue Bonds					
Tax-Exempt Venue Project Revenue Bonds, Series 2000 Date Issued: November 1, 2000 Interest Rate: 4.625 - 5.75 Original Amount: $123,265,000 Refunded September 30, 2008	$ 85,180,000	$ -	$ 85,180,000	$ -	$ -
Taxable Venue Project Revenue Bonds, Series 2000 Date Issued: November 1, 2000 Interest Rate: 6.58 - 7.25 Original Amount: $25,580,000 Refunded September 30, 2008	18,155,000	-	18,155,000	-	-
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	-	42,145,000	-	42,145,000	430,000
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	$ -	$ 50,810,000	$ -	$ 50,810,000	$ 985,000

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Balance Outstanding October 1, 2007	Issued During Year	Retired During Year	Balance Outstanding September 30, 2008	Amount Due Within One Year
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	$ -	$ 5,525,000	$ -	$ 5,525,000	$ -
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	-	5,985,000	-	5,985,000	-
Total Revenue Bonds	$ 103,335,000	$ 104,465,000	$ 103,335,000	$ 104,465,000	$ 1,415,000
Other Liabilities					
Arbitrage rebate	$ 200,001	$ 523,673	$ -	$ 723,674	$ -
Total Business-type Activities	$103,535,001	$104,988,673	$103,335,000	$105,188,674	$ 1,415,000

Annual debt service requirements as of September 30, 2008 are as follows:

Fiscal	Governmental Activities			Business-type Activities			Total
Year	Principal	Interest	Total	Principal	Interest	Total	All Debt
2009	$ 20,160,000	$ 19,015,035	$ 39,175,035	$ 1,415,000	$ 5,860,394	$ 7,275,394	$ 46,450,429
2010	21,890,000	17,906,593	39,796,593	1,685,000	5,808,210	7,493,210	47,289,803
2011	21,525,000	16,934,301	38,459,301	1,755,000	5,741,687	7,496,687	45,955,988
2012	22,545,000	15,980,416	38,525,416	1,830,000	5,668,121	7,498,121	46,023,537
2013	22,445,000	14,937,365	37,382,365	1,915,000	5,588,015	7,503,015	44,885,380
2014-2018	86,245,000	60,928,952	147,173,952	12,125,000	26,210,381	38,335,381	185,509,333
2019-2023	74,150,000	41,984,047	116,134,047	14,765,000	22,720,535	37,485,535	153,619,582
2024-2028	60,340,000	25,470,611	85,810,611	19,660,000	17,816,178	37,476,178	123,286,789
2029-2033	31,820,000	13,526,437	45,346,437	22,440,000	10,780,009	33,220,009	78,566,446
2034-2038	35,735,001	4,937,212	40,672,213	9,445,000	5,967,125	15,412,125	56,084,338
2039-2043	-	-	-	8,690,000	3,709,650	12,399,650	12,399,650
2044-2047	-	-	-	8,740,000	1,176,525	9,916,525	9,916,525
	$ 396,855,001	$ 231,620,969	$ 628,475,970	$ 104,465,000	$ 117,046,830	$ 221,511,830	$ 849,987,800

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

In the government-wide, governmental activities, bond losses on refunding are deferred and amortized over the life of the new debt or old debt, whichever is shorter; bond premiums, bond discounts, and issuance costs are amortized over the life of the debt. Bonds payable are reported net of the applicable bond premium, bond discount, and loss on refunding. Issuance costs are reported as deferred charges.

In business-type activities, bond losses on refunding are deferred and amortized over the life of the new debt or old debt, whichever is shorter; bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond discount and loss on refunding. Issuance costs are reported as deferred charges.

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. This amount is reduced by outstanding bonds, certificates of obligation, commercial paper, and capital leases, net of unspent proceeds, related to improving, purchasing, or constructing capital assets.

Business-type activities

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
Governmental Activities:					
Bonds Payable:					
Bonds	$ 97,260,001	$ 15,205,000	$ 9,445,000	$ 103,020,001	$ 9,275,000
Certificates of Obligation	175,960,000	123,650,000	5,775,000	293,835,000	10,885,000
	273,220,001	138,855,000	15,220,000	396,855,001	20,160,000
Unamortized premium	7,723,669	1,150,013	742,022	8,131,660	812,619
Unamortized discount	(66,654)	-	(4,166)	(62,488)	(4,166)
Deferred charges	(2,179,723)	-	(302,072)	(1,877,651)	(302,072)
Total Bonds Payable	278,697,293	140,005,013	15,655,784	403,046,522	20,666,381
Other Liabilities					
Arbitrage rebate	30,000	143,000	-	173,000	26,000
Capital leases	5,726,672	4,719,752	3,358,639	7,087,785	3,905,131
Commercial paper	7,000,000	32,384,000	-	39,384,000	-
Compensated absences	23,798,395	8,584,357	5,949,599	26,433,153	6,608,289
Notes	2,281,399	-	1,351,938	929,461	929,461
OPEB obligation	-	6,497,625	-	6,497,625	-
Total Other Liabilities	38,836,466	52,328,734	10,660,176	80,505,024	11,468,881
Total Governmental Activities Long-term Liabilities	$ 317,533,759	$ 192,333,747	$ 26,315,960	$ 483,551,546	$ 32,135,262

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-Type Activities:					
Tax-Exempt Revenue Bonds	$ 85,180,000	$ -	$ 85,180,000	$ -	$ -
Taxable Revenue Bonds	18,155,000	-	18,155,000	-	-
Tax-Exempt Rev Ref Bonds	-	42,145,000	-	42,145,000	430,000
Taxable Rev Ref Bonds	-	50,810,000	-	50,810,000	985,000
Tax-Exempt Revenue Bonds	-	5,525,000	-	5,525,000	-
Tax-Exempt Revenue Bonds	-	5,985,000	-	5,985,000	-
	103,335,000	104,465,000	103,335,000	104,465,000	1,415,000
Unamortized premium	2,793,687	-	2,793,687	-	-
Unamortized discount	(10,609)	(770,557)	(10,609)	(770,557)	(20,916)
Deferred charges	-	(11,872,368)	-	(11,872,368)	(848,027)
Total Revenue Bonds Payable	106,118,078	91,822,075	106,118,078	91,822,075	546,057
Other Liabilities					
Arbitrage rebate	200,001	523,673	-	723,674	-
Total Business-Type Activities Long-term Liabilities	$ 106,318,079	$ 92,345,748	$ 106,118,078	$ 92,545,749	$ 546,057

Fiscal Year 2007-08 Debt Obligation Activity

Governmental Activities:

In July 2008, the County issued $15,205,000 of Unlimited Tax Road Bonds, with the payment of the related principal and interest to be made from an annual ad valorem tax levied against all taxable property within the County. The Bonds were issued as part of the $99,260,000 in General Obligation Bonds approved by voters in November 2003 for long range construction and refurbishing programs for the County. The proceeds will be used to construct, repair, and improve County roads; for payment of all professional services concerning the design, bidding, and construction of these County roads; and to pay the costs of issuing the Bonds. The annual interest rate ranges from 4.125% to 5%. Interest accrues semiannually, and the bonds mature in fiscal year 2028.

In July 2008, the County issued $54,675,000 in Combination Tax and Revenue Certificates of Obligation Bonds to finance various projects to construct, renovate, equip, or improve various County facilities; to purchase computer hardware and software and other technology related and audio visual equipment; to pay for professional fees relating thereto; to improve energy efficiencies in existing County facilities; to construct, renovate, equip, and improve County parking facilities; to purchase fire-fighting equipment; to purchase land for jail facilities; to construct, renovate, equip, and improve health clinics; and to pay for all professional services related to the construction and financing of the aforementioned projects. The payment of related principal and interest is to be made from an annual ad valorem tax levied against all taxable property within the County. The annual interest rate ranges from 3.00% to 5.25%. Interest accrues semiannually and the bonds mature in fiscal year 2028.

In July 2008, the County issued $68,975,000 in Combination Flood Control Tax and Revenue Certificates of Obligation, with the payment of the related principal and interest to be made from an annual ad valorem tax levied against all taxable property within the County. The bonds were issued to construct improvements for flood control purposes, including road and bridge improvements; constructing improvements for flood control purposes, including the Mission Reach Plaza Project, and the Museum Reach Project; purchase of technology for flood control improvements; purchase of equipment, machinery, land, rights-of-way, materials and supplies relating to flood control improvements, and the payment of all professional services related to the construction and financing of the aforementioned projects. The annual interest rate ranges from 4.00% to 5.25%. Interest accrues semiannually and the bonds mature in fiscal year 2038.

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

Business-Type Activities:

The County held an election on May 10, 2008 whereby a majority of the voters of the County approved four (4) venue propositions which authorized the County to continue imposing and collecting the Motor Vehicle Rental Tax and the Hotel Occupancy Tax (Venue Taxes) to finance approximately $415,000,000 in various County projects to include San Antonio River improvements, construction of youth and amateur athletic facilities, rodeo grounds and community arenas enhancements, and performing and cultural arts centers renovations, improvements, and construction.

Taxable

As a result of the election, on September 30, 2008, the County issued $50,810,000 in Taxable Venue Project Revenue Refunding Bonds (Combined Venue Tax and License Revenues), Series 2008B to finance a portion of the costs of refunding certain of the Tax-Exempt Refunding Bonds, as well as certain of the County's outstanding taxable bonds, and issuing the Taxable Refunding Bonds. The bonds constitute special, limited obligations of the County that are paid solely from and secured by a lien on revenues pledged from the imposition and collection of Venue Taxes and License Revenues to be received by the County from Community Arena Management, Ltd., a wholly owned limited partnership of the Spurs. The bonds were issued to refund $15,440,000 in Taxable Venue Project Revenue Bonds, Series 2000 and $22,825,000 in Tax-Exempt Venue Project Revenue Bonds, Series 2000 by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the County's financial statements. The reacquisition price exceeded the net carrying amount of the old debt by $7,913,202 and resulted in an economic loss of $11,271,327. This advance refunding was undertaken to create the debt service capacity necessary to allow for the issuance of the $415 million for voter-approved projects. Bonds outstanding that are considered defeased as a result of the refunding total $15,440,000 and $22,825,000 in taxable and tax-exempt revenue bonds, respectively.

Tax-Exempt

Also as a result of the May 2008 election, on September 30, 2008 the County issued $42,145,000 in Tax-Exempt Venue Project Revenue Refunding Bonds (Combined Venue Tax), Series 2008A to finance a portion of the costs of refunding certain of the outstanding tax-exempt bonds and issuing the Tax-Exempt Refunding Bonds. The bonds constitute special, limited obligations of the County that are paid solely from and secured by a lien on revenues pledged from the imposition and collection of Venue Taxes. The bonds were issued to refund $49,055,000 in Tax-Exempt Venue Project Revenue Bonds, Series 2000 by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the County's financial statements. The reacquisition price exceeded the net carrying amount of the old debt by $3,959,166 and resulted in an economic gain of $8,421,283. This advance refunding was undertaken to create the debt service capacity necessary to allow for the issuance of the $415 million for voter-approved projects. Bonds outstanding that are considered defeased as a result of the refunding total $49,055,000.

In September 2008, the County issued $5,525,000 of Tax-Exempt Venue Project Revenue Bonds (Combined Venue Tax), Series 2008C, with the payment of the related principal and interest to be made solely from and secured by a lien on revenues pledged from the imposition and collection of Venue Taxes. The Bonds were issued as part of the four venue propositions approved by voters in May 2008. The proceeds will be used mainly for the performing and cultural arts centers, to finance a portion of the issuance costs and fund a debt service reserve account. The annual interest rate ranges from 3.50% to 5%. Interest accrues semiannually and the bonds mature in fiscal year 2037.

In September 2008, the County issued $5,985,000 of Tax-Exempt Venue Project Revenue Bonds (Motor Vehicle Rental Tax) Series 2008D, with the payment of the related principal and interest to be made solely from and secured by a lien on revenues pledged from the imposition and collection of Motor Vehicle Rental Tax. The Bonds were issued as part of the four venue propositions approved by voters in May 2008. The proceeds will be used for the amateur sports facilities, to finance a portion of the issuance costs and fund a debt service reserve account. The annual interest rate ranges from 3.50% to 5%. Interest accrues semiannually and the bonds mature in fiscal year 2037.

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

Defeasance of Debt

The County has defeased certain general obligation bonds and certificates of obligation by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service on the refunded bonds. The trust account assets and the liability for the defeased bonds are not included in the County's financial statements.

At September 30, 2008, the outstanding principal balance of these defeased bonds was as follows:

General Obligation Bonds:		
General Obligation & Refunding Bonds, Series 1999	$7,675,000	
Limited Tax General Obligation Bonds, Series 2000	8,095,000	
Limited Tax General Obligation Refunding Bonds, Series 2004	1,480,000	
Limited Tax Bonds, Series 2004	950,000	
Total General Obligation Bonds		$ 18,200,000
Certificates of Obligation:		
Combination Tax & Revenue, Series 1999	2,995,000	
Combination Tax & Revenue, Series 2002	1,455,000	
Combination Tax & Revenue, Series 2004-A	830,000	
Total Certificates of Obligation		5,280,000
Total Defeased Debt		$ 23,480,000
Business-Type Activities:		
Revenue Bonds:		
Tax-Exempt Venue Project Revenue Bonds, Series 2000		$ 71,880,000
Taxable Venue Project Revenue Bonds, Series 2000		15,440,000
Total Defeased Debt		$ 87,320,000

Arbitrage Rebate

The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local governmental 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's cumulative rebate amount as of September 30, 2008, which is recorded as a liability on the government-wide financial statements, is $173,000 for governmental activities and $723,674 for business-type activities.

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

Changes in arbitrage rebate payable for the year ended September 30, 2008 were as follows:

Governmental Activities:

Balance October 1, 2007	Additions	Deletions	Balance September 30, 2008	Due in One Year
$ 30,000	$ 143,000	$ -	$ 173,000	$ 26,000

Business-Type Activities:

Balance October 1, 2007	Additions	Deletions	Balance September 30, 2008	Due in One Year
$ 200,001	$ 523,673	$ -	$ 723,674	$ -

Commercial Paper

In September 2005, Commissioners' Court authorized a $100,000,000 general obligation commercial paper program secured by ad valorem taxes designated as Bexar County, Texas, General Obligation Commercial Paper Notes, Series A (Series A Notes). The purpose of the Series A Notes is (1) to provide funding for contractual obligations for the construction of public works and for the purchase of materials, supplies, equipment, machinery, buildings, lands, and right-of-way for the County's authorized needs and purposes; (2) for professional services related to the contractual obligations; (3) and to refinance, refund, and renew the notes themselves and fund issuance costs.

The County entered into an agreement with Dexia Credit Local to provide a line of credit that will act as assurance to the purchaser of the commercial paper that funds will be available to redeem the paper upon demand and that the County can rollover the commercial paper. The credit agreement with Dexia Credit Local expires September 20, 2012. For this line of credit, the County is assessed a fee of .08% ($80,000) per annum on the total available commitment. Under the dealer agreement between the County and Bear Stearns & Company, Inc., the Series A notes are issued in denominations of a minimum of $100,000 and integral multiples of $1,000 thereafter. The dealer agreement does not provide for extension, renewal, or automatic rollover provisions. As compensation for the services of the dealer, the County is obligated to make quarterly payments equaling .039% of the daily outstanding principal of issued Series A Notes during each calendar quarter. The paying agent is Deutsche Bank.

As of September 30, 2008, the County has $39,384,000 of Commercial Paper, Series A Notes outstanding. The payment of the related principal and interest is to be made from an annual ad valorem tax levied against all taxable property within the County. The terms of the Series A Notes require the notes to be issued with a maturity of 270 days or less and allow for interest not to exceed 10% per annum.

Debt Service to Maturity (for Commercial Paper)

Expected debt service requirements for commercial paper issuances are shown below. These requirements are based on the outstanding principal and current rate in effect at September 30, 2008.

Governmental Activities:

Fiscal Year	Principal	Interest	Total
2009	$ -	$ 742,028	$ 742,028
2010	-	742,028	742,028
2011	-	742,028	742,028
2012	39,384,000	721,698	40,105,698
	$ 39,384,000	$ 2,947,782	$42,331,782

NOTE G - LONG-TERM DEBT (Continued)

Primary Government (Continued)

Compensated Absences

Changes in long-term compensated absences for the year ended September 30, 2008 were as follows:

Governmental Activities:

Balance October 1, 2007	Additions	Taken/Paid	Balance September 30, 2008	Due in One Year
$ 23,798,395	$ 8,584,357	$ (5,949,599)	$ 26,433,153	$ 6,608,289

Notes

In May 2003, the County and the State of Texas entered into a $4,000,000 State Infrastructure Bank (SIB) loan agreement to pay for acquiring, constructing, reconstructing, and improving certain roads in Bexar County. The interest rate is 2.40%.

Annual debt service requirements as of September 30, 2008 are as follows:

Fiscal Year	Principal	Interest	Total
2009	$ 929,461	$ 22,307	$ 951,768
	$ 929,461	$ 22,307	$ 951,768

NOTE H – 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	Venue **	$ 17,865
	Capital	1,130,307
	Fleet maintenance *	422,557
	Records management *	3,062
	Nonmajor governmental fund	2,434,361
Capital project	General	59,035
Other post employment benefits *	Self insurance health and life *	13,896
Fleet maintenance *	General	676,650
	Nonmajor governmental fund	56,131
Venue	General	285
Nonmajor govenmental fund	General	486,472
	Venue **	4,471
	Capital	16,250
	Nonmajor govenmental fund	455,899
	Total	$ 5,777,241

* Internal Service Funds

** Enterprise Fund

NOTE H – INTERFUND BALANCES AND TRANSFERS (Continued)

Primary Government (Continued)

The outstanding balances between funds result mainly from the time lag between the dates that (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	Nonmajor governmental fund	$ 250,000
	Capital Projects	5,561,375
	Fleet Maintenance *	110,000
	Technology Service *	400,000
	Total	$ 6,321,375

* Internal Service Funds

The amounts payable to the General Fund relate to working capital loans made to other funds that incur expenses before related revenues are received. The amount payable from Capital Project Fund is scheduled to be reduced in FY 2009 by $5,561,375 once debt is issued. The other balances are not scheduled to be collected in the subsequent year.

The following is a summary of the County's transfers for the year ended September 30, 2008:

	TRANSFERS IN:			
	General	Debt Service	Nonmajor Governmental	Total
TRANSFERS OUT				
General	$ -	$ 10,000	$ 2,355,799	$ 2,365,799
Capital Projects	61,145	1,239,921	16,250	1,317,316
Nonmajor Governmental	46,645	150,000	6,626	203,271
Total Transfers	$ 107,790	$1,399,921	$ 2,378,675	$ 3,886,386

The transfer of $2,355,799 from the General Fund to nonmajor governmental funds included $1,240,559 to the Farm to Market Lateral Road Fund to replace funds lost due to a reallocation of vehicle sales tax revenue by the State legislature, $594,205 to Grants Fund as part of the County's cash match requirement for various awarded grants, and $351,196 to the Courthouse Security Fund for salary expenses related to the Sheriff's deputies in the courthouse. The balance of $169,839 was the result of various normal transactions between funds. The $10,000 transfer from the General Fund to the Debt Service Fund was to cover the debt payment related to the CommuniCare Health Center. The transfer out of the Capital Project Fund in the amount of $1,317,316 included $820,074 for retirement of debt related to pass-through financing funded by advanced transportation district revenues, $393,340 of accrued interest earned on proceeds of debt issuances, and $26,507 in unused funds from prior debt issuances. The remaining $77,395 was the result of various normal transactions between funds. The transfer out of nonmajor governmental funds in the amount of $203,271 are the result of normal transactions between funds.

NOTE I - SELF-INSURANCE

Primary Government

The County is self-insured for the majority of health, workers' compensation, and property liability claims. The self-insurance

NOTE I SELF-INSURANCE (Continued)

Primary Government (Continued)

programs are administered by external administrators whose primary function is to investigate and settle claims. The self-insurance funds are accounted for as an internal service fund. Under this program, the internal service funds provide specific insurance coverage, which limit losses to $750,000 for each occurrence of workers' compensation, $50,000 for property, and $100,000 for general liability claims, and an annual coverage of $250,000,000 on property. Excess loss insurance is carried on the health program, which limits losses on claims to $230,000 per occurrence and an annual aggregate of approximately $36.4 million. The provision for unpaid self-insurance health losses at year end is included in claims payable in the internal service 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 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 $4,463,550 reported at September 30, 2008 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 the loss can be reasonably estimated. Changes in the fund's claims liability for fiscal years ended September 30, 2007 and 2008 were:

Fiscal Year	Beginning Liability	Current Claims and Changes in Estimates	Claims Payments	Ending Balance	Due in One Year
2007	$ 4,999,400	$ 24,646,268	$24,745,168	$ 4,900,500	$ 3,638,500
2008	$ 4,900,500	$ 23,578,713	$24,015,663	$ 4,463,550	$ 3,758,550

The System

The System is self-insured for employee health insurance costs. The self-insured plan is administered by CFHP, who determines the cost of claims paid to community health care providers and estimates a reserve for medical claims incurred but not yet reported. The System also recognizes the incremental cost of services provided by the System to plan participants. The System maintains a stop-loss insurance contract to cover 90 percent of certain medical costs in excess of $175,000 up to a maximum of $2,000,000 per contract year and $5,000,000 per member lifetime maximum. As of December 31, 2007, a reserve of $552,000 is recorded.

The System funds a revocable self-insurance trust to provide for the payment of medical malpractice and general liabilities. The funding is based on management's recommendations for settlement of claims to limits of $100,000 per claim and $300,000 per occurrence in accordance with the limited liability provisions of the Texas Tort Claims Act. The amounts provided for funding and the estimated liability are based on management's estimates. The amounts include estimates of the ultimate cost for both reported claims and incurred but not reported claims. During 2003, the System began self-insuring "tail coverage" for certain employed physicians. This coverage has a limited time exposure and also is subject to claims limits. Amounts are provided for funding, and estimated liabilities for incurred but not reported claims are based on management estimates.

The System participates in a self-insurance program that provides for the payment of workers' compensation claims. The funding for this program is based on third-party recommendations for settlement in accordance with Texas workers' compensation laws.

NOTE J – 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. During the fiscal year ended September 30, 2008, the County transferred $5,200,000 to SARA as part of this agreement.

NOTE K - LEASES

OPERATING LEASES

Primary Government

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, 2008 by fund type are as follows:

General	Nonmajor Governmental Funds	Internal Service	Total
$ 3,092,746	$ 812,911	$ 2,959	$ 3,908,616

The System

Rental expense pursuant to non-cancelable operating leases amounted to $6,285,000 for the year ended December 31, 2007. Minimum annual lease obligations relating to non-cancelable leasing arrangements are:

Fiscal Year	
2008	$ 4,341,000
2009	2,911,000
2010	1,303,000
2011	958,000
2012	661,000
Total	$ 10,174,000

CAPITAL LEASES

The County has entered into three capital lease agreements for the purchase of County machinery and equipment. The amounts capitalized are $10,767,956. Lease payments for the fiscal year ended September 30, 2008 totaled $3,579,663. Payments, including interest at 3.675%, 4.072%, 3.725% and 2.750% are due as follows as of September 30, 2008:

Governmental Activities:

Fiscal Year	
2009	$ 3,905,131
2010	2,376,840
2011	805,814
Total future lease payments	7,087,785
Less interest	(275,063)
Present value of future lease payments	$ 6,812,722

NOTE L - NET PATIENT SERVICE REVENUE

The System

The System provides services under contract to patients covered under the Medicare and Medicaid programs. The System is reimbursed based on cost or at a predetermined rate based upon diagnosis, plus certain adjustments. Net revenues from these programs are included in patient service revenues at net amounts reflecting customary charges reduced to estimated reimbursement payments. The amounts due to or from these programs are subject to final review and settlement by the program's fiscal intermediary. Currently, the System's Statements of Reimbursable Cost have been audited by and settled with the fiscal intermediary through 2004 for Medicare and for Medicaid. At December 31, 2007 the System estimated net amounts due to the programs of $9,807,000. Included in net patient service revenue is an increase of $1,153,000 for December 31, 2007 to adjust balances previously estimated as a result of final and tentative settlements and years that are no longer subject to audits, reviews, and investigations. The System has also entered into payment agreements with certain commercial insurance carriers, employers, and other third-party administrators. The basis for payment to the System under these arrangements includes prospectively

NOTE L – NET PATIENT SERVICE REVENUE (Continued)

The System (Continued)

determined daily rates and discounts from established charges. Total discounts for December 31, 2007 were $756,679,000.

NOTE M - CHARITY CARE

The System

The System provides charity care to residents of Bexar County who qualify on a financial basis for the CareLink Program and to all others who qualify based on the System's charity 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 and is not reported as revenue.

The System's CareLink 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.

Arrangements are made with residents to pay their reduced medical costs in installments. Any amounts designated as not being due prior to December 31, 2008, 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 level of charity care provided during the year ended December 31, 2007 and 2006 was $328,082,000 and $303,568,000, respectively.

NOTE N – TOBACCO SETTLEMENT

The System

During 2007, the State of Texas and the tobacco industry reached a settlement on health care services provided to smokers. The settlement of $7,266,000 represents this year's per capita allocation for past tobacco-related illnesses.

NOTE O - DISPROPORTIONATE SHARE REVENUE

The System

During 1991, the Texas legislature issued Senate Bill (SB) 82, levying an assessment against certain hospitals and hospital systems. The funds collected via this assessment are pooled by the State in order to receive federal matching funds under the Medicaid Disproportionate Share Program. The State then allocates the federal monies received to hospitals and hospital systems that serve a large disproportionate volume of Medicaid patients, the purpose being to increase access to health care by Texas' indigent patients. The amount received under this program was $30,846,000 for the year ended December 31, 2007 and is included in Net Patient Service Revenue. The amounts receivable included in prepaid assets and other current assets for December 31, 2007 was $0.

NOTE P - AFFILIATION AGREEMENT

The System

The System and the UTHSCSA entered into a twenty-year agreement in 1992, which provides that the System will be available to UTHSCSA for teaching and research. Under the agreement and other subagreements, UTHSCSA supervises and directs professional services to patients of the System. The System recorded expenses of approximately $11,810,000 in 2007 under the terms of the agreements.

NOTE Q - 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 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 574 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 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 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 9.9% of covered payroll for the months of the accounting year in 2007, and 9.9% of covered payroll for the months of the accounting year in 2008.

The deposit rate payable by all employee members for the calendar year 2008 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.

Annual Pension Cost

For the County's accounting year ended September 30, 2008, the annual pension cost for the TCDRS plan for its employees was $19,981,983, and the actual contributions were $19,981,983. The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, parameters based on the actuarial valuations as of December 31, 2005 and December 31, 2006, the basis for determining the contribution rates for calendar years 2007 and 2008. The December 31, 2007 actuarial valuation is the most recent valuation.

NOTE Q - RETIREMENT PLAN (Continued)

Primary Government (Continued)

Actuarial Valuation Information

Actuarial valuation date	December 31, 2005	December 31, 2006	December 31, 2007
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, open	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization period in years	20	12.3	11.1
Asset valuation method	Long-term appreciation with adjustment	SAF: 10 yr smoothed value ESF: Fund Value	SAF: 10 yr smoothed value ESF: Fund Value
Actuarial assumptions:			
Investment return*	8.0%	8.0%	8.0%
Projected salary increases*	5.3%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

*Includes inflation at the stated rate.

Trend Information for the Retirement Plan for the Employees of Bexar County, Texas

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/06	$ 16,294,613	100%	$ -
09/30/07	$ 18,247,585	100%	$ -
09/30/08	$ 19,981,983	100%	$ -

Funded Status and Funding Progress

As of December 31, 2007, the most recent actuarial valuation date, the plan was 91.03% funded. The actuarial accrued liability for benefits was $586,511,660. The actuarial value of assets was $533,909,770 resulting in an unfunded actuarial accrued liability (UAAL) of $52,601,890. The covered payroll (annual payroll of active employees covered by the plan) was $189,723,874 and the ratio of the UAAL to the covered payroll was 27.73%. The schedule of funding progress, on page 98, presented as RSI following the notes to the financial statements shows multiyear trend information that indicates the actuarial value of plan assets are increasing at a slightly faster rate than the actuarial accrued liability for benefits.

The System

The System Pension Plan is a single-employer defined benefit pension plan covering substantially all the System's employees who work at least 20 hours per week or at least 1,000 hours annually. Employer contributions to the Plan amounted to $16,528,000 and $6,931,000 for the years ended December 31, 2007 and 2006, respectively.

Benefits - Participants in the Pension Plan are eligible for normal retirement benefits after attaining age 65 and completing five years of vesting service or after age 55 and years of service equal to 85 (Rule of 85). Annual normal retirement benefits (accrued benefits) are equal to 1.5% of the average of participants' five highest consecutive years pay times the number of years credited service. The Plan's audited financial statements are available at the System's offices in San Antonio, Texas.

Contributions Required – The System makes contributions, which are actuarially determined, to pay the Pension Plan's normal cost plus amortization of unfunded liability. The System's normal cost was approximately $7,064,000 in 2007, which was 4.12% of covered payroll as of January 1, 2007 (the date of the most recent actuarial report). Participants are required to contribute 2% of annual compensation to the Pension Plan.

NOTE Q - RETIREMENT PLAN (Continued)

The System (Continued)

Funded Status and Funding Progress - As of January 1, 2007, the most recent actuarial valuation date, the plan was 64.4% funded. The actuarial accrued liability for benefits was $157,746,000. The actuarial value of assets was $101,594,000 resulting in an unfunded actuarial accrued liability (UAAL) of $56,152,000. The covered payroll (annual payroll of active employees covered by the plan) was $171,538,000 and the ratio of the UAAL to the covered payroll was 32.7%. The schedule of funding progress, on page 98, presented as RSI following the notes to the financial statements shows multiyear trend information that indicates the actuarial value of plan assets are increasing at a slightly slower rate than the actuarial accrued liability for benefits.

NOTE R – OTHER POST EMPLOYMENT BENEFITS

Primary Government

The County implemented the requirements of GASB Statement No. 45 of the Governmental Accounting Standards Board by applying the standards on a prospective basis to the basic financial statements presented herein and, as such, no net OPEB liability existed at the transition date.

Plan Description

Bexar County is self insured for employee and retiree healthcare. The County administers a single employer defined benefit post employment healthcare Plan that covers 387 qualified retired County employees and their dependents and 3,780 active employees. Participation in the Plan is elective by each retiree. Healthcare benefits include, but are not limited to, prescription drugs, hospitalization, and preventive care. To be eligible, the retiree must meet the requirements for retirement from TCDRS (see note Q) 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.

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

Commissioner's 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 $3,839,237 in total claims for the fiscal year ended September 30, 2008. 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.

Class of Retiree	Contribution per Retiree
Single retiree with Medicare	$ 88.00
Single retiree without Medicare	188.00
Two party retiree, one with Medicare/one without	276.00
Two party retiree, both with Medicare	207.27
Two party retiree, neither with Medicare	307.27

NOTE R – OTHER POST EMPLOYMENT BENEFITS (Continued)

Primary Government (Continued)

Annual OPEB Cost

For the fiscal year ended September 30, 2008, the County's annual OPEB cost was $10,336,862, which consisted entirely of the actuarially defined annual required contribution (ARC). The dollar amount contributed by the County toward the OPEB cost was $3,839,237, the amount required to cover current year expenditures. At September 30, 2008, the County had a net OPEB obligation of $6,497,625.

Annual required contribution	$ 10,336,862
Contributions made	(3,839,237)
Increase in net OPEB obligation	6,497,625
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	$ 6,497,625

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 is as follows:

Fiscal Year Beginning	Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation Beginning	Change to Net OPEB Obligation	Net OPEB Obligation Ending
10/1/07	9/30/08	$10,336,862	37.14%	$ -	$6,497,625	$6,497,625

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). Additionally, the net OPEB obligation of $6,497,625 is comprised solely of the outstanding annual required contribution.

Funded Status and Funding Progress

As of September 30, 2007, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was $117,676,388. The actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $117,676,388. The covered payroll (annual payroll of active employees covered by the plan) was $187,000,568 and the ratio of the UAAL to the covered payroll was 62.93%. The schedule of funding progress, on page 97, presented as RSI following the notes to the financial statements shows only the first year of funding status.

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

Projections of benefits for financial reporting purposes are made on the substantive plan (the plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In order to perform the valuation, it was necessary for the County and the actuary to make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare trend and interest rates.

NOTE R – OTHER POST EMPLOYMENT BENEFITS (Continued)

Primary Government (Continued)

Actuarial Valuation Information	
Actuarial valuation date	September 30, 2007
Actuarial cost method	Projected unit credit
Amortization method	Level percentage of payroll, closed
Amortization period in years	30
Asset valuation method	First year not required
Actuarial assumptions:	
Discount Rate	4.5%
Payroll	Aggregate 3.5%
Medical trend rates	11.0%

Additional Disclosures

Texas Local Government Code, Chapter 175 requires 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. Bexar 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.

The System

Description

In 2007, the system adopted GASB Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB). This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities note disclosures. During 2007, the system approved the OPEB Trust to receive contributions and accumulate assets to fund the cost of retiree medical benefits in accordance with the adoption of GASB 45 as a single-employer defined benefit health care plan. Employees eligible to retire from the System may elect to continue medical benefits, currently at the same contribution rates and schedule of benefits as active employees. The financial statements of the OPEB Trust are included as a discretely presented component unit of the System.

Funding Policy

The contribution requirements of plan members and the System are established and may be amended by the Investment Committee of the OPEB Trust. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2007, the System made no contributions to the OPEB Trust. The required portion of the annual required contribution that was not funded by the System is shown as receivable and accrued contribution income in the financial statements of the OPEB Trust. Plan members receiving benefits contributed $131,385 through their required contribution of $35.45 per month for retiree-only coverage, $61.97 for retiree and spouse coverage, $60.99 for retiree and children coverage, and $89.60 for retiree and family coverage.

NOTE R – OTHER POST EMPLOYMENT BENEFITS (Continued)

The System (Continued)

Annual OPEB Cost and Net OPEB Obligation

The System's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year an amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The adjustment to the ARC shown in the following table is for the portion of the benefits paid to beneficiaries by the System and recorded in employee compensation expense on a pay-as-you-go basis. The following table shows the components of the System's annual OPEB cost for the year, the amount actually contributed to the OPEB Trust, and changes in the System's net OPEB obligation to the OPEB Trust (dollar amounts in thousands):

	Year Ended December 31, 2007
Annual required contribution	$ 3,107
Interest on net OPEB obligation	-
Adjustment to annual required contribution	(418)
Annual OPEB cost (expense)	2,689
Contributions made	-
Increase in net OPEB obligation	2,689
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	$ 2,689

In 2006, expense was recognized on a pay-as-you-go basis for approximately $363,000.

The System's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB Trust, and the net OPEB obligation for 2007 is as follows (dollar amounts in thousand):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
		(In Thousands)	
December 31, 2007	$ 2,689	0%	$ 2,689

Funded Status and Funding Progress

As of January 1, 2007, the most recent actuarial valuation date, the OPEB Trust was unfunded. The actuarial accrued liability for benefits was approximately $27,504,000, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of approximately $27,504,000. The covered payroll (annual payroll of active employees covered by the OPEB Trust) was $171.5 million and the ratio of the UAAL to the covered payroll was 16 percent.

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. Examples include assumptions about the future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information 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 liabilities for benefits.

NOTE R – OTHER POST EMPLOYMENT BENEFITS (Continued)

The System (Continued)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2007, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included an 8 percent investment rate of return and an annual health care cost trend rate of 5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The amortization period at December 31, 2007, was 30 years.

NOTE S - 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, 2008, the aggregate amount of conduit debt outstanding was $448,989,383.

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 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. At September 30, 2008, the aggregate amount of conduit debt outstanding was $72,793,738.

NOTE T - 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 $ 152,534,699 and are reflected in the reserve for encumbrance in the capital projects fund.

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, 2008 by the Corporation are $255,034 for grant commitments and $174,034 for down payment assistance for a total of $429,068.

There are various lawsuits outstanding against the County at September 30, 2008 involving claims relating to the jail, civil rights, and various other matters. In the opinion of management, the outcome of the litigation will not have a material adverse effect on the County's financial position or operations.

Bexar 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 Bexar County has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectibility 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.

NOTE T - COMMITMENTS AND CONTINGENCIES (Continued)

Primary Government (Continued)

During the fiscal year ended September 30, 2006, the County and the Deputy Sheriff's Association of Bexar County/International Union of Police Associations executed a collective bargaining agreement effective from August 17, 2006 through September 30, 2009. The total estimated cumulative cost of the agreements over the three-year contract period is $29.7 million.

The System

The System's Board of Managers has approved various facility improvement and renovation projects. As of December 31, 2007, the System had outstanding cancelable contractual arrangements totaling $11,785,000 for architectural and construction services.

At December 31, 2007, the System was a defendant in certain pending civil litigation and has notice of certain claims that have been asserted against it. In addition, unasserted possible claims exist for known and unknown incidents. The System covers its exposure for asserted and unasserted claims through a program of self-insurance. The System has accrued its best estimate of these contingent losses. The reserves for these contingent losses include estimates of the ultimate cost for both reported claims and claims incurred but not reported. The reserve was $331,000 at December 31, 2007. In addition, the System has established a reserve in the amount of $1,200,000 to cover potential System exposure for medical malpractice claims arising from a limited number of System employed physicians. The reserve will provide "tail coverage" for a physician's medical malpractice claim occurring prior to October 1, 2003, the period when such physicians were covered under a "claims made" medical malpractice policy.

The System also self-insures workers' compensation claims. The program provides for specific excess of loss reinsurance for the excess of $500,000 up to a maximum of $1,000,000 for any one accident or occurrence. The amounts provided for funding the estimated liability are based on claims made and claims incurred but not reported. During the year ended December 31, 2007, the System recognized expense of $2,814,000 associated with the workers' compensation program.

In 2006 the System affiliated with Bexar County's largest providers of health care services to the poor and indigent in a program called Bexar Regional Upper Payment Limit Program (Bexar Regional UPL Program). The program, approved by Centers for Medicare & Medicare Services (CMS) on July 26, 2006, allowed the affiliated hospitals to assume a portion of medical care and other services provides to the poor and indigent. On October 5, 2007, CMS issued a deferral letter to the state of Texas. CMS took advantage of an administrative rule in order to request more information on the program on a state-wide basis. CMS has not communicated a decision related to the continuance or termination of the Bexar Regional UPL Program. The System has recorded benefits of lower medical service costs amounting to $12,900,000 and $3,400,000 in 2007 and 2006, respectively.

The System is self-insured for employee health insurance costs. The self-insured plan is administered by Community First Health Plan, who determines the cost of claims paid to community health care providers and estimates a reserve for medical claims incurred but not yet reported. The System also recognizes the incremental cost of services provided by the System to plan participants. The System maintains a stop-loss insurance contract to cover 90 percent of certain medical cost in excess of $175,000, up to a maximum of $2,000,000 per contract year and $5,000,000 per member lifetime maximum. As of December 31, 2007, a reserve of $552,000 is recorded.

NOTE U – SUBSEQUENT EVENT

In December 2008, the County issued $31,125,000 in Pass-Through Revenue and Limited Tax Bonds, Series 2008. The bonds were issued to construct, renovate, repair, and improve parts of Blanco Road within Bexar County. The bonds are payable from an annual ad valorem tax levied against all taxable property within the County and secured by a lien and pledge of two revenue sources as a result of agreements between the County and the Advanced Transportation District (ATD) and the Texas Department of Transportation (TxDOT).

NOTE V – RESTATEMENT OF PRIOR YEAR BALANCES

Probate Guardianship and Probate Education funds were created in FY 2008 as Special Revenue Funds. In prior years, activities related to these funds were recorded in the General Fund. The cumulative differences between program revenues and expenditures were maintained as a reserve on fund balance. In management's opinion, these activities should be recorded in separate funds.

GOVERNMENTAL ACTIVITIES
GENERAL AND NONMAJOR GOVERNMENTAL FUNDS FUND BALANCES

	General Fund Fund Balance
General Fund fund balance, September 30, 2007, as previously reported	$ 53,893,028
Funds previously reported in the General Fund	(157,079)
General Fund fund balance, October 1, 2007, as restated	$ 53,735,949

	Nonmajor Governmental Funds Fund Balance
Nonmajor governmental funds fund balance, September 30, 2007, as previously reported	$ 31,114,583
Funds previously reported in the General Fund	157,079
Nonmajor governmental funds fund balance, October 1, 2007, as restated	$ 31,271,662

In prior years, the Bexar County Sheriff operated a 501(c)(3) non profit corporation for the benefit of the County's inmates. During FY 2008, this corporation was dissolved and financial balances and future activities were transferred to a new business-type proprietary fund called the Sheriff's Commissary Fund.

BUSINESS TYPE ACTIVITIES
PROPRIETARY FUNDS

	Proprietary Funds Total Net Assets
Business-type activities total net assets, September 30, 2007, as previously reported	$ 96,698,010
Assets previously not reported on Statement of Net Assets	800,821
Business-type activities total net assets, October 1, 2007, as restated	$ 97,498,831

	Statement of Activities Net Assets
Business-type activities net assets - ending, September 30, 2007, as previously reported	$ 96,698,010
Assets previously not reported on Statement of Activities	800,821
Business-type activities net assets, October 1, 2007, as restated	$ 97,498,831

NOTE W – 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 assets on the Statement of Net Assets because the County will own no capital asset related to the debt liability. See Table 14 in the Statistical section for a detailed listing of the entities involved and the amount of County expenditures to date.

NOTE X – FUND DEFICIT

At September 30, 2008, the OPEB Fund (an internal service fund) had deficit net assets of $1,326,608. This is due to the County's implementation of GASB Statement No. 45. See footnote R for a description of OPEB.

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REQUIRED SUPPLEMENTARY INFORMATION

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
REVENUES				
Ad valorem taxes				
Current	$ 224,415,000	$ 224,415,000	$ 224,611,389	$ 196,389
Delinquent	3,445,200	3,445,200	3,568,208	123,008
Penalty and interest	2,233,500	2,233,500	2,189,209	(44,291)
Gross	230,093,700	230,093,700	230,368,806	275,106
Less - refunds	(1,000)	(1,000)	-	1,000
- TIFs	(1,500,000)	(1,500,000)	(1,581,487)	(81,487)
Net Ad valorem taxes	228,592,700	228,592,700	228,787,319	194,619
Other taxes, licenses, and permits	11,339,800	11,339,800	11,388,377	48,577
Intergovernmental revenues	5,698,400	5,698,400	6,327,669	629,269
Court costs and fines	27,898,800	27,898,800	24,709,816	(3,188,984)
Fees on motor vehicles	5,207,700	5,207,700	5,281,979	74,279
Other fees	13,252,800	13,252,800	11,089,848	(2,162,952)
Other commissions from governmental units	3,244,000	3,244,000	3,369,191	125,191
Revenue from use of assets	18,394,000	18,394,000	17,340,769	(1,053,231)
Sales, refunds and miscellaneous	4,163,100	4,163,100	4,395,775	232,675
TOTAL REVENUES	317,791,300	317,791,300	312,690,743	(5,100,557)
EXPENDITURES				
GENERAL GOVERNMENT				
Commissioners' Court				
Personnel cost	1,732,458	1,720,628	1,613,546	107,082
Remuneration for services	38,000	38,000	11,007	26,993
Operational costs	60,757	66,757	54,840	11,917
Supplies and materials	18,250	12,250	9,702	2,548
Total Commissioners' Court	1,849,465	1,837,635	1,689,095	148,540
County Clerk				
Personnel costs	5,920,929	5,978,493	5,876,669	101,824
Remuneration for services	17,001	17,453	17,172	281
Operational costs	317,782	317,782	298,893	18,889
Supplies and materials	182,500	184,872	161,963	22,909
Capital expenditures	33,785	31,413	-	31,413
Total County Clerk	6,471,997	6,530,013	6,354,697	175,316
County Auditor				
Personal services	3,476,113	3,546,706	3,461,565	85,141
Remuneration for services	36,175	36,175	20,845	15,330
Operational costs Miscellaneous services	371,935	371,935	355,669	16,266
Supplies and materials	52,000	52,000	47,842	4,158
Total County Auditor	$ 3,936,223	$ 4,006,816	$ 3,885,921	$ 120,895

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Support Services				
Personnel costs	$ 7,357,253	$ 7,482,491	$ 7,317,454	$ 165,037
Remuneration for services	223,118	235,904	234,178	1,726
Operational costs	1,094,644	1,022,887	909,925	112,962
Supplies and materials	1,822,032	1,832,242	1,579,860	252,382
Capital expenditures	-	63,000	62,048	952
Total Support Services	10,497,047	10,636,524	10,103,465	533,059
Tax Assessor-Collector				
Personnel	7,793,933	8,037,911	7,914,212	123,699
Remuneration for services	34,735	34,735	27,826	6,909
Operational costs	1,138,566	1,138,566	1,009,308	129,258
Supplies and materials	161,690	161,690	155,638	6,052
Total Tax Assessor-Collector	9,128,924	9,372,902	9,106,984	265,918
Purchasing				
Personnel	1,002,444	1,026,647	998,645	28,002
Remuneration for services	11,044	13,043	12,767	276
Operational costs	64,772	76,878	76,878	-
Supplies and materials	20,403	20,403	18,010	2,393
Total Purchasing	1,098,663	1,136,971	1,106,300	30,671
Planning and Resource Management				
Personnel costs	1,296,101	1,349,033	1,291,803	57,230
Remuneration for services	47,600	47,600	22,625	24,975
Operational costs	287,342	293,554	216,643	76,911
Supplies and materials	78,180	71,043	59,942	11,101
Capital expenditures	7,500	6,150	-	6,150
Total Planning and Resource Management	1,716,723	1,767,380	1,591,013	176,367
Collections				
Personnel costs	820,694	840,622	781,012	59,610
Remuneration for services	6,656	6,656	3,500	3,156
Operational costs	52,949	54,348	54,348	-
Supplies and materials	14,500	13,101	12,223	878
Total Collections	894,799	914,727	851,083	63,644
Personnel				
Personnel costs	1,457,293	1,471,919	1,471,918	1
Remuneration for services	95,744	94,079	43,421	50,658
Operational costs	280,599	281,699	254,913	26,786
Supplies and materials	288,214	298,520	232,003	66,517
Capital expenditures	32,150	24,119	-	24,119
Total Personnel	$ 2,154,000	$ 2,170,336	$ 2,002,255	$ 168,081

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Elections				
Personnel costs	$ 1,330,023	$ 1,356,310	$ 1,317,166	$ 39,144
Remuneration for services	811,750	811,750	736,421	75,329
Operational costs	904,069	904,069	664,958	239,111
Supplies and materials	179,875	179,875	106,754	73,121
Total Elections	3,225,717	3,252,004	2,825,299	426,705
Economic Development Special Project				
Personnel costs	518,345	530,175	523,672	6,503
Remuneration for services	38,036	39,062	39,037	25
Operational costs	129,392	129,366	100,356	29,010
Supplies and materials	26,700	26,700	22,198	4,502
Total Economic Development Special Project	712,473	725,303	685,263	40,040
Facilities Maintenance				
Personnel costs	1,572,877	1,505,053	1,270,641	234,412
Remuneration for services	1,890	1,890	1,548	342
Operational costs	1,100,013	2,649,612	2,638,432	11,180
Supplies and materials	156,825	156,825	135,258	21,567
Total Facilities Maintenance	2,831,605	4,313,380	4,045,879	267,501
County Wide				
Remuneration for services	180,236	180,236	73,766	106,470
Operational costs	23,120,038	31,312,787	29,987,102	1,325,685
Total County Wide	23,300,274	31,493,023	30,060,868	1,432,155
TOTAL GENERAL GOVERNMENT	67,817,910	78,157,014	74,308,122	3,848,892
JUDICIAL				
Criminal District Attorney				
Personnel costs	20,864,908	21,896,236	21,885,082	11,154
Remuneration for services	84,750	94,750	93,902	848
Operational costs	503,942	502,570	502,569	1
Supplies and materials	226,100	227,043	226,733	310
Total Criminal District Attorney	21,679,700	22,720,599	22,708,286	12,313
Central Magistration				
Personnel costs	1,460,909	1,460,909	1,108,339	352,570
Remuneration for services	12,000	12,000	9,484	2,516
Operational costs	1,314,978	1,542,310	1,537,880	4,430
Supplies and materials	212,113	101,113	46,059	55,054
Total Central Magistration	$ 3,000,000	$ 3,116,332	$ 2,701,762	$ 414,570

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Trial Expenses				
Remuneration for services	$ 150	$ 2,633	$ 2,432	$ 200
Operational costs	1,138,660	1,190,377	1,153,311	37,066
Total Trial Expenses	1,138,810	1,193,010	1,155,743	37,266
District Clerk				
Personnel costs	6,434,146	6,581,402	6,537,102	44,300
Remuneration for services	9,710	9,710	8,266	1,444
Operational costs	403,415	403,415	389,897	13,518
Supplies and materials	161,450	168,978	166,807	2,171
Capital expenditures	14,772	7,244	-	7,244
Total District Clerk	7,023,493	7,170,749	7,102,072	68,677
Jury Operations				
Personnel costs	292,099	301,078	299,416	1,662
Remuneration for services	1,233,176	1,240,194	1,090,035	150,159
Operational costs	130,970	131,232	129,265	1,967
Supplies and materials	13,350	13,350	13,200	150
Total Jury Operations	1,669,595	1,685,854	1,531,916	153,938
County Courts at Law				
Personnel costs	4,966,400	4,754,256	4,754,256	-
Remuneration for services	250,000	525,031	525,030	1
Operational costs	3,072,912	3,338,388	3,338,388	-
Supplies and materials	41,714	38,283	37,990	293
Total County Courts at Law	8,331,026	8,655,958	8,655,664	294
Probate Courts				
Personnel costs	1,438,274	1,537,271	1,517,706	19,565
Remuneration for services	25,500	25,500	15,899	9,601
Operational costs	333,005	244,047	243,313	734
Supplies and materials	3,000	3,000	2,446	554
Total Probate Courts	1,799,779	1,809,818	1,779,364	30,454
Justices of the Peace, Precinct 1				
Personnel costs	450,528	504,586	504,585	1
Remuneration for services	3,800	3,688	3,688	-
Operational costs	20,645	21,226	21,226	-
Supplies and materials	27,497	27,497	25,786	1,711
Total Justices of the Peace, Precinct 1	$ 502,470	$ 556,997	$ 555,285	$ 1,712

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Justices of the Peace, Precinct 1, Place 3				
Personnel costs	$ 635,334	$ 684,316	$ 681,675	$ 2,641
Remuneration for services	891	891	762	129
Operational costs	111,061	111,676	108,185	3,491
Supplies and materials	20,816	20,816	18,505	2,311
Total Justices of the Peace, Precinct 1, Place 3	768,102	817,699	809,127	8,572
Justices of the Peace, Precinct 2				
Personnel costs	880,544	912,487	912,486	1
Remuneration for services	6,000	5,792	2,445	3,347
Operational costs	141,525	141,525	136,506	5,019
Supplies and materials	38,992	38,992	34,638	4,354
Total Justices of the Peace, Precinct 2	1,067,061	1,098,796	1,086,075	12,721
Justice of the Peace, Precinct 3				
Personnel costs	633,091	672,314	670,422	1,892
Remuneration for services	4,980	10,980	10,672	308
Operational costs	151,054	161,013	155,389	5,624
Supplies and materials	38,130	38,130	37,404	726
Total Justices of the Peace, Precinct 3	827,255	882,437	873,887	8,550
Justice of the Peace, Precinct 4				
Personnel costs	428,691	460,837	460,836	1
Remuneration for services	4,997	6,597	6,508	89
Operational costs	126,796	122,296	119,264	3,032
Supplies and materials	22,580	21,780	16,778	5,002
Total Justices of the Peace, Precinct 4	583,064	611,510	603,386	8,124
District Courts - Criminal				
Personnel costs	3,451,342	3,685,905	3,685,905	-
Remuneration for services	206,475	212,774	212,773	1
Operational costs	5,535,223	5,572,973	5,572,969	4
Supplies and materials	43,740	56,581	56,580	1
Total District Courts - Criminal	9,236,780	9,528,233	9,528,227	6
District Courts - Civil				
Personnel costs	2,874,019	2,874,019	2,831,848	42,171
Remuneration for services	40,450	40,450	22,844	17,606
Operational costs	3,281,683	3,281,683	2,971,926	309,757
Supplies and materials	44,799	44,799	43,818	981
Total District Courts - Civil	$ 6,240,951	$ 6,240,951	$ 5,870,436	$ 370,515

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
District Court - Juvenile				
Personnel costs	$ 1,250,672	$ 1,328,615	$ 1,328,614	$ 1
Remuneration for services	12,960	9,627	9,626	1
Operational costs	933,522	1,072,010	1,071,957	53
Supplies and materials	17,188	12,084	12,082	2
Total District Court - Juvenile	2,214,342	2,422,336	2,422,279	57
Pre-Trial Services				
Personnel costs	3,238,933	3,270,998	3,041,973	229,025
Remuneration for services	5,046	5,546	3,874	1,672
Operational costs	452,714	454,649	414,221	40,428
Supplies and materials	58,378	70,377	61,150	9,227
Total Pre-Trial Services	3,755,071	3,801,570	3,521,218	280,352
Bail Bond Board				
Personnel costs	60,451	62,683	62,582	101
Remuneration for services	210	210	-	210
Operational costs	879	854	619	235
Supplies and materials	150	150	-	150
Total Bail Bond Board	61,690	63,897	63,201	696
4th Court of Appeals				
Personnel costs	67,130	67,130	65,868	1,262
Operational costs	18,020	18,020	17,222	798
Supplies and materials	40	40	-	40
Total 4th Court of Appeals	85,190	85,190	83,090	2,100
D.P.S. Warrants				
Personnel costs	92,495	97,244	96,510	734
Operational costs	500	500	500	-
Total D.P.S. Warrants	92,995	97,744	97,010	734
TOTAL JUDICIAL	70,077,374	72,559,680	71,148,028	1,411,651
PUBLIC SAFETY				
Sheriff				
Personnel costs	39,782,271	40,091,232	40,091,231	1
Remuneration for services	125,932	159,597	157,133	2,464
Operational costs	2,491,604	2,447,417	2,391,515	55,902
Supplies and materials	1,602,109	2,239,707	2,239,707	-
Capital expenditures	456,956	259,230	229,377	29,853
Total Sheriff	$ 44,458,872	$ 45,197,183	$ 45,108,963	$ 88,220

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Adult Detention Centers				
Personnel costs	$ 48,418,588	$ 49,847,861	$ 49,843,579	$ 4,282
Remuneration for services	12,900	12,900	7,318	5,582
Operational costs	4,851,033	4,814,980	4,765,150	49,830
Supplies and materials	1,600,957	1,665,896	1,482,172	183,724
Capital expenditures	-	61	-	61
Total Adult Detention Centers	54,883,478	56,341,698	56,098,219	243,479
Sheriff Support Services				
Personnel costs	2,245,587	2,245,587	2,235,472	10,115
Remuneration for services	4,785	4,785	4,029	756
Operational costs	26,159	26,159	15,535	10,624
Supplies and materials	29,038	29,038	25,922	3,116
Total Sheriff Support Services	2,305,569	2,305,569	2,280,958	24,611
Juvenile Services				
Personnel costs	7,070,316	7,513,961	7,513,961	-
Remuneration for services	278,329	335,512	327,780	7,732
Operational costs	3,153,023	2,853,586	2,853,586	-
Supplies and materials	198,269	226,518	226,518	-
Capital expenditures	14,210	191	-	191
Total Juvenile Services	10,714,147	10,929,768	10,921,845	7,923
Juvenile Detention				
Personnel costs	13,884,620	14,955,826	14,891,995	63,831
Remuneration for services	890	890	890	-
Operational costs	797,649	909,371	880,562	28,809
Supplies and materials	279,071	310,442	300,839	9,603
Capital expenditures	127,002	27,047	12,734	14,313
Total Juvenile Detention	15,089,232	16,203,576	16,087,020	116,556
Child Support Probation				
Personnel costs	711,347	749,342	741,124	8,218
Remuneration for services	13,394	14,186	13,393	793
Operational costs	16,522	16,522	7,298	9,224
Supplies and materials	11,070	11,070	10,772	298
Total Child Support Probation	752,333	791,120	772,587	18,533
Community Supervision & Correction				
Operational costs	977,724	1,021,665	1,021,663	2
Supplies and materials	20,198	18,367	18,367	-
Total Community Supervision & Correction	$ 997,922	$ 1,040,032	$ 1,040,030	$ 2

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Forensic Science Center				
Personnel costs	$ 3,286,115	$ 3,281,115	$ 3,197,978	$ 83,137
Remuneration for services	43,400	43,400	43,118	282
Operational costs	441,068	441,068	427,120	13,948
Supplies and materials	187,934	203,031	201,423	1,608
Capital expenditures	18,745	3,648	3,431	217
Total Forensic Science Center	3,977,262	3,972,262	3,873,070	99,192
Crime Lab				
Personnel costs	1,484,765	1,461,193	1,378,071	83,122
Remuneration for services	19,975	19,975	17,607	2,368
Operational costs	104,610	110,610	109,884	726
Supplies and materials	141,319	156,428	151,958	4,470
Capital expenditures	137,562	116,453	111,423	5,030
Total Crime Lab	1,888,231	1,864,659	1,768,943	95,716
Constable Precinct 1				
Personnel costs	1,420,031	1,419,535	1,389,354	30,181
Remuneration for services	4,250	3,900	2,655	1,245
Operational costs	75,757	76,603	76,603	-
Supplies and materials	41,100	57,483	51,781	5,702
Capital expenditures	10,000	7,717	-	7,717
Total Constable Precinct 1	1,551,138	1,565,238	1,520,393	44,845
Constable Precinct 2				
Personnel costs	1,573,548	1,599,428	1,599,427	1
Remuneration for services	8,175	8,462	8,461	1
Operational costs	124,523	134,330	134,329	1
Supplies and materials	87,226	87,462	87,232	230
Total Constable Precinct 2	1,793,472	1,829,682	1,829,449	233
Constable Precinct 3				
Personnel costs	1,254,743	1,252,373	1,217,230	35,143
Remuneration for services	3,500	2,507	1,472	1,035
Operational costs	93,660	99,423	99,423	-
Supplies and materials	22,508	41,508	33,042	8,466
Total Constable Precinct 3	1,374,411	1,395,811	1,351,167	44,644
Constable Precinct 4				
Personnel costs	958,201	966,674	951,908	14,766
Remuneration for services	4,500	4,110	2,337	1,773
Operational costs	93,794	95,684	95,683	1
Supplies and materials	47,841	61,941	55,527	6,414
Total Constable Precinct 4	$ 1,104,336	$ 1,128,409	$ 1,105,455	$ 22,954

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Adult Detention Center-Facilities Maintenance				
Personnel costs	$ 1,926,538	$ 2,007,089	$ 2,007,089	$ -
Remuneration for services	2,900	2,899	240	2,659
Operational costs	790,335	3,126,067	3,126,066	1
Supplies and materials	251,627	251,627	248,047	3,580
Total ADC-Facilities Maintenance	2,971,400	5,387,682	5,381,442	6,240
Juvenile Detention-Facilities Maintenance				
Personnel costs	845,496	866,045	839,903	26,142
Remuneration for services	1,800	1,800	392	1,408
Operational costs	369,468	1,282,968	1,276,326	6,642
Supplies and materials	122,075	122,075	115,915	6,160
Capital expenditures	50,500	-	-	-
Total Juvenile Detention-Facilities Maintenance	1,389,339	2,272,888	2,232,536	40,352
Forensic Science Center-Facilities Maintenance				
Personnel costs	89,546	93,521	93,157	364
Remuneration for services	1,800	1,800	1,799	1
Operational cost	517,626	521,678	521,676	2
Supplies and materials	9,070	19,709	18,103	1,606
Capital expenditures	70,246	55,555	13,402	42,153
Total FSC-Facilities Maintenance	688,288	692,263	648,137	44,126
Fire Marshal/Emergency Management				
Personnel costs	1,021,426	1,023,605	990,767	32,838
Remuneration for services	22,451	20,272	16,032	4,240
Operational costs	467,800	468,100	414,543	53,557
Supplies and materials	182,024	182,024	139,004	43,020
Total Fire Marshal/Emergency Management	1,693,701	1,694,001	1,560,346	133,655
TOTAL PUBLIC SAFETY	147,633,131	154,611,841	153,580,560	1,031,281
EDUCATION AND RECREATION				
Agriculture Extension Service				
Personnel costs	547,486	547,486	450,872	96,614
Remuneration for services	22,700	22,700	21,429	1,271
Operational costs	149,796	147,296	141,121	6,175
Supplies and materials	19,700	22,200	22,143	57
Total Agriculture Extension Service	$ 739,682	$ 739,682	$ 635,565	$ 104,117

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
County Parks				
Personnel costs	$ 1,968,924	$ 2,017,238	$ 1,991,863	$ 25,375
Operational costs	255,541	420,699	420,697	2
Supplies and materials	239,129	230,938	230,722	216
Capital expenditures	-	3,133	3,133	-
Total County Parks	2,463,594	2,672,008	2,646,415	25,593
TOTAL EDUCATION AND RECREATION	3,203,276	3,411,690	3,281,980	129,710
PUBLIC WORKS				
Public Works				
Personnel costs	812,235	771,137	754,106	17,031
Remuneration for services	5,875	5,875	3,432	2,443
Operational costs	181,329	233,131	233,129	2
Supplies and materials	11,200	11,200	9,006	2,194
Total Public Works	1,010,639	1,021,343	999,673	21,670
Energy Management				
Personnel costs	128,569	131,876	131,875	1
Remuneration for services	6,200	6,168	3,878	2,290
Operational costs	5,033,255	114,756	82,448	32,308
Supplies and materials	7,770	7,770	2,269	5,501
Capital expenditures	50,000	50,000	-	50,000
Total Energy Management	5,225,794	310,570	220,470	90,100
TOTAL PUBLIC WORKS	6,236,433	1,331,913	1,220,143	111,770
HEALTH AND PUBLIC WELFARE				
Environmental Services				
Personnel costs	365,589	388,595	383,413	5,182
Remuneration for services	1,875	5,375	4,697	678
Operational costs	138,315	134,815	97,380	37,435
Supplies and materials	17,425	17,425	12,083	5,342
Total Environmental Services	523,204	546,210	497,573	48,637
Child Welfare				
Personnel costs	-	-	-	-
Remuneration for services	2,000	2,000	1,100	900
Operational costs	2,525,256	2,475,256	2,442,217	33,039
Supplies and materials	142,500	142,500	142,495	5
Total Child Welfare	2,669,756	2,619,756	2,585,812	33,944
Community Development Programs				
Personnel costs	1,572,011	1,765,483	1,642,866	122,617
Remuneration for services	45,906	94,458	71,927	22,531
Operational costs	419,835	1,222,053	714,032	508,021
Supplies and materials	72,152	98,174	83,746	14,428
Total Community Development Programs	$ 2,109,904	$ 3,180,168	$ 2,512,571	$ 667,597

Bexar County, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Original Budget	Final Budget	Actual Amount	Variance
Veterans County Service				
Personnel costs	$ 122,310	$ 124,604	$ 121,755	$ 2,849
Remuneration for services	1,544	1,519	1,046	473
Operational costs	14,292	14,317	14,316	1
Supplies and materials	1,390	1,390	1,333	57
Total Veterans County Service	139,536	141,830	138,450	3,380
Health and Welfare				
Operational costs	227,782	243,556	243,555	1
Total Health and Welfare	227,782	243,556	243,555	1
TOTAL HEALTH AND PUBLIC WELFARE	5,670,182	6,731,520	5,977,961	753,559
INTERGOVERNMENTAL EXPENDITURES				
Services by Other Agencies				
Operational costs	4,185,018	4,264,088	4,264,088	-
Total Services by Other Agencies	4,185,018	4,264,088	4,264,088	-
TOTAL INTERGOVERNMENTAL EXPENDITURES	4,185,018	4,264,088	4,264,088	-
Contingencies				
Contingencies	23,914,376	-	-	-
Total Contingencies	23,914,376	-	-	-
TOTAL EXPENDITURES	328,737,700	321,067,746	313,780,882	7,286,863
EXCESS OF REVENUES OVER EXPENDITURES	(10,946,400)	(3,276,446)	(1,090,139)	2,186,307
OTHER FINANCING SOURCES				
Interfund transfers in	44,145	44,145	107,790	63,645
Interfund transfers out	(5,355,931)	(2,447,459)	(2,365,799)	81,660
TOTAL OTHER FINANCING SOURCES (USES)	(5,311,786)	(2,403,314)	(2,258,009)	145,305
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	$ (16,258,186)	$ (5,679,760)	(3,348,148)	$ 2,331,612
Add other reconciling items to adjust from budgetary basis to modified accrual basis				
Encumbrances			1,102,382	
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES, MODIFIED ACCRUAL BASIS			(2,245,766)	
Fund balance - beginning as restated (see Footnote V)			53,735,949	
Fund balance - ending			$ 51,490,183	

General Fund Budget

The budget for the General Fund is adopted on a budgetary basis rather than in conformity with generally accepted accounting principles (GAAP). Under the budgetary basis, expenditures include encumbrances outstanding at the end of the fiscal year. The items, which reconcile the budgetary basis to the modified accrual basis (GAAP), include encumbrances outstanding at year-end.

The original expenditure category (appropriation unit) 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 between expenditure categories are made during the year on approval by the Commissioners' Court. Both the original and final amended budget is included. Management cannot amend the budget without approval by Commissioners' Court.

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
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2008

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]
9/30/07	$ -	$ 117,676,388	$117,676,388	0.00%	$ 187,000,568	62.93%

Bexar County, Texas
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2008

The System

Schedule of Funding Progress for Bexar County Retired Employee Healthcare Plan (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - (b)	Unfunded AAL (UAAL) (b-a)
1/1/2007	$ -	$ 27,504	$ 27,504

See Note R for a complete description of the County's Other Postemployment Benefits.

Bexar County, Texas

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2008

Primary Government:

Schedule of Funding Progress for the Retirement Plan for the Employees of Bexar County, Texas

Actuarial Valuation Date [1]	Actuarial Value Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll* (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
12/31/05	$ 439,658,564	$ 505,135,375	$ 65,476,811	87.04%	$ 167,111,308	39.18%
12/31/06	$ 493,106,883	$ 544,318,343	$ 51,211,460	90.59%	$ 174,803,879	29.30%
12/31/07	$ 533,909,770	$ 586,511,660	$ 52,601,890	91.03%	$ 189,723,874	27.73%

*The annual covered payroll is based on the employee deposits received by TCDRS for the year ending with the valuation date.

[1] Funding information for 12/31/2006 may differ from prior year compliance data due to plan changes effective 1/1/2008.

System:

Schedule of Funding Progress for the Retirement Plan for the Employees of the System

Actuarial Valuation Date	Actuarial Value Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio 1 (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
01/01/05	$ 79,698,000	$ 114,611,000	$ 34,913,000	69.5%	$ 147,108,000	23.7%
01/01/06	$ 89,147,000	$ 137,407,000	$ 48,260,000	64.9%	$ 153,580,000	31.4%
01/01/07	$ 101,594,000	$ 157,746,000	$ 56,152,000	64.4%	$ 171,538,000	32.7%

The actuarial assumptions used for the current fiscal year are as follow:

Investment rate of return	8%
Projected salary increases	5.5%
Inflation rate	4%

See Note Q for a complete description of the Retirement Plans for both the County and the System.

COMBINING STATEMENTS

NON-MAJOR 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 countywide 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.

JUSTICE OF PEACE TECHNOLOGY FUND - to account for fee revenue and expenditures related to technological improvements in the Justice of 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.

UNCLAIMED MONEY FUND - to account for funds the County holds that rightfully belongs to another party.

LAW LIBRARY FUND - to account for fee revenue and expenditures related to the operations of the law library.

DISPUTE RESOLUTION FUND - to account for fee revenue and expenditures related to the operations of the dispute mediation center.

JUSTICE 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.

PARKING FACILITIES FUND - to account for operating costs of the County parking garage. Revenue is from the parking fees collected.

CHILD ABUSE PREVENTION FUND – to account for fee revenue from court cost 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.

DISTRICT ATTORNEY STATE SUPPLEMENT FUND – to account for the State allocation of support funds for the District Attorney's office.

JUVENILE CASE MANAGER FUND – to account for fee revenues and expenditures related to juvenile social workers in the Justice of 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.

FARM TO MARKET AND LATERAL ROAD FUND - to account for maintenance of County farm and lateral roads. A specific annual property tax levy and a portion of vehicle sales tax provide financing.

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.

CHAPTER 19 VOTER REGISTRATION FUND – to account for revenues received from State and expenditures associated with disseminating voting information to the public and registering new voters.

ELECTION CONTRACTING SERVICES FUND - to account for 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 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.

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Bexar County, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2008

	County Clerk Records Management	County Records Management	Courthouse Security	Justice of Peace Technology
ASSETS				
Cash	$ 9,725,880	$ 745,000	$ 37,901	$ 891,122
Investments	-	-	-	-
Receivables:				
Delinquent taxes, net of allowance for uncollectible accounts	-	-	-	-
Accounts receivable	-	-	-	-
Due from other funds	3,948	66,191	10,823	-
Due from other governments	-	-	-	-
Accrued interest	-	-	-	-
Deferred charges	-	-	-	-
TOTAL ASSETS	$ 9,729,828	$ 811,191	$ 48,724	$ 891,122
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers payable	$ 803,416	$ 1,310	$ -	$ -
Accrued liabilities	60	-	20,949	1,377
Due to other funds	1,162	-	14,782	9,999
Advances from other funds	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	804,638	1,310	35,731	11,376
FUND BALANCES				
Fund balances				
Reserved for encumbrances	-	-	-	-
Unreserved				
Designated for grant awards	-	-	-	-
Designated for administrative commitments	-	-	-	-
Undesignated	8,925,190	809,881	12,993	879,746
TOTAL FUND BALANCES	8,925,190	809,881	12,993	879,746
TOTAL LIABILITIES AND FUND BALANCES	$ 9,729,828	$ 811,191	$ 48,724	$ 891,122

Fire Code	District Clerk Records Management	Unclaimed Money	Law Library	Dispute Resolution	Justice of Peace Security Fund
$ 1,286,629	$ 91,371	$ 270,091	$ 584,805	$ 11,240	$ 114,269
-	-	-	-	-	-
-	-	-	-	-	-
1,659	-	-	-	778	-
745	1,227	-	-	10,951	14,681
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 1,289,033	$ 92,598	$ 270,091	$ 584,805	$ 22,969	$ 128,950
$ 12,665	$ 12,499	$ -	$ 1,538	$ 3,902	$ 3,373
10,467	50,000	130,648	86,637	17,610	-
44	-	96	120	1,456	-
-	-	-	-	-	-
-	-	122,873	-	-	-
-	-	-	-	-	-
23,176	62,499	253,617	88,295	22,968	3,373
-	-	-	-	-	3,871
-	-	-	-	-	-
-	-	-	-	-	-
1,265,857	30,099	16,474	496,510	1	121,706
1,265,857	30,099	16,474	496,510	1	125,577
$ 1,289,033	$ 92,598	$ 270,091	$ 584,805	$ 22,969	$ 128,950

Bexar County, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2008

	Domestic Relations	Probate Contribution	LEOSE	Parking Facilities
ASSETS				
Cash	$ 237,979	$ 40,089	$ 95,568	$ 818,480
Investments	-	923,999	-	-
Receivables:				
Delinquent taxes, net of allowance for uncollectible accounts	-	-	-	-
Accounts receivable	437	-	14,694	-
Due from other funds	75	157	679	116
Due from other governments	-	152,880	-	-
Accrued interest	-	5,748	-	-
Deferred charges	-	-	-	-
TOTAL ASSETS	$ 238,491	$ 1,122,873	$ 110,941	$ 818,596
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers payable	$ 36,923	$ 27,501	$ 4,533	$ 42,007
Accrued liabilities	1,335	3,396	20,381	86,298
Due to other funds	378	2,500	-	31
Advances from other funds	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	38,636	33,397	24,914	128,336
FUND BALANCES				
Fund balances				
Reserved for encumbrances	-	27,323	-	36,152
Unreserved				
Designated for grant awards	-	-	-	-
Designated for administrative commitments	-	-	-	-
Undesignated	199,855	1,062,153	86,027	654,108
TOTAL FUND BALANCES	199,855	1,089,476	86,027	690,260
TOTAL LIABILITIES AND FUND BALANCE	$ 238,491	$ 1,122,873	$ 110,941	$ 818,596

Child Abuse Prevention	Drug Court Program	District Attorney State Supplement	Juvenile Case Manager	Probate Guardianship	Probate Education
$ 103	$ 21,650	$ 34	$ 14,081	$ 98,148	$ 166,654
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53	9,010	-	-	18,061	4,464
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 156	$ 30,660	$ 34	$ 14,081	$ 116,209	$ 171,118
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	4,607	-	-
-	-	-	-	-	116
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,607	-	116
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
156	30,660	34	9,474	116,209	171,002
156	30,660	34	9,474	116,209	171,002
$ 156	$ 30,660	$ 34	$ 14,081	$ 116,209	$ 171,118

Bexar County, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2008

	Juvenile Delinquency Prevention	Farm to Market and Lateral Road	Grants	Technology Improvement
ASSETS				
Cash	$ 11,035	$ 1,346,525	$ 10,917,305	$ 1,442,652
Investments	-	1,428,590	-	-
Receivables:				
Delinquent taxes, net of allowance for uncollectible accounts	-	12,091	-	-
Accounts receivable	-	-	155,446	-
Due from other funds	356	145,928	577,499	50,369
Due from other governments	-	90,737	789,813	-
Accrued interest	-	11,122	-	-
Deferred charges	-	-	171	-
TOTAL ASSETS	$ 11,391	$ 3,034,993	$ 12,440,234	$ 1,493,021
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers payable	$ -	$ 116,174	$ 2,397,850	$ 238,893
Accrued liabilities	-	187,603	14,105	154,282
Due to other funds	-	2,102,428	676,630	-
Advances from other funds	-	-	250,000	400,000
Due to other governmental units	-	-	-	-
Deferred revenue	-	11,998	-	-
TOTAL LIABILITIES	-	2,418,203	3,338,585	793,175
FUND BALANCES				
Fund balances				
Reserved for encumbrances	-	49,611	5,266,024	9,730
Unreserved				
Designated for grant awards	-	-	-	-
Designated for administrative commitments	-	-	-	-
Undesignated	11,391	567,179	3,835,625	690,116
TOTAL FUND BALANCES	11,391	616,790	9,101,649	699,846
TOTAL LIABILITIES AND FUND BALANCE	$ 11,391	$ 3,034,993	$ 12,440,234	$ 1,493,021

Chapter 19 Voter Registration	Election Contracting Services	Tax Collector's Special Inventory	District Attorney Programs	Asset Forfeitures
$ 1	$ 147,505	$ 59,599	$ 1,144,318	$ 2,580,519
-	-	-	-	-
-	-	-	-	-
-	779,856	846	-	-
-	22,650	-	2,580	18,438
25,754	-	-	-	-
-	-	535,931	-	-
-	-	-	-	-
$ 25,755	$ 950,011	$ 596,376	$ 1,146,898	$ 2,598,957
$ 20,220	$ 21,839	$ 1,146	$ 2,697	$ 50,607
230	12,167	4,775	12,162	97,018
5,305	131,334	-	-	-
-	-	-	-	-
-	161,714	-	-	-
-	-	-	-	-
25,755	327,054	5,921	14,859	147,625
-	15,000	-	3,107	15,961
-	-	-	-	-
-	-	-	-	-
-	607,957	590,455	1,128,932	2,435,371
-	622,957	590,455	1,132,039	2,451,332
$ 25,755	$ 950,011	$ 596,376	$ 1,146,898	$ 2,598,957

Bexar County, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2008

	Blended Units			
	Bexar County Housing Finance Corporation	Bexar County Health Facilities Development Corporation	Bexar County Industrial Development Corporation	Total
ASSETS				
Cash	$ 727,255	$ 191,080	$ 49,097	$ 33,867,985
Investments	-	-	-	2,352,589
Receivables:				
Delinquent taxes, net of allowance for uncollectible accounts	-	-	-	12,091
Accounts receivable	82,616	-	-	1,036,332
Due from other funds	4,091	-	-	963,092
Due from other governments	-	-	-	1,059,184
Accrued interest	-	-	-	552,801
Deferred charges	-	-	-	171
TOTAL ASSETS	$ 813,962	$ 191,080	$ 49,097	$ 39,844,245
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers payable	$ -	$ -	$ -	$ 3,799,093
Accrued liabilities	17,011	-	-	933,118
Due to other funds	10	-	-	2,946,391
Advances from other funds	-	-	-	650,000
Due to other governmental units	-	-	-	284,587
Deferred revenue	-	-	-	11,998
TOTAL LIABILITIES	17,021	-	-	8,625,187
FUND BALANCES				
Fund balances				
Reserved for encumbrances	-	-	-	5,426,779
Unreserved				
Designated for grant awards	429,068	-	-	429,068
Designated for administrative commitments	150,000	100,000	-	250,000
Undesignated	217,873	91,080	49,097	25,113,211
TOTAL FUND BALANCES	796,941	191,080	49,097	31,219,058
TOTAL LIABILITIES AND FUND BALANCE	$ 813,962	$ 191,080	$ 49,097	$ 39,844,245

Bexar County, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
for
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2008

	County Clerk Records Management	County Records Management	Courthouse Security	Justice of Peace Technology
REVENUES				
Ad valorem taxes	$ -	$ -	$ -	$ -
Other taxes, licenses, and permits	-	-	-	-
Intergovernmental revenue	-	-	-	-
Court cost and fines	3,187	506,780	395,695	237,195
Fees on motor vehicles	-	-	-	-
Other fees	2,808,440	-	340,985	-
Revenue from use of assets	284,986	22,282	1,986	27,261
Sales, refunds and miscellaneous	1,576	-	-	-
TOTAL REVENUES	3,098,189	529,062	738,666	264,456
EXPENDITURES				
General government	2,178,378	312,843	-	-
Judicial	-	-	-	159,431
Public safety	-	-	1,211,273	-
Education and recreation	-	-	-	-
Public works	-	-	-	-
Health and public welfare	-	-	-	-
Capital expenditures	-	-	-	-
TOTAL EXPENDITURES	2,178,378	312,843	1,211,273	159,431
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	919,811	216,219	(472,607)	105,025
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	-	-	351,196	-
Interfund transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	351,196	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	919,811	216,219	(121,411)	105,025
Fund balances - beginning as restated (see Footnote V)	8,005,379	593,662	134,404	774,721
Fund balances - ending	$ 8,925,190	$ 809,881	$ 12,993	$ 879,746

Bexar County, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
for
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2008

	Fire Code	District Clerk Records Management	Unclaimed Money
REVENUES			
Ad valorem taxes	$ -	$ -	$ -
Other taxes, licenses, and permits	-	-	-
Intergovernmental revenue	-	-	-
Court cost and fines	-	-	-
Fees on motor vehicles	-	-	-
Other fees	883,451	120,331	-
Revenue from use of assets	39,285	4,525	4,283
Sales, refunds and miscellaneous	-	-	-
TOTAL REVENUES	922,736	124,856	4,283
EXPENDITURES			
General government	-	-	-
Judicial	-	104,988	-
Public safety	570,934	-	-
Education and recreation	-	-	-
Public works	-	-	-
Health and public welfare	-	-	-
Capital expenditures	111,512	-	-
TOTAL EXPENDITURES	682,446	104,988	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	240,290	19,868	4,283
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	-	-	-
Interfund transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	240,290	19,868	4,283
Fund balances - beginning as restated (see Footnote V)	1,025,567	10,231	12,191
Fund balances - ending	$ 1,265,857	$ 30,099	$ 16,474

Law Library	Dispute Resolution	Justice of Peace Security Fund	Domestic Relations	Probate Contribution	LEOSE
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	232,880	119,336
746,989	504,228	49,298	451,150	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,944	338	2,844	5,418	38,245	2,447
126,433	-	-	92	-	2,325
889,366	504,566	52,142	456,660	271,125	124,108
-	-	-	-	-	-
688,059	-	6,942	-	183,640	-
-	-	-	-	-	80,127
-	-	-	-	-	-
-	-	-	-	-	-
-	584,661	-	381,988	-	-
-	-	-	-	-	-
688,059	584,661	6,942	381,988	183,640	80,127
201,307	(80,095)	45,200	74,672	87,485	43,981
-	50,840	-	-	-	-
(14,529)	-	-	(6,626)	(2,500)	-
(14,529)	50,840	-	(6,626)	(2,500)	-
186,778	(29,255)	45,200	68,046	84,985	43,981
309,732	29,256	80,377	131,809	1,004,491	42,046
$ 496,510	$ 1	$ 125,577	$ 199,855	$ 1,089,476	$ 86,027

Bexar County, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
for
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2008

	Parking Facilities	Child Abuse Prevention	Drug Court Program	District Attorney State Supplement
REVENUES				
Ad valorem taxes	$ -	$ -	$ -	$ -
Other taxes, licenses, and permits	-	-	-	-
Intergovernmental revenue	-	-	-	34,450
Court cost and fines	-	156	-	-
Fees on motor vehicles	-	-	-	-
Other fees	-	-	30,489	-
Revenue from use of assets	710,379	-	-	34
Sales, refunds and miscellaneous	-	-	-	-
TOTAL REVENUES	710,379	156	30,489	34,484
EXPENDITURES				
General government	410,054	-	-	-
Judicial	-	-	-	34,450
Public safety	-	-	-	-
Education and recreation	-	-	-	-
Public works	-	-	-	-
Health and public welfare	-	-	-	-
Capital expenditures	11,317	-	-	-
TOTAL EXPENDITURES	421,371	-	-	34,450
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	289,008	156	30,489	34
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	-	-	-	-
Interfund transfers out	(153,070)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(153,070)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	135,938	156	30,489	34
Fund balances - beginning as restated (see Footnote V)	554,322	-	171	-
Fund balances - ending	$ 690,260	$ 156	$ 30,660	$ 34

Juvenile Case Manager	Probate Guardianship	Probate Education	Juvenile Delinquency Prevention	Farm to Market and Lateral Road	Grants
$ -	$ -	$ -	$ -	$ 2,836	$ -
-	-	-	-	164,304	-
-	-	-	-	90,737	26,897,740
273,581	110,489	-	3,074	-	68,707
-	-	-	-	8,012,354	-
-	-	29,286	-	307,725	-
-	-	-	390	70,079	266,988
-	-	-	-	67,298	502,386
273,581	110,489	29,286	3,464	8,715,333	27,735,821
-	-	-	-	-	1,438
-	-	9,643	-	-	2,127,230
264,107	-	-	-	-	13,004,143
-	-	-	-	-	2,927,314
-	-	-	-	11,461,175	63,336
-	-	-	-	-	11,207,499
-	-	-	-	-	658,582
264,107	-	9,643	-	11,461,175	29,989,542
9,474	110,489	19,643	3,464	(2,745,842)	(2,253,721)
-	-	-	-	1,240,559	617,080
-	-	-	-	-	-
-	-	-	-	1,240,559	617,080
9,474	110,489	19,643	3,464	(1,505,283)	(1,636,641)
-	5,720	151,359	7,927	2,122,073	10,738,290
$ 9,474	$ 116,209	$ 171,002	$ 11,391	$ 616,790	$ 9,101,649

Bexar County, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
for
NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2008

	Technology Improvement	Chapter 19 Voter Registration	Election Contracting Services	Tax Collector's Special Inventory
REVENUES				
Ad valorem taxes	$ -	$ -	$ -	$ -
Other taxes, licenses, and permits	-	-	-	-
Intergovernmental revenue	-	335,905	1,326,747	-
Court cost and fines	-	-	-	-
Fees on motor vehicles	-	-	-	-
Other fees	-	-	121,553	-
Revenue from use of assets	-	-	-	501,796
Sales, refunds and miscellaneous	1,799,281	-	-	-
TOTAL REVENUES	1,799,281	335,905	1,448,300	501,796
EXPENDITURES				
General government	430,492	278,720	1,396,096	255,025
Judicial	242,532	-	-	-
Public safety	633,260	-	-	-
Education and recreation	17,330	-	-	-
Public works	390,155	-	-	-
Health and public welfare	11,171	-	-	-
Capital expenditures	309,939	59,527	-	-
TOTAL EXPENDITURES	2,034,879	338,247	1,396,096	255,025
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(235,598)	(2,342)	52,204	246,771
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	119,000	-	-	-
Interfund transfers out	(26,546)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	92,454	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(143,144)	(2,342)	52,204	246,771
Fund balances - beginning as restated (see Footnote V)	842,990	2,342	570,753	343,684
Fund balances - ending	$ 699,846	$ -	$ 622,957	$ 590,455

		Blended Units			
District Attorney Programs	Asset Forfeitures	Bexar County Housing Finance Corporation	Bexar County Health Facilities Development Corporation	Bexar County Industrial Development Corporation	Total
$ -	$ -	$ -	$ -	$ -	$ 2,836
-	-	-	-	-	164,304
-	-	-	-	-	29,037,795
37,195	2,175,650	-	-	-	5,563,374
-	-	-	-	-	8,012,354
664,499	-	118,054	31,444	-	5,456,257
18,162	67,125	32,182	6,188	1,622	2,124,789
1,600	7,506	-	-	-	2,508,497
721,456	2,250,281	150,236	37,632	1,622	52,870,206
-	-	609,369	28,754	1,900	5,903,069
855,212	380,835	-	-	-	4,792,962
-	442,833	-	-	-	16,206,677
-	-	-	-	-	2,944,644
-	-	-	-	-	11,914,666
-	-	-	-	-	12,185,319
-	-	-	-	-	1,150,877
855,212	823,668	609,369	28,754	1,900	55,098,214
(133,756)	1,426,613	(459,133)	8,878	(278)	(2,228,008)
-	-	-	-	-	2,378,675
-	-	-	-	-	(203,271)
-	-	-	-	-	2,175,404
(133,756)	1,426,613	(459,133)	8,878	(278)	(52,604)
1,265,795	1,024,719	1,256,074	182,202	49,375	31,271,662
$ 1,132,039	$ 2,451,332	$ 796,941	$ 191,080	$ 49,097	$ 31,219,058

Bexar County, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Property tax	$ 36,321,000	$ 36,316,007	$ (4,993)
Revenue from use of assets - interest	5,000,000	5,820,308	820,308
TOTAL REVENUES	41,321,000	42,136,315	815,315
EXPENDITURES			
Debt service:			
Principal	17,534,289	16,571,938	962,351
Interest	11,630,600	12,062,833	(432,233)
Bond issuance cost	750,000	1,329,858	(579,858)
Debt service SARA	5,200,000	5,200,000	-
TOTAL EXPENDITURES	35,114,889	35,164,629	(49,740)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,206,111	6,971,686	765,575
OTHER FINANCING SOURCES (USES)			
Transfers in	2,497,758	1,399,921	(1,097,837)
Premium on bond issues	-	860,429	860,429
TOTAL OTHER FINANCING SOURCES (USES)	2,497,758	2,260,350	(237,408)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ 8,703,869	9,232,036	$ 528,167
Fund balance--beginning		38,249,359	
Fund balance--ending		$ 47,481,395	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 3,187	$ 3,187
Other fees	3,200,000	2,808,440	(391,560)
Revenue from use of assets	388,000	284,986	(103,014)
Sales, refunds and miscellaneous	-	1,576	1,576
TOTAL REVENUES	3,588,000	3,098,189	(489,811)
EXPENDITURES			
GENERAL GOVERNMENT			
Operational costs	3,889,695	2,168,360	1,721,335
Supplies and materials	105,525	10,018	95,507
TOTAL GENERAL GOVERNMENT	3,995,220	2,178,378	1,816,842
CAPITAL EXPENDITURES	50,000	-	50,000
TOTAL EXPENDITURES	4,045,220	2,178,378	1,866,842
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (457,220)	919,811	$ 1,377,031
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		919,811	
Fund balance--beginning		8,005,379	
Fund balance--ending		$ 8,925,190	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
COUNTY RECORDS MANAGEMENT FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 465,100	$ 506,780	$ 41,680
Revenue from use of assets	18,000	22,282	4,282
TOTAL REVENUES	483,100	529,062	45,962
EXPENDITURES			
GENERAL GOVERNMENT			
Operational costs	569,257	312,843	256,414
TOTAL GENERAL GOVERNMENT	569,257	312,843	256,414
TOTAL EXPENDITURES	569,257	312,843	256,414
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (86,157)	216,219	$ 302,376
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		216,219	
Fund balance--beginning		593,662	
Fund balance--ending		$ 809,881	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
COURTHOUSE SECURITY FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 408,300	$ 395,695	$ (12,605)
Other Fees	401,500	340,985	(60,515)
Revenue from use of assets	10,000	1,986	(8,014)
TOTAL REVENUES	819,800	738,666	(81,134)
EXPENDITURES			
PUBLIC SAFETY			
Personnel costs	1,296,972	1,211,273	85,699
TOTAL PUBLIC SAFETY	1,296,972	1,211,273	85,699
TOTAL EXPENDITURES	1,296,972	1,211,273	85,699
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(477,172)	(472,607)	4,565
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	351,196	351,196	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (125,976)	(121,411)	$ 4,565
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		(121,411)	
Fund balance--beginning		134,404	
Fund balance--ending		$ 12,993	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
JUSTICE OF PEACE TECHNOLOGY FUND
For Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES:			
Court cost and fines	$ 283,400	$ 237,195	$ (46,205)
Revenue from use of assets	36,000	27,261	(8,739)
TOTAL REVENUES	319,400	264,456	(54,944)
EXPENDITURES:			
JUDICIAL			
Personnel costs	82,038	48,632	33,406
Remuneration for services	800	800	-
Operational cost	109,999	109,999	-
TOTAL JUDICIAL	192,837	159,431	33,406
TOTAL EXPENDITURES	192,837	159,431	33,406
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 126,563	105,025	$ (21,538)
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		105,025	
Fund balance--beginning		774,721	
Fund balance--ending		$ 879,746	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FIRE CODE FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 789,700	$ 883,451	$ 93,751
Revenue from use of assets	47,000	39,285	(7,715)
TOTAL REVENUES	836,700	922,736	86,036
EXPENDITURES			
PUBLIC SAFETY			
Personnel costs	366,298	366,297	1
Remuneration for service	27,325	22,214	5,111
Operational costs	170,893	100,779	70,114
Supplies and materials	121,444	81,644	39,800
TOTAL PUBLIC SAFETY	685,960	570,934	115,026
CAPITAL EXPENDITURES	134,878	111,512	23,366
TOTAL EXPENDITURES	820,838	682,446	138,392
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 15,862	240,290	$ 224,428
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		240,290	
Fund balance--beginning		1,025,567	
Fund balance--ending		$ 1,265,857	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Other fees	$ 107,300	$ 120,331	$ 13,031
Revenue from use of assets	2,000	4,525	2,525
TOTAL REVENUES	109,300	124,856	15,556
EXPENDITURES			
JUDICIAL			
Operational cost	105,000	104,988	12
TOTAL JUDICIAL	105,000	104,988	12
TOTAL EXPENDITURES	105,000	104,988	12
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 4,300	19,868	$ 15,568
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		19,868	
Fund balance--beginning		10,231	
Fund balance--ending		$ 30,099	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
UNCLAIMED MONEY FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Revenue from use of assets	$ 2,600	$ 4,283	$ 1,683
TOTAL REVENUES	2,600	4,283	1,683
EXPENDITURES			
TOTAL EXPENDITURES	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 2,600	4,283	$ 1,683
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		4,283	
Fund balance--beginning		12,191	
Fund balance--ending		$ 16,474	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
LAW LIBRARY FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 561,300	$ 746,989	$ 185,689
Revenue from use of assets	24,000	15,944	(8,056)
Sales, refunds and miscellaneous	100,900	126,433	25,533
TOTAL REVENUES	686,200	889,366	203,166
EXPENDITURES			
JUDICIAL			
Personnel costs	367,530	255,906	111,624
Remuneration for services	4,000	75	3,925
Operational cost	135,921	135,920	1
Supplies and materials	296,159	296,158	1
TOTAL JUDICIAL	803,610	688,059	115,551
TOTAL EXPENDITURES	803,610	688,059	115,551
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(117,410)	201,307	318,717
OTHER FINANCING SOURCES (USES)			
Interfund transfers out	(14,529)	(14,529)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (131,939)	186,778	$ 318,717
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		186,778	
Fund balance--beginning		309,732	
Fund balance--ending		$ 496,510	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DISPUTE RESOLUTION FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 525,700	$ 504,228	$ (21,472)
Revenue from use of assets	-	338	338
TOTAL REVENUES	525,700	504,566	(21,134)
EXPENDITURES			
HEALTH AND PUBLIC WELFARE			
Personnel costs	522,254	522,254	-
Remuneration for service	26,435	26,010	425
Operational cost	28,104	27,462	642
Supplies and materials	9,314	8,935	379
TOTAL HEALTH AND PUBLIC WELFARE	586,107	584,661	1,446
TOTAL EXPENDITURES	586,107	584,661	1,446
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(60,407)	(80,095)	(19,688)
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	39,888	50,840	10,952
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (20,519)	(29,255)	$ (8,736)
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		(29,255)	
Fund balance--beginning		29,256	
Fund balance--ending		$ 1	

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
JUSTICE OF PEACE SECURITY FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 62,300	$ 49,298	$ (13,002)
Revenue from use of assets	3,000	2,844	(156)
TOTAL REVENUES	65,300	52,142	(13,158)
EXPENDITURES			
JUDICIAL			
Supplies and materials	20,000	10,813	9,187
TOTAL JUDICIAL	20,000	10,813	9,187
TOTAL EXPENDITURES	20,000	10,813	9,187
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 45,300	41,329	$ (3,971)
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		3,871	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		45,200	
Fund balance--beginning		80,377	
Fund balance--ending		$ 125,577	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DOMESTIC RELATIONS FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 450,000	$ 451,150	$ 1,150
Revenue from use of assets	3,000	5,418	2,418
Sales, refunds and miscellaneous	-	92	92
TOTAL REVENUES	453,000	456,660	3,660
EXPENDITURES			
HEALTH AND PUBLIC WELFARE			
Personnel costs	220,715	200,218	20,497
Remuneration for service	10,851	3,519	7,332
Operational cost	261,573	176,118	85,455
Supplies and materials	5,185	2,133	3,052
TOTAL HEALTH AND PUBLIC WELFARE	498,324	381,988	116,336
TOTAL EXPENDITURES	498,324	381,988	116,336
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(45,324)	74,672	119,996
OTHER FINANCING SOURCES (USES)			
Interfund transfers out	(24,443)	(6,626)	17,817
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (69,767)	68,046	$ 137,813.0
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		68,046	
Fund balance--beginning		131,809	
Fund balance--ending		$ 199,855	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PROBATE CONTRIBUTION FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 80,000	$ 232,880	$ 152,880
Revenue from use of assets	51,700	38,245	(13,455)
TOTAL REVENUES	131,700	271,125	139,425
EXPENDITURES			
JUDICIAL			
Personnel costs	80,000	61,137	18,863
Remuneration for services	34,000	21,486	12,514
Operational cost	88,300	76,995	11,305
Supplies and materials	78,700	51,345	27,355
TOTAL JUDICIAL	281,000	210,963	70,037
CAPITAL EXPENDITURES	5,000	-	5,000
TOTAL EXPENDITURES	286,000	210,963	75,037
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(154,300)	60,162	214,462
OTHER FINANCING SOURCES (USES)			
Interfund transfers out	(2,500)	(2,500)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (156,800)	57,662	$ 214,462
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		27,323	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		84,985	
Fund balance--beginning		1,004,491	
Fund balance--ending		$ 1,089,476	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
LAW ENFORCEMENT OFFICER SPECIAL EDUCATION (LEOSE) FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 117,750	$ 119,336	$ 1,586
Revenue from use of assets	1,500	2,447	947
Sales, refunds and miscellaneous	-	2,325	2,325
TOTAL REVENUES	119,250	124,108	4,858
EXPENDITURES			
PUBLIC SAFETY			
Remuneration for service	141,024	80,127	60,897
TOTAL PUBLIC SAFETY	141,024	80,127	60,897
TOTAL EXPENDITURES	141,024	80,127	60,897
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (21,774)	43,981	$ 65,755
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		43,981	
Fund balance--beginning		42,046	
Fund balance--ending		$ 86,027	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PARKING FACILITIES FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Revenue from use of assets	$ 656,300	$ 710,379	$ 54,079
TOTAL REVENUES	656,300	710,379	54,079
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel Costs	162,635	158,887	3,748
Operational costs	554,167	276,081	278,086
Supplies and materials	14,722	11,238	3,484
TOTAL GENERAL GOVERNMENT	731,524	446,206	285,318
CAPITAL EXPENDITURES	14,600	11,317	3,283
TOTAL EXPENDITURES	746,124	457,523	288,601
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(89,824)	252,856	342,680
OTHER FINANCING SOURCES (USES)			
Interfund transfers out	(153,070)	(153,070)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (242,894)	99,786	$ 342,680
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		36,152	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		135,938	
Fund balance--beginning		554,322	
Fund balance--ending		$ 690,260	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CHILD ABUSE PREVENTION FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 156	$ 156
TOTAL REVENUES	-	156	156
EXPENDITURES			
TOTAL EXPENDITURES	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ -	156	$ 156
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		156	
Fund balance--beginning		-	
Fund balance--ending		$ 156	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DRUG COURT PROGRAM FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Other Fees	$ -	$ 30,489	$ 30,489
TOTAL REVENUES	-	30,489	30,489
EXPENDITURES			
TOTAL EXPENDITURES	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ -	30,489	$ 30,489
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		30,489	
Fund balance--beginning		171	
Fund balance--ending		$ 30,660	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DISTRICT ATTORNEY STATE SUPPLEMENT FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 34,450	$ 34,450	$ -
Revenue from use of assets	-	34	34
TOTAL REVENUES	-	34,484	34
EXPENDITURES			
JUDICIAL			
Operational cost	34,450	34,450	-
TOTAL JUDICIAL	34,450	34,450	-
TOTAL EXPENDITURES	34,450	34,450	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ -	34	$ 34
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		34	
Fund balance--beginning		-	
Fund balance--ending		$ 34	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
JUVENILE CASE MANAGER FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	272,248	273,581	1,333
TOTAL REVENUES	272,248	273,581	1,333
EXPENDITURES			
PUBLIC SAFETY			
Personnel costs	272,248	264,107	8,141
TOTAL PUBLIC SAFETY	272,248	264,107	8,141
TOTAL EXPENDITURES	272,248	264,107	8,141
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ -	9,474	$ 9,474
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		9,474	
Fund balance--beginning		-	
Fund balance--ending		$ 9,474	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PROBATE GUARDIANSHIP FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 110,489	$ 110,489
TOTAL REVENUES	-	110,489	110,489
EXPENDITURES			
TOTAL EXPENDITURES	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ -	110,489	$ 110,489
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		110,489	
Fund balances - beginning as restated (see Footnote V)		5,720	
Fund balance--ending		$ 116,209	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PROBATE EDUCATION FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Other Fees	$ -	$ 29,286	$ 29,286
TOTAL REVENUES	-	29,286	29,286
EXPENDITURES			
JUDICIAL			
Remuneration for services	15,000	9,643	5,357
TOTAL JUDICIAL	15,000	9,643	5,357
TOTAL EXPENDITURES	15,000	9,643	5,357
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (15,000)	19,643	$ 34,643
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		19,643	
Fund balances - beginning as restated (see Footnote V)		151,359	
Fund balance--ending		$ 171,002	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
JUVENILE DELINQUENCY PREVENTION FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ -	$ 3,074	$ 3,074
Revenue from use of assets	-	390	390
TOTAL REVENUES	-	3,464	3,464
EXPENDITURES			
TOTAL EXPENDITURES	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	3,464	$ 3,464
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		3,464	
Fund balance--beginning		7,927	
Fund balance--ending		$ 11,391	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FARM TO MARKET AND LATERAL ROAD FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Taxes - Property	$ 5,400	$ 2,836	$ (2,564)
Other taxes, licenses, and permits	232,000	164,304	(67,696)
Intergovernmental revenue	90,000	90,737	737
Fees on motor vehicles	8,346,000	8,012,354	(333,646)
Other fees	575,000	307,725	(267,275)
Revenue from use of assets	100,000	70,079	(29,921)
Sales, refunds and miscellaneous	8,700	67,298	58,598
TOTAL REVENUES	9,357,100	8,715,333	(641,767)
EXPENDITURES			
PUBLIC WORKS			
Personnel costs	8,968,940	8,822,512	146,428
Remuneration for service	45,130	40,363	4,767
Operational costs	1,641,081	1,641,079	2
Supplies and materials	1,236,567	1,006,832	229,735
TOTAL PUBLIC WORKS	11,891,718	11,510,786	380,932
CAPITAL EXPENDITURES	6,493	-	6,493
TOTAL EXPENDITURES	11,898,211	11,510,786	387,425
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,541,111)	(2,795,453)	(254,342)
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	1,061,545	1,240,559	179,014
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$(1,479,566)	(1,554,894)	$ (75,328)
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		49,611	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		(1,505,283)	
Fund balance--beginning		2,122,073	
Fund balance--ending		$ 616,790	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
GRANTS FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 34,054,618	$ 26,897,740	$ (7,156,878)
Court cost and fines	-	68,707	68,707
Revenue from use of assets	-	266,988	266,988
Sales, refunds and miscellaneous	1,244,250	502,386	(741,864)
TOTAL REVENUES	35,298,868	27,735,821	(7,563,047)
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel costs	1,476	1,438	38
TOTAL GENERAL GOVERNMENT	1,476	1,438	38
JUDICIAL			
Personnel costs	1,124,382	1,095,577	28,805
Remuneration for services	37,124	36,173	951
Operational cost	1,205,055	1,174,184	30,871
Supplies and materials	37,661	36,696	965
TOTAL JUDICIAL	2,404,222	2,342,630	61,592
PUBLIC SAFETY			
Personnel costs	8,399,554	8,184,372	215,182
Remuneration for service	72,174	70,325	1,849
Operational costs	4,172,399	4,065,509	106,890
Supplies and materials	1,173,086	1,143,034	30,052
TOTAL PUBLIC SAFETY	13,817,213	13,463,240	353,973
EDUCATION AND RECREATION			
Remuneration for service	8,955	8,726	229
Operational cost	2,903,704	2,829,316	74,388
Supplies and materials	97,100	94,612	2,488
TOTAL EDUCATION AND RECREATION	3,009,759	2,932,654	77,105
PUBLIC WORKS			
Personnel costs	58,290	56,797	1,493
Remuneration for service	89	86	3
Operational costs	5,862	5,712	150
Supplies and materials	760	741	19
TOTAL PUBLIC WORKS	$ 65,001	$ 63,336	$ 1,665

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
GRANTS FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
HEALTH AND PUBLIC WELFARE			
Personnel costs	$ 1,482,696	$ 1,444,712	$ 37,984
Remuneration for service	47,775	46,551	1,224
Operational cost	14,272,789	13,907,144	365,645
Supplies and materials	169,713	165,365	4,348
TOTAL HEALTH AND PUBLIC WELFARE	15,972,973	15,563,772	409,201
CAPITAL EXPENDITURES	911,856	888,496	23,360
TOTAL EXPENDITURES	36,182,500	35,255,566	926,934
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(883,632)	(7,519,745)	(6,636,113)
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	-	617,080	617,080
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (883,632)	(6,902,665)	$ (6,019,033)
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		5,266,024	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES · MODIFIED ACCRUAL BASIS		(1,636,641)	
Fund balance--beginning		10,738,290	
Fund balance--ending		$ 9,101,649	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TECHNOLOGY IMPROVEMENT FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Sales, refunds and miscellaneous	$ 1,763,961	$ 1,799,281	$ 35,320
TOTAL REVENUES	1,763,961	1,799,281	35,320
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel costs	117,059	113,629	3,430
Supplies and materials	473,184	326,593	146,591
JUDICIAL			
Supplies and materials	392,628	242,532	150,096
PUBLIC SAFETY			
Supplies and materials	678,208	633,260	44,948
EDUCATION AND RECREATION			
Supplies and materials	22,812	17,330	5,482
PUBLIC WORKS			
Supplies and materials	399,833	390,155	9,678
HEALTH AND PUBLIC WELFARE			
Supplies and materials	36,026	11,171	24,855
CAPITAL EXPENDITURES	309,939	309,939	-
TOTAL EXPENDITURES	2,429,689	2,044,609	385,080
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(665,728)	(245,328)	420,400
OTHER FINANCING SOURCES (USES)			
Interfund transfers in	119,000	119,000	-
Interfund transfers out	(26,546)	(26,546)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ (573,274)	(152,874)	$ 420,400
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		9,730	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		(143,144)	
Fund balance--beginning		842,990	
Fund balance--ending		$ 699,846	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CHAPTER 19 VOTER REGISTRATION FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 344,560	$ 335,905	$ (8,655)
TOTAL REVENUES	344,560	335,905	$ (8,655)
EXPENDITURES			
GENERAL GOVERNMENT			
Remuneration for services	10,595	9,502	1,093
Operational costs	217,776	213,568	4,208
Supplies and materials	56,662	55,650	1,012
TOTAL GENERAL GOVERNMENT	285,033	278,720	6,313
CAPITAL EXPENDITURES	59,527	59,527	-
TOTAL EXPENDITURES	344,560	338,247	6,313
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ -	(2,342)	$ (2,342)
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		(2,342)	
Fund balance--beginning		2,342	
Fund balance--ending		$ -	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ELECTIONS CONTRACTING SERVICES FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Intergovernmental revenue	$ 1,326,747	$ 1,326,747	$ -
Other fees	-	121,553	121,553
TOTAL REVENUES	1,326,747	1,448,300	121,553
EXPENDITURES			
Administration cost	221,305	84,347	136,958
Jurisdictional elections cost	1,472,687	1,326,749	145,938
CAPITAL EXPENDITURES	123,000	-	123,000
TOTAL EXPENDITURES	1,816,992	1,411,096	405,896
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (490,245)	37,204	$ 527,449
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		15,000	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		52,204	
Fund balance--beginning		570,753	
Fund balance--ending		$ 622,957	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TAX COLLECTOR'S SPECIAL INVENTORY FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Revenue from use of assets	$ 208,700	$ 501,796	$ 293,096
TOTAL REVENUES	208,700	501,796	293,096
EXPENDITURES			
GENERAL GOVERNMENT			
Personnel costs	405,053	245,682	159,371
Remuneration for services	20,000	1,992	18,008
Operational costs	10,000	-	10,000
Supplies and materials	11,000	7,351	3,649
TOTAL GENERAL GOVERNMENT	446,053	255,025	191,028
TOTAL EXPENDITURES	446,053	255,025	191,028
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (237,353)	246,771	$ 484,124
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		-	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		246,771	
Fund balance--beginning		343,684	
Fund balance--ending		$ 590,455	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DISTRICT ATTORNEY PROGRAMS FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 50,000	$ 37,195	$ (12,805)
Other fees	675,000	664,499	(10,501)
Revenue from use of assets	-	18,162	18,162
Sales, refunds and miscellaneous	-	1,600	1,600
TOTAL REVENUES	725,000	721,456	(3,544)
EXPENDITURES			
JUDICIAL			
Personnel costs	1,508,473	781,215	727,258
Remuneration for services	35,000	33,867	1,133
Operational cost	175,000	30,230	144,770
Supplies and materials	150,793	13,007	137,786
TOTAL JUDICIAL	1,869,266	858,319	1,010,947
CAPITAL EXPENDITURES	102,500	-	102,500
TOTAL EXPENDITURES	1,971,766	858,319	1,113,447
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$(1,246,766)	(136,863)	$ 1,109,903
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		3,107	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		(133,756)	
Fund balance--beginning		1,265,795	
Fund balance--ending		$ 1,132,039	

Bexar County, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ASSET FORFEITURES FUND
For Fiscal Year Ended September 30, 2008

	Final Budget	Actual Amount	Variance
REVENUES			
Court cost and fines	$ 327,904	$ 2,175,650	$ 1,847,746
Revenue from use of assets	100,000	67,125	(32,875)
Sales, refunds and miscellaneous	-	7,506	7,506
TOTAL REVENUES	427,904	2,250,281	1,822,377
EXPENDITURES			
JUDICIAL			
Personnel costs	296,960	227,654	69,306
Remuneration for services	159,000	21,697	137,303
Operational cost	100,000	91,393	8,607
Supplies and materials	186,965	40,091	146,874
TOTAL JUDICIAL	742,925	380,835	362,090
PUBLIC SAFETY			
Personnel costs	3,325	-	3,325
Remuneration for service	7,630	3,081	4,549
Operational costs	368,866	266,775	102,091
Supplies and materials	303,623	188,938	114,685
TOTAL PUBLIC SAFETY	683,444	458,794	224,650
CAPITAL EXPENDITURES	21,745	-	21,745
TOTAL EXPENDITURES	1,448,114	839,629	608,485
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$(1,020,210)	1,410,652	$ 2,430,862
Add other reconciling items to adjust from budgetary basis to modified accrual basis			
Encumbrances		15,961	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES - MODIFIED ACCRUAL BASIS		1,426,613	
Fund balance--beginning		1,024,719	
Fund balance--ending		$ 2,451,332	

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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.

OTHER POST EMPLOYMENT BENEFITS FUND – to account for revenues and expenses related to retirement benefits for retirees and their beneficiaries.

FLEET MAINTENANCE FUND - to account for the maintenance of County vehicles.

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 records management center facility.

Bexar County, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
For Fiscal Year Ended September 30, 2008

	Fleet Maintenance	Other Post Employment Benefits	Self Insurance	Records Management Center	Total
ASSETS					
Current assets:					
Cash	$ -	$ 5,171,017	$ 10,183,375	$ 777,537	$ 16,131,929
Receivables, net:					
Accounts	-	-	943,598	-	943,598
Due from other funds	732,781	13,896	-	-	746,677
Inventories	358,035	-	-	-	358,035
Deposits	-	-	10,000	-	10,000
Prepaid insurance	-	-	71,988	-	71,988
TOTAL CURRENT ASSETS	1,090,816	5,184,913	11,208,961	777,537	18,262,227
Noncurrent Assets					
Capital assets:					
Equipment	-	-	-	68,737	68,737
Less: Accumulated depreciation	-	-	-	(3,437)	(3,437)
TOTAL NONCURRENT ASSETS	-	-	-	65,300	65,300
TOTAL ASSETS	$ 1,090,816	$ 5,184,913	$ 11,208,961	$ 842,837	$ 18,327,527
LIABILITIES					
Current liabilities:					
Vouchers payable	$ 38,420	$ -	$ 9,715	$ 4,824	$ 52,959
Claims payable	-	-	3,758,550	-	3,758,550
Accrued liabilities	14,337	13,896	1,353,462	7,875	1,389,570
Due to other funds	422,557	-	13,896	3,062	439,515
TOTAL CURRENT LIABILITIES	475,314	13,896	5,135,623	15,761	5,640,594
Noncurrent liabilities					
Advance from other funds	110,000	-	-	-	110,000
Claims payable	-	-	705,000	-	705,000
OPEB obligation	-	6,497,625	-	-	6,497,625
TOTAL NONCURRENT LIABILITIES	110,000	6,497,625	705,000	-	7,312,625
TOTAL LIABILITIES	585,314	6,511,521	5,840,623	15,761	12,953,219
NET ASSETS					
Unrestricted	505,502	(1,326,608)	5,368,338	827,076	5,374,308
TOTAL NET ASSETS	$ 505,502	$ (1,326,608)	$ 5,368,338	$ 827,076	$ 5,374,308

Bexar County, TEXAS
INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For Fiscal Year Ended September 30, 2008

	Fleet Maintenance	Other Post Employment Benefits	Self-Insurance	Records Management Center	Total
OPERATING REVENUES					
Premiums	$ -	$ 8,989,237	$ 29,383,214	$ -	$ 38,372,451
Records Management Storage Fees	-	-	-	411,283	411,283
Fleet maintenance sales	611,489	-	-	-	611,489
Other income	4	-	290,740	3,520	294,264
NET OPERATING REVENUES	611,493	8,989,237	29,673,954	414,803	39,689,487
OPERATING EXPENSES:					
Administrative fee	-	156,939	2,115,400	200	2,272,539
Claims expense	-	3,682,298	24,314,294	-	27,996,592
Insurance expenses	-	-	1,367,850	-	1,367,850
OPEB costs	-	6,497,625	-	-	6,497,625
Personnel costs	425,568	-	295,823	139,418	860,809
Rent and utilities	9,455	-	-	41,871	51,326
Purchased services	11,142	-	175,365	18,647	205,154
Supplies	7,056	-	8,892	15,273	31,221
Repairs and maintenance	3,321	-	-	26,542	29,863
Depreciation and amortization	-	-	-	3,437	3,437
TOTAL OPERATING EXPENSES	456,542	10,336,862	28,277,624	245,388	39,316,416
Operating income (loss)	154,951	(1,347,625)	1,396,330	169,415	373,071
NON-OPERATING REVENUES					
Investment earnings	-	21,017	-	-	21,017
TOTAL NON-OPERATING REVENUES	-	21,017	-	-	21,017
Changes in net assets	154,951	(1,326,608)	1,396,330	169,415	394,088
Total net assets-beginning	350,551	-	3,972,008	657,661	4,980,220
Total assets--ending	$ 505,502	$ (1,326,608)	$ 5,368,338	$ 827,076	$ 5,374,308

Bexar County, Texas
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2008

	Fleet Maintenance	OPEB	Self-Insurance	Records Management Center	Total
OPERATING ACTIVITIES					
Cash received for premiums	$ -	$ 8,989,237	$ 29,711,105	$ -	$ 38,700,342
Cash received for fleet maintenance services	611,487	-	-	-	611,487
Cash received for parking	-	-	-	3,520	3,520
Cash received for records management storage				411,283	411,283
Cash received from other funds	(732,781)	13,896	-	-	(718,885)
Payments from (to) other funds	422,446	(13,896)	-	3,062	411,612
Payments to vendors, suppliers, and contractors	(38,398)	(156,939)	(4,467,801)	(110,495)	(4,773,633)
Payments to employees for services	(428,926)	-	(290,653)	(136,830)	(856,409)
Claims paid	-	(3,682,298)	(24,015,663)	-	(27,697,961)
Net cash provided (used) by operating activities	(166,172)	5,150,000	936,988	170,540	6,091,356
CAPITAL FINANCING ACTIVITIES					
Purchase of capital assets	-	-	-	(68,737)	(68,737)
Net cash provided by capital financing activities	-	-	-	(68,737)	(68,737)
INVESTING ACTIVITIES					
Investment earnings	-	21,017	-	-	21,017
Net cash provided by investing activities	-	21,017	-	-	21,017
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(166,172)	5,171,017	936,988	101,803	6,043,636
CASH AND CASH EQUIVALENTS at October 1, 2007	166,172	-	9,246,387	675,734	10,088,293
CASH AND CASH EQUIVALENTS at September 30, 2008	$ -	$ 5,171,017	$ 10,183,375	$ 777,537	$ 16,131,929

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)	$ 154,951	(1,347,625)	$ 1,396,330	$ 169,415	$ 373,071
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities:					
Depreciation expense	-	-	-	3,437	3,437
Change in net assets and liabilities:					
Decrease in inventories	11,549	-	-	-	11,549
Increase in due from other funds	(732,781)	(13,896)	-	-	(746,677)
Increase (Decrease) in accounts receivable	-	-	(611,877)	3,062	(608,815)
Increase in prepaid insurance	-	-	(4,620)	-	(4,620)
Increase (Decrease) in vouchers payable	(25,753)	-	7,226	(5,347)	(23,874)
Increase in claims payable	-		910,508	-	910,508
Increase (Decrease) in accrued liabilities	3,416	6,497,625	(797,730)	(27)	5,703,284
Increase in due to other funds	422,446	13,896	13,896		450,238
Decrease in due from other governmental units	-	-	23,255	-	23,255
Net cash provided (used) by operating activities	$ (166,172)	$ 5,150,000	$ 936,988	$ 170,540	$ 6,091,356

Noncash operating activities:
Depreciation expense - $3,437

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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 FUND - to account for the receipt and disbursement of funds held by various officers pending disposition.

CLERKS' TRUST FUNDS - to account for funds held in the registry of the court 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 attorney's 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.

Bexar County, Texas
AGENCY FUNDS
COMBINING BALANCE SHEET
September 30, 2008

	Secondary Recipient Grants	Officers' Special	Clerks' Trust	Flexible Spending Accounts	Bail Bond Security
ASSETS					
Cash and temporary investments	$ -	$ 3,337,692	$ 18,843,716	$ -	$ 1,401,572
Accounts receivable	-	-	-	103,517	-
Due from other governmental units	367,548	-	6,274	-	-
TOTAL ASSETS	$ 367,548	$ 3,337,692	$ 18,849,990	$ 103,517	$ 1,401,572
LIABILITIES					
Vouchers payable	$ 12,993	$ 2,724	$ -	$ -	$ 37,500
Accrued liabilities	81,149	-	-	32,579	-
Due to participants	273,406	1,192,487	18,849,990	70,938	1,364,072
Due to other governmental units	-	2,142,481	-	-	-
TOTAL LIABILITIES	$ 367,548	$ 3,337,692	$ 18,849,990	$ 103,517	$ 1,401,572

Tax Collector's Accounts	Community Corrections	Inmate Banking	Total
$ 35,260,960	$ 5,102,767	$ 220,022	$ 64,166,729
-	545	-	104,062
-	-	-	373,822
$ 35,260,960	$ 5,103,312	$ 220,022	$ 64,644,613

$ -	$ 444,325	$ -	$ 497,542
-	3,043,420	-	3,157,148
-	1,615,567	220,022	23,586,482
35,260,960	-	-	37,403,441
$ 35,260,960	$ 5,103,312	$ 220,022	$ 64,644,613

Bexar County, Texas
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For Fiscal Year Ended September 30, 2008

	Balance October 1, 2007	Additions	Deletions	Balance September 30, 2008
ASSETS				
Cash and temporary investments	$ 73,299,422	$ 64,166,729	$ 73,299,422	$ 64,166,729
Accounts receivable	22,337	104,062	22,337	104,062
Due from other governmental units	188,071	373,822	188,071	373,822
TOTAL ASSETS	$ 73,509,830	$ 64,644,613	$ 73,509,830	$ 64,644,613
LIABILITIES				
Vouchers payable	$ 437,759	$ 497,542	$ 437,759	$ 497,542
Accrued liabilities	281,781	3,157,148	281,781	3,157,148
Due to participants	37,117,033	23,586,482	37,117,033	23,586,482
Due to other governmental units	35,673,257	37,403,441	35,673,257	37,403,441
TOTAL LIABILITIES	$ 73,509,830	$ 64,644,613	$ 73,509,830	$ 64,644,613

Bexar County, Texas
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For Fiscal Year Ended September 30, 2008

	Balance October 1, 2007	Additions	Deletions	Balance September 30, 2008
Secondary Recipient of Grants				
ASSETS				
Due from other governmental units	$ 183,071	$ 367,548	$ 183,071	$ 367,548
TOTAL ASSETS	$ 183,071	$ 367,548	$ 183,071	$ 367,548
LIABILITIES				
Vouchers payable	$ 114,949	$ 12,993	$ 114,949	$ 12,993
Accrued liabilities	61,668	81,149	61,668	81,149
Due to participants	6,454	273,406	6,454	273,406
TOTAL LIABILITIES	$ 183,071	$ 367,548	$ 183,071	$ 367,548
Officers' Special Funds				
ASSETS				
Cash and temporary investments	$ 3,501,160	$ 3,337,692	$ 3,501,160	$ 3,337,692
TOTAL ASSETS	$ 3,501,160	$ 3,337,692	$ 3,501,160	$ 3,337,692
LIABILITIES				
Vouchers payable	$ -	$ 2,724	$ -	$ 2,724
Due to participants	1,333,594	1,192,487	1,333,594	1,192,487
Due to other governmental units	2,167,566	2,142,481	2,167,566	2,142,481
TOTAL LIABILITIES	3,501,160	3,337,692	3,501,160	3,337,692
Clerks' Trust Funds				
ASSETS				
Cash and temporary investments	$ 27,774,274	$ 18,843,716	$ 27,774,274	$ 18,843,716
Due from other governmental units	5,000	6,274	5,000	6,274
TOTAL ASSETS	$ 27,779,274	$ 18,849,990	$ 27,779,274	$ 18,849,990
LIABILITIES				
Due to participants	$ 27,779,274	$ 18,849,990	$ 27,779,274	$ 18,849,990
TOTAL LIABILITIES	$ 27,779,274	$ 18,849,990	$ 27,779,274	$ 18,849,990

Bexar County, Texas
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For Fiscal Year Ended September 30, 2008

	Balance October 1, 2007	Additions	Deletions	Balance September 30, 2008
Flexible Spending Accounts				
ASSETS				
Cash and temporary investments	$ 17,768	$ -	$ 17,768	$ -
Accounts receivable	20,418	103,517	20,418	103,517
TOTAL ASSETS	$ 38,186	$ 103,517	$ 38,186	$ 103,517
LIABILITIES				
Accrued liabilities	$ 38,186	$ 32,579	$ 38,186	$ 32,579
Due to participants	-	70,938	-	70,938
TOTAL LIABILITIES	$ 38,186	$ 103,517	$ 38,186	$ 103,517
Bail Bond Security Fund				
ASSETS				
Cash and temporary investments	$ 1,484,845	$ 1,401,572	$ 1,484,845	$ 1,401,572
TOTAL ASSETS	$ 1,484,845	$ 1,401,572	$ 1,484,845	$ 1,401,572
LIABILITIES				
Vouchers payable	$ -	$ 37,500	$ -	$ 37,500
Due to participants	1,484,845	1,364,072	1,484,845	1,364,072
TOTAL LIABILITIES	$ 1,484,845	$ 1,401,572	$ 1,484,845	$ 1,401,572
Tax Collector's Accounts				
ASSETS				
Cash and temporary investments	$ 33,505,691	$ 35,260,960	$ 33,505,691	$ 35,260,960
TOTAL ASSETS	$ 33,505,691	$ 35,260,960	$ 33,505,691	$ 35,260,960
LIABILITIES				
Due to other governmental units	$ 33,505,691	$ 35,260,960	$ 33,505,691	$ 35,260,960
TOTAL LIABILITIES	$ 33,505,691	$ 35,260,960	$ 33,505,691	$ 35,260,960

Bexar County, Texas
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For Fiscal Year Ended September 30, 2008

	Balance October 1, 2007	Additions	Deletions	Balance September 30, 2008
Community Corrections				
ASSETS				
Cash and temporary investments	$ 6,834,501	$ 5,102,767	$ 6,834,501	$ 5,102,767
Accounts receivable	1,919	545	1,919	545
TOTAL ASSETS	$ 6,836,420	$ 5,103,312	$ 6,836,420	$ 5,103,312
LIABILITIES				
Vouchers payable	$ 322,810	$ 444,325	$ 322,810	$ 444,325
Accrued liabilities	181,927	3,043,420	181,927	3,043,420
Due to participants	6,331,683	1,615,567	6,331,683	1,615,567
TOTAL LIABILITIES	$ 6,836,420	$ 5,103,312	$ 6,836,420	$ 5,103,312
Inmate Banking				
ASSETS				
Cash and temporary investments	$ 181,183	$ 220,022	$ 181,183	$ 220,022
TOTAL ASSETS	$ 181,183	$ 220,022	$ 181,183	$ 220,022
LIABILITIES				
Due to participants	$ 181,183	$ 220,022	$ 181,183	$ 220,022
TOTAL LIABILITIES	$ 181,183	$ 220,022	$ 181,183	$ 220,022

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STATISTICAL SECTION

Bexar County, Texas
Statistical Section Overview
For Fiscal Year Ending September 30, 2008

The statistical section is organized in six sections:

- Financial Trends – Compiles information reported in the Comprehensive Annual Report over the past ten years. Information for government wide statements are only available for the fiscal periods 2002-2008. The County implemented the new reporting model in fiscal year 2002. These schedules report how the County's financial position and well-being have changed over time.

  Table 1 – Net Assets by Component
  Table 2 – Changes in Net Assets
  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
  Table 7 – Principal Property Tax Payers
  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 Government Fund Types
  Table 12 – Direct and Overlapping Governmental Activities Debt
  Table 13 – Pledged Revenue Coverage
  Table 14– 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 15 – Demographic and Economic Statistics
  Table 16 – Principal Employers

- Operating Information – Provides information on its employees, operations, and facilities.

  Table 17 – Operating Indicators by Function/Program
  Table 18 – Capital Asset by Function/Program
  Table 19 – Full-time Equivalent County Government Employees by Function/Program

- Miscellaneous Information – Provides detailed information on the county's functions.

  Table 20 – Analysis of Funding Progress and Contribution Rates
  Table 21 – Legal Debt Margin Information
  Table 22 – 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. As the population continues to grow, the County has also increased its operating, debt, and capital expenditures to meet the demand of the growing population and provide adequate services.

The County's projected revenues for FY 2009 reflect the impact of the global economic downturn which began in 2007. Accordingly, operating budgets for FY 2009 have been adjusted and revenue growth projects have been reduced. These actions are prudent during an economic slowdown; however, current levels of service to taxpayers should not be adversely impacted.

Table 1

Bexar County, Texas
NET ASSETS BY COMPONENT
For Fiscal Years Ended September 30,
(Unaudited)

	2008	2007	2006	2005	2004	2003	2002
Governmental activities							
Invested in capital assets, net of related debt	$ 471,706,192	$ 370,478,235	$ 293,985,943	$ 277,876,863	$ 281,659,366	$ 260,954,110	$ 248,193,954
Restricted for:							
Debt service	48,455,747	39,209,744	18,826,411	21,923,646	17,347,953	20,785,200	23,254,303
Grants	9,101,649	10,738,290	24,216,784	14,985,944	15,236,743	10,433,470	2,192,788
Capital projects	15,479,227	19,355,258	11,898,126	11,204,209	11,284,451	11,023,274	11,885,272
Legislative	20,727,303	19,130,341	138,539	-	-	-	-
Unrestricted	26,355,835	21,340,552	33,124,843	31,330,740	10,260,414	18,034,228	37,341,840
Total governmental activities net assets	$ 591,825,953	$ 480,252,420	$ 382,190,646	$ 357,321,402	$ 335,788,927	$ 321,230,282	$ 322,868,157
Business-type activities							
Invested in capital assets, net of related debt	$ 58,217,572	$ 50,248,908	$ 43,134,436	$ 38,144,766	$ 35,840,402	$ 35,876,640	$ 37,290,508
Restricted for:							
Debt Service	17,369,988	8,138,315	35,711,929	33,380,475	30,867,611	28,573,506	14,466,516
Unrestricted	36,519,536	38,310,787	7,954,069	9,047,073	9,224,448	9,693,937	10,171,040
Total business-type activities net assets	$ 112,107,096	$ 96,698,010	$ 86,800,434	$ 80,572,314	$ 75,932,461	$ 74,144,083	$ 61,928,064
Primary government							
Invested in capital assets, net of related debt	$ 529,923,764	$ 420,727,143	$ 337,120,379	$ 316,021,629	$ 317,499,768	$ 296,830,750	$ 285,484,462
Restricted	111,133,914	96,571,948	90,791,789	81,494,274	74,736,758	70,815,450	51,798,879
Unrestricted	62,875,371	59,651,339	41,078,912	40,377,813	19,484,862	27,728,165	47,512,880
Total primary government net assets	$ 703,933,049	$ 576,950,430	$ 468,991,080	$ 437,893,716	$ 411,721,388	$ 395,374,365	$ 384,796,221

Source: Comprehensive Annual Financial Reports (CAFR).
Note: Less than ten years of data presented because this is the seventh year of implementation of the new reporting model. The information will be presented on a prospective basis.

Table 2

Bexar County, Texas
CHANGES IN NET ASSETS, LAST SEVEN YEARS
For Fiscal Years Ended September 30,
(Unaudited and accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002
Expenses							
Governmental activities:							
General government	$ 91,979,961	$ 70,903,094	$ 82,966,855	$ 60,375,452	$ 53,248,573	$ 42,600,034	$ 39,986,769
Judicial	79,390,023	70,394,123	66,655,717	59,079,170	56,763,280	54,861,306	51,146,889
Public safety	177,888,141	163,589,223	144,485,826	138,802,346	132,294,841	125,955,756	120,035,128
Education and recreation	12,434,366	9,367,415	8,695,455	8,267,646	7,140,884	7,209,791	7,410,380
Public works	73,059,766	36,183,533	35,620,410	32,688,621	54,154,408	32,725,033	33,158,498
Health and public welfare	18,881,286	15,976,770	17,445,966	15,593,396	14,659,766	15,413,397	14,188,868
Interest and other fees	14,532,168	8,668,159	8,202,573	8,775,159	12,445,420	10,860,940	8,179,530
Unallocated depreciation	114,711	114,711	114,711	114,711	114,711	114,711	114,711
Total governmental activities	468,280,422	375,197,028	364,187,513	323,696,501	330,821,883	289,740,968	274,220,773
Business-type activities:							
Arena Venue	10,131,567	13,749,496	15,836,252	14,968,664	15,407,801	15,370,342	10,297,874
Commissary Fund	529,786						
Total business-type activities	10,661,353	13,749,496	15,836,252	14,968,664	15,407,801	15,370,342	10,297,874
Total primary government	$ 478,941,775	$ 388,946,524	$ 380,023,765	$ 338,665,165	$ 346,229,684	$ 305,111,310	$ 284,518,647
Program Revenues							
Governmental activities:							
Charges for service:							
General government	$ 27,309,879	$ 29,581,697	$ 28,471,474	$ 27,913,332	$ 22,952,988	$ 23,467,132	$ 17,311,218
Judicial	14,093,877	12,502,394	27,196,238	24,305,494	23,362,577	23,102,519	19,111,111
Public safety	27,828,996	27,383,908	12,959,917	12,783,543	11,348,157	1,320,446	6,907,268
Education and recreation	199,715	172,998	170,990	106,849	100,097	136,191	102,088
Public works	13,231,057	13,488,693	13,604,414	21,913,000	21,071,442	20,181,220	20,074,563
Health and public welfare	978,847	980,803	-	-	700,000	662,290	-
Operating grants and contributions:							
General government	1,618,364	957,539	1,116,324	6,408,677	122,934	304,792	770,643
Judicial	5,516,970	10,925,129	6,581,867	3,851,600	3,033,886	2,070,003	1,956,412
Public safety	15,621,641	6,861,351	13,018,419	14,365,151	13,068,123	13,222,893	11,599,916
Education and recreation	1,191,067	3,071,742	3,502,393	2,960,679	2,655,600	2,048,084	3,649,996
Public works	133,723,103	69,821,283	8,257,542	3,067,257	27,379,805	18,581,903	7,964,438
Health and public welfare	11,972,585	9,069,667	12,254,545	14,636,229	11,243,257	11,738,429	10,361,966
Capital grants and contributions	6,707,206	6,130,956	13,854,079	497,369	2,412,201	2,793,374	1,092,067

Total governmental activities	$ 259,993,307	$ 190,948,160	$ 140,988,202	$ 132,809,180	$ 139,451,067	$ 119,629,276	$ 100,901,686
Business-type activities:							
Capital grants and contributions	$ -	$ -	$ -	$ -	$ -	$ 10,316,258	22,567,211
Charges for services	2,040,783	1,300,000	1,300,000	1,300,000	1,300,000	-	-
Total business-type activities	2,040,783	1,300,000	1,300,000	1,300,000	1,300,000	10,316,258	22,567,211
Total primary government	$ 262,034,090	$ 192,248,160	$ 142,288,202	$ 134,109,180	$ 140,751,067	$ 129,945,534	$ 123,468,897
Net (Expense) Revenue							
Governmental activities	$ (208,287,115)	$ (184,248,868)	$ (223,199,311)	$ (190,887,321)	$ (191,370,816)	$ (170,111,692)	$ (173,319,087)
Business-type activities	(8,620,570)	(12,449,496)	(14,536,252)	(13,668,664)	(14,107,801)	(5,054,084)	12,269,337
Total primary government	(216,907,685)	(196,698,364)	(237,735,563)	(204,555,985)	(205,478,617)	(175,165,776)	(161,049,750)
General Revenues and Other Changes in Net Assets							
Governmental Activities:							
Taxes:							
Property taxes	255,429,534	233,585,237	209,881,420	193,368,931	184,703,624	164,251,059	$ 156,966,570
Flood control taxes	26,583,760	9,847,070	8,702,080	8,023,769	7,778,772	8,848,788	8,308,331
Bingo taxes	797,163	724,819	696,385	593,779	457,715	401,566	410,905
Motor vehicle sales	11,291,934	11,923,937	9,235,072	-	-	-	-
Mixed drink taxes	6,193,140	5,726,672	5,332,937	4,817,418	4,479,810	4,121,982	3,884,043
Unrestricted investment earnings	15,026,865	14,543,094	11,122,825	4,479,652	2,164,665	4,211,016	6,097,224
Miscellaneous	4,538,252	5,959,813	3,118,685	541,177	362,683	687,326	765,745
Gain on disposal of assets	-	-	-	-	589,019	250,613	72,847
Transfers between governmental and business activities	-	-	-	293,781	440,672	360,760	132,336
Total governmental activities	319,860,648	282,310,642	248,089,404	212,118,507	200,976,960	183,133,110	176,638,001
Business-type Activities:							
Motor vehicle rental tax	7,097,116	6,962,717	6,864,223	5,904,894	5,426,230	5,373,636	5,535,896
Occupancy taxes	13,668,374	12,799,160	11,541,320	10,618,155	9,108,875	8,819,481	9,022,550
Unrestricted investment earnings	2,463,345	2,585,195	2,358,829	2,079,249	1,801,746	2,137,746	4,762,516
Miscellaneous	-	-	-	-	-	1,300,000	-
Transfers between governmental and business activities	-	-	-	(293,781)	(440,672)	(360,760)	(132,336)
Total business-type activities	23,228,835	22,347,072	20,764,372	18,308,517	15,896,179	17,270,103	19,188,626
Total Primary Government	$ 343,089,483	$ 304,657,714	$ 268,853,776	$ 230,427,024	$ 216,873,139	$ 200,403,213	$ 195,826,627
Change in Net Assets							
Governmental activities	$ 111,573,533	$ 98,061,774	$ 24,890,093	$ 21,231,186	$ 9,606,144	$ 13,021,418	3,318,914
Business-type activities	14,608,265	9,897,576	6,228,120	4,639,853	1,788,378	12,216,019	31,457,963
Total primary government	$ 126,181,798	$ 107,959,350	$ 31,118,213	$ 25,871,039	$ 11,394,522	$ 25,237,437	$ 34,776,877

Source: Comprehensive Annual Financial Reports (CAFR) for applicable years. Table 2, Changes in Net (Expenses) Revenues.

Note: Less than ten years of data presented because this is the seventh year of implementation of the new reporting model.

Table 3

Bexar County, Texas
NET CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
Last Ten Years
(modified accrual basis of accounting)
(Unaudited)

	2008	2007	2006	2005
Revenues				
Ad valorem taxes	$ 281,263,390	$ 244,211,668	$ 217,974,800	$201,610,941
Other taxes, licenses, and permits	15,767,008	10,031,840	8,414,707	6,708,043
Intergovernmental revenue	37,109,206	37,064,942	49,325,165	43,062,906
Court costs and fines	30,273,190	28,643,536	25,024,624	23,571,139
Fees on motor vehicles	25,586,120	27,071,760	25,552,733	25,988,198
Other fees	16,546,105	19,454,670	19,587,423	14,261,073
Commissions from governmental units	3,369,191	4,289,058	4,002,121	4,282,345
Revenues from use of assets	27,407,525	26,020,885	20,686,227	15,529,417
Sales, refunds, and miscellaneous	8,949,385	8,559,411	11,203,209	7,950,237
Commissions on county taxes	-	-	-	-
Total Revenues	446,271,120	405,347,770	381,771,009	342,964,299
Expenditures				
General government	77,130,748	64,491,487	57,310,981	56,524,066
Judicial	75,933,997	68,461,941	64,730,554	57,645,825
Public safety	172,552,162	156,293,541	137,962,292	133,321,562
Education and recreation	12,222,246	9,110,295	8,525,534	8,074,685
Public works	49,309,794	15,631,596	14,501,740	10,627,009
Health and public welfare	18,823,565	15,928,345	17,390,808	15,578,673
Capital expenditures	80,746,829	54,553,089	40,500,011	25,848,495
Debt service:				
Principal	19,930,577	15,196,232	14,372,928	16,904,084
Interest	12,283,857	8,297,446	14,228,256	16,025,865
Bond issuance cost [1]	1,329,858	1,549,639	768,583	-
Debt service SARA [2]	5,200,000	6,200,000	5,500,000	-
Intergovernmental expenditures	-	-	-	-
Total Expenditures	525,463,633	415,713,611	375,791,687	340,550,264
Excess (deficiency) of revenues over expenditures	(79,192,513)	(10,365,841)	5,979,322	2,414,035
Other Financing Sources (Uses)				
Interfund transfers in	3,886,386	16,805,945	5,009,940	23,181,245
Interfund transfers out	(3,886,386)	(19,374,635)	(5,784,226)	(23,079,465)
Issuance of capital lease	4,719,752	4,643,054	2,996,106	-
Issuance of commercial paper	32,384,000	4,000,000	3,000,000	-
Issuance of long term debt	138,855,000	135,630,000	4,000,000	43,035,000
Premium on bond issues	1,150,013	1,533,113	1,597,513	2,554,879
Discount on bond issues	-	-	-	(79,152)
Issuance of refunding bonds	-	-	26,530,000	-
Payment to refunded debt paying agent	-	-	(28,157,516)	-
Payment to other governmental units	-	-	-	(6,600,000)
Total Other Financing Sources	177,108,765	143,237,477	9,191,817	39,012,507
Net Change in Fund Balances	$ 97,916,252	$ 132,871,636	$ 15,171,139	$ 41,426,542
Debt service as a percentage of noncapital expenditures	7.2%	6.5%	8.5%	10.5%

Source: Comprehensive Annual Financial Reports (CAFR).

Note: [1] Figures for 2006 bond issuance cost and other debt service fees are combined.

[2] Payment to SARA reclassified from other financing sources to expenditures effective in FY 06 (see Note J).

Table 3 Continued

2004	2003	2002	2001	2000	1999
$ 191,633,278	$ 173,148,864	$ 163,946,266	$ 159,182,469	$ 147,006,365	$ 139,498,177
6,394,569	5,471,514	5,216,673	5,330,813	5,120,114	4,837,712
49,065,178	31,827,012	29,558,102	14,875,803	13,738,853	13,299,989
18,993,058	20,157,380	18,252,234	18,008,601	15,942,750	14,897,752
25,273,753	24,698,905	24,688,549	23,792,178	23,019,381	21,396,815
11,630,090	11,912,186	8,274,825	7,610,233	6,967,491	6,877,907
4,162,416	3,909,361	6,064,855	10,337,290	10,024,231	9,597,029
12,496,516	6,206,112	8,225,592	12,737,360	12,321,874	10,417,210
8,310,365	6,659,576	5,369,400	6,492,451	4,948,367	4,945,044
783,173	732,436	704,665	761,067	703,935	651,719
328,742,396	284,723,346	270,301,161	259,128,265	239,793,361	226,419,354
51,044,056	40,757,225	38,826,519	33,824,836	34,703,231	35,709,359
54,927,707	51,167,249	47,589,595	45,115,504	40,660,436	38,439,357
124,926,309	120,159,726	114,920,304	102,539,390	97,800,487	92,695,402
6,963,177	7,025,738	7,244,103	2,441,498	2,177,927	2,047,843
38,671,036	18,052,222	19,052,293	12,228,703	21,319,008	14,499,931
14,579,823	16,504,336	14,756,381	11,982,110	10,338,567	10,298,194
33,986,741	32,160,378	11,333,344	21,687,063	15,276,780	6,320,576
25,858,538	15,377,280	12,215,118	11,424,559	13,114,297	19,988,226
13,151,447	17,202,529	17,966,130	18,880,254	14,975,382	7,342,064
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,795,612	10,584,575	10,534,875
364,108,834	318,406,683	283,903,787	270,919,529	260,950,690	237,875,827
(35,366,438)	(33,683,337)	(13,602,626)	(11,791,264)	(21,157,329)	(11,456,473)
17,086,516	13,156,821	8,227,955	6,828,718	5,939,380	8,413,679
(20,202,999)	(13,142,077)	(8,247,414)	(6,517,835)	(5,939,380)	(8,413,679)
-	-	-	-	-	-
-	-	-	-	-	-
14,500,000	8,718,689	18,455,000	-	18,000,000	30,492,433
2,316,101	-	2,494,079	-	-	-
-	-	-	-	-	-
14,090,000	-	31,595,000	-	-	22,090,001
(15,435,932)	-	(33,493,049)	-	-	(21,893,374)
-	-	-	-	-	-
12,353,686	8,733,433	19,031,571	310,883	18,000,000	30,689,060
$ (23,012,752)	$ (24,949,904)	$ 5,428,945	$ (11,480,381)	$ (3,157,329)	$ 19,232,587
11.8%	11.4%	11.1%	12.2%	11.4%	11.8%

Table 4

Bexar County, Texas
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(modified accrual basis of accounting)
(Unaudited)

	2008	2007	2006	2005	2004
General Fund					
Reserved [1]	$ 1,390,051	$ 662,060	$ 848,963	$ 545,565	$ 625,737
Unreserved	50,100,132	53,230,968	47,877,791	29,364,455	21,859,502
Total general fund	$ 51,490,183	$ 53,893,028	$ 48,726,754	$ 29,910,020	$22,485,239
All Other Governmental Funds					
Reserved [1]	$205,997,838	$ 94,894,832	$ 39,491,667	$ 44,410,154	$27,769,997
Unreserved, designated, for:					
Capital projects fund	76,999,644	85,768,313	19,364,818	24,973,040	802,752
Special revenue funds [2]	679,068	1,110,476	1,089,228	882,936	1,254,527
Unreserved, Special Revenue Funds	25,113,211	26,697,043	20,819,589	14,144,767	20,280,573
Total all other governmental funds	$308,789,761	$ 208,470,664	$ 80,765,302	$ 84,410,897	$50,107,849

	2003	2002	2001	2000	1999
General Fund					
Reserved [1]	$ 176,559	$ 361,708	$ 325,011	$ 385,824	$ 605,795
Unreserved	21,782,894	29,095,875	38,964,516	27,366,498	29,239,492
Total general fund	$ 21,959,453	$ 29,457,583	$ 39,289,527	$ 27,752,322	$29,845,287
All Other Governmental Funds					
Reserved [1]	$ 28,225,027	$ 36,511,551	$ 5,148,976	$ 20,155,623	$21,649,698
Unreserved, designated, for:					
Capital projects fund	21,708,377	32,932,866	27,046,126	29,223,562	33,791,071
Special revenue funds [2]	2,245,166	1,424,481	708,957	691,469	-
Debt Service [3]	-	-	23,386,727	21,319,761	18,014,385
Unreserved, Special Revenue Funds	16,515,316	14,936,762	12,847,923	7,025,149	6,024,774
Total all other governmental funds	$ 68,693,886	$ 85,805,660	$ 69,138,709	$ 78,415,564	$79,479,928

Source: Comprehensive Annual Financial Reports (CAFR).

Note: [1] Includes encumbrances, debt service, legislative and long-term receivables.

[2] Prior to fiscal years 2007 is titled Grants.

[3] Debt Service was reported as unreserved from fiscal years 1997 - 2001.

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	Estimated Market Value: Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
1999	$37,159,130,357	$ 5,934,066,746	$ 3,256,334,953	$ 39,836,862,150	0.357558
2000	38,869,909,909	6,562,757,970	3,562,075,127	41,870,592,752	0.357558
2001	44,288,640,826	6,668,808,440	5,549,544,735	45,407,904,531	0.357558
2002	49,153,921,837	6,965,146,780	6,329,872,601	49,789,196,016	0.336856
2003	52,553,014,169	6,904,725,725	6,722,849,313	52,734,890,581	0.333671
2004	56,825,012,759	7,247,363,276	7,025,350,553	57,047,025,482	0.333671
2005	58,584,257,386	7,746,973,555	6,058,106,940	60,273,124,001	0.331190
2006	63,523,927,986	8,210,434,209	6,297,181,547	65,437,180,648	0.331190
2007	73,411,772,533	9,018,494,676	7,513,295,659	74,916,971,550	0.326866
2008	87,952,556,241	8,390,541,505	9,421,111,927	86,921,985,819	0.326866

Sources: Bexar County Annual Report on Financial Information and Operating Data (For FY 1997-2000).
Bexar County Tax Assessor-Collector Certified Roll Reports (For FY 2001-2008).

Note: [1] Tax figures represent the fiscal year not the Ad Valorem Tax Year.

Table 6

Bexar County, Texas
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(per $100 of assessed value)
Last Ten Years
(Unaudited)

	1999	2000	2001	2002	2003
County Direct Rates					
General	0.341910	0.339460	0.339460	0.320750	0.317570
Flood	0.018100	0.018100	0.018100	0.016100	0.016100
Total direct rate	0.360010	0.357560	0.357560	0.336850	0.333670
City and Town Rates					
City of San Antonio	0.579790	0.579790	0.579790	0.578540	0.578540
Balcones Heights	0.469340	0.476272	0.469409	0.551862	0.563567
Castle Hills	0.503500	0.503500	0.502601	0.505518	0.505518
China Grove	0.020487	0.021349	0.019561	0.020592	0.022066
Converse	0.510000	0.560000	0.560000	0.560000	0.560000
Elmendorf	0.077190	0.082400	0.082400	0.082400	0.082400
Grey Forest	0.170000	0.170000	0.122191	0.122191	0.115500
Hill County Village	0.100000	0.100000	0.093192	0.094950	0.095000
Hollywood Park	0.397259	0.397259	0.379786	0.497259	0.417926
Kirby	0.699780	0.680716	0.686549	0.686549	0.676573
Leon Valley	0.468780	0.468780	0.468780	0.499600	0.502700
Live Oak	0.456881	0.436881	0.360000	0.340000	0.335000
Olmos Park	0.550000	0.573620	0.569140	0.669140	0.662607
Shavano Park	0.231459	0.271741	0.282523	0.299895	0.313225
City of Somerset	0.548870	0.548870	0.564007	0.563300	0.593160
St. Hedwig	0.350000	0.350000	0.381531	0.434419	0.443942
Terrell Hills	0.579670	0.583400	0.548100	0.532758	0.554900
Universal City	0.387590	0.387590	0.383093	0.385103	0.396085
Windcrest	0.220000	0.220936	0.242975	0.242975	0.282975
Helotes	0.353180	0.350472	0.350472	0.360000	0.360000
School Districts Rates					
Alamo Heights ISD	1.560000	1.580000	1.600000	1.630000	1.630000
East Central ISD	1.570000	1.590000	1.610000	1.680000	1.680000
Edgewood ISD	1.543000	1.558800	1.630660	1.574000	1.627300
Harlandale ISD	1.608000	1.678000	1.756000	1.756000	1.756000
Northeast ISD	1.680000	1.800000	1.751500	1.764000	1.744000
Northisde ISD	1.599500	1.674100	1.737500	1.762500	1.762500
San Antonio ISD	1.722000	1.722000	1.722000	1.722000	1.722000
South S.A. ISD	1.623296	1.619007	1.629500	1.729690	1.717590
Southside ISD	1.580000	1.620000	1.620000	1.720000	1.720000
Somerset ISD	1.763400	1.747300	1.691703	1.687500	1.685000
Southwest ISD	1.548500	1.617900	1.616800	1.675800	1.665200
Fire District Rates					
Bexar Emergency #6	0.000000	0.000000	0.000000	0.000000	0.000000
Bexar Emergency #5	0.000000	0.000000	0.000000	0.000000	0.000000
Bexar Emergency #7	0.000000	0.000000	0.000000	0.000000	0.000000
Bexar Emergency #3	0.000000	0.000000	0.000000	0.000000	0.000000
Bexar Emergency #2	0.000000	0.000000	0.000000	0.000000	0.057000
Bexar Emergency #1	0.000000	0.000000	0.100000	0.100000	0.100000
Other Special District Rates					
Alamo Community College	0.111500	0.105960	0.106900	0.104600	0.107100
University Health System	0.243869	0.243869	0.243869	0.243869	0.243869
River Authority	0.000000	0.000000	0.000000	0.016425	0.016425
S.A. MUD #1	0.990000	0.930000	0.930000	0.930000	0.930000

Source: Bexar County Tax Assessor - Collector's Office.

2004	2005	2006	2007	2008
0.320950	0.318471	0.318471	0.295104	0.289399
0.012720	0.012720	0.012719	0.031762	0.037467
0.333670	0.331191	0.331190	0.326866	0.326866
0.578540	0.578540	0.578540	0.578540	0.572300
0.527030	0.527030	0.558500	0.532404	0.498356
0.503747	0.503747	0.479634	0.458908	0.425801
0.022066	0.022066	0.229180	0.232940	0.021501
0.597500	0.597500	0.577500	0.565000	0.540000
0.114721	0.114721	0.175000	0.250000	0.252961
0.109522	0.109522	0.109522	0.975960	0.093525
0.095000	0.095000	0.095000	0.095000	0.095000
0.417926	0.417926	0.417926	0.395908	0.381464
0.657821	0.657821	0.664948	0.644471	0.588414
0.517400	0.517400	0.537400	0.537400	0.527400
0.465000	0.465000	0.410000	0.385000	0.364400
0.657822	0.657822	0.598837	0.544546	0.514787
0.326915	0.326915	0.343016	0.335000	0.329682
0.639450	0.639450	0.614013	0.555009	0.513609
0.435756	0.435756	0.479895	0.479895	0.479895
0.544500	0.544500	0.516864	0.465853	0.430422
0.414680	0.414680	0.426487	0.457920	0.525827
0.332654	0.332654	0.412622	0.412454	0.407239
0.355000	0.355000	0.336287	0.336287	0.336287
1.629600	1.629600	1.656600	1.486600	1.156600
1.680000	1.680000	1.680000	1.520000	1.190000
1.734500	1.734500	1.722200	1.610000	1.405000
1.756000	1.756000	1.756000	1.700000	1.349000
1.794000	1.794000	1.794000	1.669000	1.402900
1.762500	1.762500	1.775000	1.592500	1.262500
1.722000	1.722000	1.720000	1.579700	1.249700
1.738300	1.738300	1.840000	1.710000	1.445000
1.720000	1.720000	1.720000	1.690000	1.360000
1.685000	1.685000	1.685000	1.536700	1.194000
1.642200	1.642200	1.618800	1.496000	1.195000
0.100000	0.100000	0.100000	0.093816	0.100000
0.100000	0.100000	0.100000	0.091058	0.088555
0.000000	0.000000	0.100000	0.100000	0.099666
0.060000	0.051000	0.051000	0.035200	0.031222
0.057000	0.057000	0.057000	0.070000	0.700000
0.100000	0.100000	0.100000	0.100000	0.097848
0.107050	0.107050	0.107050	0.137050	0.134550
0.243869	0.243869	0.243869	0.243869	0.237408
0.016425	0.016425	0.016425	0.016045	0.015951
0.930000	0.930000	0.930000	0.847800	0.762300

Table 7

Bexar County, Texas
PRINCIPAL PROPERTY TAX PAYERS,
Current and Nine Years Ago
(Unaudited)

	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
Wal-Mart 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%

	1999	
	Market Value	**Percent of Total Taxable Value**
Southwestern Bell Telephone Company	$ 619,352,400	1.55%
H.E. Butt Grocery Company	500,384,110	1.26
United Services Automobile Association	398,931,768	1.00
VLSI Technologies, Inc.	200,715,270	0.50
Methodist Hospital Systems	179,194,600	0.45
Melvin Simon Properties	120,667,590	0.30
North Star Mall, Inc.	104,084,580	0.26
Marriott Corporation	103,435,110	0.26
Wal-Mart Stores, Inc.	100,876,520	0.25
Property Trust of America	86,142,880	0.22
	$ 2,413,784,828	6.05%

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 [3]	Total Collections to Date		Receivable
Fiscal Year [1]	Taxes Levied for Fiscal Year [2]	Amount	Percent of Levy	Taxes from Prior Year Levy	Amount	Percent of Current Levy	Outstanding taxes from prior Years [4]
1999	136,206,227	133,947,468	98.3	1,600,631	135,548,099	99.5	10,468,236
2000	142,133,069	139,401,003	98.1	1,865,887	141,266,890	99.4	10,174,483
2001	154,141,669	150,869,686	97.9	3,008,087	153,877,773	99.8	10,873,624
2002	159,796,641	156,028,658	97.6	3,346,797	159,375,455	99.7	11,264,054
2003	167,734,011	163,685,935	97.6	3,572,443	167,258,378	99.7	11,498,246
2004	182,945,338	179,297,078	98.0	2,928,713	182,225,792	99.6	12,058,064
2005	191,310,077	187,860,871	98.2	2,626,068	190,486,939	99.6	11,616,455
2006	207,505,104	203,851,097	98.2	2,618,386	206,469,483	99.5	11,880,379
2007	233,018,461	229,355,021	98.4	2,113,025	231,468,046	99.3	11,142,226
2008	253,847,569	249,567,648	98.3	-	249,567,648	98.3	11,415,483

County Tax Rate - Flood

	Collected Within the Fiscal Year of the Levy			Subsequent Collections [3]	Total Collections to Date		Receivable
Fiscal Year [1]	Taxes Levied for Fiscal Year [2]	Amount	Percent of Levy	Taxes from Prior Year Levy	Amount	Percent of Current Levy	Outstanding taxes from prior Years [4]
1999	7,584,395	7,470,674	98.5	82,842	7,553,516	99.6	535,749
2000	7,996,684	7,840,542	98.0	97,566	7,938,108	99.3	524,250
2001	8,681,551	8,494,424	97.8	166,984	8,661,408	99.8	583,511
2002	8,448,594	8,247,838	97.6	176,127	8,423,965	99.7	603,968
2003	8,961,366	8,741,687	97.5	190,601	8,932,287	99.7	622,131
2004	7,632,523	7,480,196	98.0	117,678	7,597,875	99.5	607,588
2005	8,039,317	7,888,282	98.1	111,261	7,999,543	99.5	586,621
2006	8,700,087	8,538,987	98.1	110,293	8,649,281	99.4	588,853
2007	9,855,666	9,685,804	98.3	89,797	9,775,601	99.2	560,731
2008 [5]	26,853,535	26,407,917	98.3	-	26,407,917	98.3	827,131

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

Note: [1] Figures for Fiscal Year 1998-2001 totals are estimated. TC-168 Reports were not available.

[2] Taxes Levied can increase or decrease based on the number of tax cases settled during the fiscal years. Figures for fiscal years 1998 - 2001 tax cases was not included.

[3] Subsequent collections consist of prior tax year collections during the fiscal year. Fiscal years 1999 - 2001 figures are estimated.

[4] Outstanding taxes from prior years consists of all delinquent taxes from tax year 2007 - 1984 for county, and tax year 2006 - 1986 for flood.

[5] Total tax rate the County assess is split between flood and general and debt. While the total tax rate for FY 2008 remained unchanged, the portion allocated to flood was significantly increased.

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	Revenue Bonds	Total Primary Government	Percentage of Personal Income [1]	Debt Per Capita [2]
1999	$81,040,744	$35,024,111	$32,922,332	$ 8,708,090	$ -	$157,695,277	4.87%	$110.08
2000	73,286,537	46,399,111	34,392,332	8,500,000	-	162,577,980	4.71%	111.16
2001	68,441,978	44,229,111	30,482,332	8,000,000	148,845,000	299,998,421	7.86%	201.53
2002	66,296,860	39,444,111	43,662,332	7,000,000	148,845,000	305,248,303	7.81%	201.78
2003	59,955,852	37,104,111	39,440,515	5,500,000	144,295,000	286,295,478	7.23%	186.32
2004	64,328,259	19,891,704	50,150,052	3,092,140	137,650,000	275,112,155	6.64%	176.30
2005	65,264,984	24,315,000	73,939,827	73,260	128,685,000	292,278,071	5.91%	184.43
2006	68,915,448	16,770,000	63,615,000	9,850,802	117,065,000	276,216,250	N/A	171.62
2007	61,790,001	35,470,000	175,960,000	15,008,071	103,335,000	391,563,072	N/A	251.71
2008	52,890,001	50,130,000	293,835,000	47,401,246	104,465,000	548,721,247	N/A	334.35

[1] Figures for 2006, 2007, and 2008 were not available for personal income.

[2] Debt per capita uses the estimated population figures from 1997 - 2006.

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	Total	Percentage of Actual Taxable Value of Property	Per Capita
1999	$ 81,040,744	$ 35,024,111	$ 32,922,332	$ 148,987,187	0.37%	104
2000	73,286,537	46,399,111	34,392,332	154,077,980	0.37%	105
2001	68,441,978	44,229,111	30,482,332	143,153,421	0.32%	96
2002	66,296,860	39,444,111	43,662,332	149,403,303	0.30%	99
2003	59,955,852	37,104,111	39,440,515	136,500,478	0.26%	89
2004	64,328,259	19,891,704	50,150,052	134,370,015	0.24%	86
2005	65,264,984	24,315,000	73,939,827	163,519,811	0.27%	103
2006	68,915,448	16,770,000	63,615,000	149,300,448	0.23%	93
2007	61,790,001	35,470,000	175,960,000	273,220,001	0.37%	171
2008	52,890,001	50,130,000	293,835,000	396,855,001	0.46%	242

Source: Comprehensive Annual Financial Reports (CAFR).

Table 11

Bexar County, Texas
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT TO TOTAL EXPENDITURES
ALL GOVERNMENT FUND TYPES
Last Ten Years
(Unaudited)

Fiscal Year	Total Debt Service	Total Expenditures	Ratio of Debt Service to total Expenditures
1999	$ 26,908,932	$ 237,672,152	11.32
2000	27,871,996	260,950,690	10.68
2001	30,304,813	270,919,529	11.19
2002	30,181,248	283,903,787	10.63
2003	32,579,809	318,498,320	10.23
2004	38,922,975	364,108,834	10.69
2005	32,929,949	340,550,264	9.67
2006	29,205,538	370,291,687	7.89
2007	21,256,881	409,513,611	5.19
2008 [1]	29,964,629	520,263,633	5.76

Source: Comprehensive Annual Financial Reports (CAFR).

[1] Does not include the $5.2 million transfer to SARA for flood control debt payment. See note J. Prior years SARA debt payments have also been excluded.

Table 12

Bexar County, Texas
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2008
(Unaudited)

Governmental Unit	Debt Outstanding	Applicable to Bexar County	Estimated Share of Overlapping Debt
Cities:			
City of Alamo Heights	$ 7,185,000	100.00%	$ 7,185,000
Converse	4,645,000	100.00%	4,645,000
City of Fair Oaks Ranch	3,065,000	67.97%	2,083,281
City of Balcones Heights	1,395,000	100.00%	1,395,000
Grey Forest	480,000	100.00%	480,000
Helotes	10,885,000	100.00%	10,885,000
City of Hill Country Village	1,450,000	100.00%	1,450,000
Kirby	830,000	100.00%	830,000
Leon Valley	3,165,000	100.00%	3,165,000
Live Oak	19,190,000	100.00%	19,190,000
Lytle	1,215,000	1.23%	14,945
Olmos Park	5,175,000	100.00%	5,175,000
St. Hedwig	1,115,000	100.00%	1,115,000
San Antonio	1,224,610,000	100.00%	1,224,610,000
Schertz	56,875,000	3.32%	1,888,250
Selma	13,450,000	71.68%	9,640,960
Shavano Park	3,845,000	100.00%	3,845,000
Terrell Hills	3,870,000	100.00%	3,870,000
Universal City	11,928,000	100.00%	11,928,000
Windcrest	8,210,000	100.00%	8,210,000
Somerset	140,000	100.00%	140,000
School Districts:			
Alamo Heights ISD	72,126,704	100.00%	72,126,704
East Central ISD	95,384,004	100.00%	95,384,004
Edgewood ISD	107,150,000	100.00%	107,150,000
Harlandale ISD	207,441,439	100.00%	207,441,439
Judson ISD	417,857,897	100.00%	417,857,897
Northeast ISD	1,296,079,423	100.00%	1,296,079,423
San Antonio ISD	482,379,560	100.00%	482,379,560
South San Antonio ISD	145,328,657	100.00%	145,328,657
Southside ISD	66,835,000	100.00%	66,835,000
Southwest ISD	137,594,999	100.00%	137,594,999
Boerne ISD	128,009,153	26.71%	34,191,245
Comal ISD	495,103,705	14.93%	73,918,983
Medina Valley ISD	65,761,656	27.12%	17,834,561
Randolph Field ISD	1,002,387	100.00%	1,002,387
Northside ISD	1,344,304,988	99.55%	1,338,255,615
Schertz-Cibolo -Universal City ISD	287,639,179	10.47%	30,115,822
Somerset ISD	26,299,991	73.69%	19,380,463
Floresville ISD	83,084,985	0.12%	99,702
Special Districts:			
Alamo Community College District	540,888,778	100.00%	540,888,778
Bexar Co Hosp Dist	290,000,000	100.00%	290,000,000
San Antonio MUD #1	1,385,000	100.00%	1,385,000
San Antonio RA	45,665,000	100.00%	45,665,000
Total Overlapping	7,674,380,505		6,742,660,675
Bexar County	396,855,001	100.00%	396,855,001
Total Direct and Overlapping Debt	$ 8,071,235,506		$ 7,139,515,676

Source: Municipal Advisory Council of Texas, as of September 30, 2008.

Table 13

Bexar County, Texas
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(Unaudited)

	Venue Project Revenue Bonds					
Fiscal Year	**Total Revenues [A]**	**Less: Operating Expenses [B]**	**Net Available Revenue**	**Annual Minimum Requirement [C]**	**Ratio Available to Annual Requirement**	**Additional Mandatory Special Redemption [D]**
1999	$ -	$ -	$ -	$ -	-	$ -
2000	11,403,521	3,950,199	7,453,322	-	-	-
2001	20,674,964	4,948,550	15,726,414	5,685,344	2.77	-
2002	19,320,962	2,910,005	16,410,957	8,709,464	1.88	-
2003	17,630,863	835,541	16,795,322	12,919,464	1.30	340,000
2004	17,636,851	616,143	17,020,708	12,901,087	1.32	2,210,000
2005	19,902,298	410,643	19,491,655	12,766,999	1.53	4,295,000
2006	22,064,372	1,491,850	20,572,522	12,509,483	1.64	6,725,000
2007	23,647,072	100,240	23,546,832	12,102,887	1.95	8,560,000
2008	25,269,618	641,625	24,627,993	10,860,351	2.27	10,565,000

Source: Comprehensive Annual Financial Reports (CAFR).

Note: [A] Includes operating and non-operating revenues.

[B] Includes operating expenses minus depreciation plus transfers out.

[C] Figures are minimum principal and interest added together from the Arena Fund.

[D] Amount is equal to total principal paid less the minimum required payment.

Table 14

Bexar County, Texas

County Expenditures for Assets Owned by Other Entities

Last TwoFiscal Years [1]

(Unaudited)

Description	2007 Expenditures	2008 Expenditure	Ending Balance
Owned by City of San Antonio			
Mission Trails mpo	$ 42,586	$ -	$ 42,586
Ingram Road Low Water Crossing	-	163,057	163,057
Hausman Road Drainage	-	30,949	30,949
Huebner Creek Enhanced Conveyance	-	91,501	91,501
Laddie Place	-	40,207	40,207
Rock Creek Enhanced Conveyance	-	6,534	6,534
Olmos Dam Repair	-	473,561	473,561
Roland Avenue Bridge	-	77,437	77,437
Applewhite Road	-	7,552	7,552
Mission Trails	133,203	-	133,203
Total Owned by City of San Antonio	175,789	890,798	1,066,587
Owned by Local Non Profits			
Hertberg Historic Center	-	250,000	250,000
Total Owned by Local Non Profits	-	250,000	250,000
Owned by San Antonio River Authority			
Martinez Dam	507,858	374,334	882,192
Mission Reach Restoration	3,318,975	18,327,205	21,646,180
Museum Reach Restoration	3,489,169	7,041,861	10,531,030
Owned by San Antonio River Authority	7,316,002	25,743,400	33,059,402
Total Owned by State of Texas			
State Highway 211 Right of Way	-	548,770	548,770
Culebra Road	172,440	1,055,242	1,227,682
Blanco Road	2,196,381	4,716,588	6,912,969
Total Owned by State of Texas	2,368,821	6,320,600	8,689,421
Total County Expenditures for Assets Owned by Others	$ 9,860,612	$33,204,798	$43,065,410

Note: [1] Less than ten years of data presented because this is the first year of implementation of the new reporting model. Except for 2007, the information will be presented on a prospective basis.

Table 15

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]
1999	1,432,500	34,521,637	25,039	3.9%	-	77,452
2000	1,392,931	38,189,928	27,321	4.3%	263,038	77,717
2001	1,488,600	39,085,591	27,613	5.1%	275,732	81,364
2002	1,512,800	39,571,644	27,450	6.0%	269,646	87,361
2003	1,536,600	41,451,742	28,273	6.7%	280,393	92,619
2004	1,560,500	44,018,496	29,496	5.7%	285,329	95,213
2005	1,584,800	46,776,585	30,843	4.7%	293,720	98,473
2006	1,609,500	N/A	N/A	4.3%	301,194	99,845
2007	1,594,000	N/A	N/A	4.1%	N/A	100,043
2008	1,641,170	N/A	N/A	5.1%	307,924	102,806

Sources:

[1] Estimated population figures - Greater San Antonio Chamber of Commerce (San Antonio Region Economic Trends 1999-2006). Source for Fiscal Year 2007 - U.S. Census Bureau (www.census.gov). Source for Fiscal Year 2008 -EDIS www.edis commerce.statenc.us/docs/countyprofile/old/Tx/48029.pdf.

[2] Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2000-2004 reflect county population estimates available as of April 2006.

[3] Personal Income and Per Capita Personal Income Figures - Bureau of Economic Analysis (1996 - 2005). Figures for 2006 - 2008 were not available for personal income and per capita personal income.

[4] Unemployment rates - Texas Workforce Commission September 2008, 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. Enrollment figures for 1999 and 2007 were not available.

[6] Figures

Table 16

Bexar County, Texas
PRINCIPAL EMPLOYERS
Current Year and Five Years Ago
(Unaudited)

2008

Principal Employers	Category	Total	Percent of County Employment
Lackland AFB/37th Training Wing [1]	Government	46,024	6.41
H.E.B. Grocery Company	Retail	30,000	4.18
Fort Sam Houston	Government	23,081	3.21
Randolph Air Force Base	Government	17,489	2.43
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
University Health System	Medical	5,792	0.81
Tesoro Corporation	Gas & Oil/Retail	5,500	0.77
Bexar County	Government	4,634	0.65
	TOTAL	206,045	28.69
Total County Employment for 2008 [2]		**718,256**	

2003

Principal Employers	Category	Total	Percent of County Employment
Valero Energy Corporation	Utilities	23,000	3.49
Lackland AFB/37th Training Wing	Government	22,567	3.43
Fort Sam Houston	Government	18,844	2.86
H.E.B. Grocery Company	Retail	17,805	2.70
USAA	Finance/Insurance	17,069	2.59
Zachary Group	Construction	15,153	2.30
SBC Communications	Services	12,589	1.91
Randolph Air Force Base	Government	11,987	1.82
City of San Antonio	Government	10,119	1.54
Northside Independent School District	Services	8,870	1.35
San Antonio Independent School District	Services	8,000	1.21
Northeast Independent School District	Services	6,473	0.98
SBC Southwestern Bell	Communications	6,000	0.91
Baptist Health System	Medical	5,300	0.80
UT Health Science Center at San Antonio	Medical	5,102	0.77
	TOTAL	188,878	28.67
Total County Employment for 2003[2]		**658,726**	

Source: San Antonio Business Journal Book of Lists 2008, Greater San Antonio Chamber of Commerce and confirmation from individual corporate human resource offices.

[1] Includes Military personnel and their dependents, and civilian personnel.

[2] Total County Employment figure for 2003 and 2008 -Texas Workforce Commission website.

Note: Fifteen largest employers in Bexar County were first implemented in 2003 Comprehensive Annual Financial Report. Employment figures for 2003 represent nationwide totals, 2008 figures represent Bexar County only. Less than ten years of data presented because this is the sixth year of implementation of the new reporting model.

Table 17

BEXAR COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Function/Program		2008	2007 [3]	2006
PUBLIC SAFETY				
Sheriff-Adult Detention	Average Daily Inmate Population			
	Male	3,689	3,680	3,591
	Female	450	514	516
	Number of Prisoners Booked	62,973	75,611	71,017
	Number of Prisoners Released	62,154	75,050	70,305
	Number of Uniformed Officers	716	711	895
Sheriff-Law Enforcement	Number of Patrol Deputies [1]	N/A	N/A	N/A
Patrol	Number of Law Enforcement Officers [2]	521	529	495
JUDICIAL				
District Courts				
Criminal	Cases Filed During the Year [4]	11,822	11,612	9,649
Civil	Cases Filed During the Year [4]	36,109	26,740	34,663
Juvenile	Cases Filed During the Year [4]	3,406	3,612	3,285
County Courts-At Law				
Criminal	Cases Filed During the Year [4]	34,717	39,823	43,403
Civil	Cases Filed During the Year [4]	10,566	12,378	11,107
Probate	Cases Filed During the Year [4]	4,327	4,045	4,432
Mental Health	Cases Filed During the Year [4]	3,555	3,444	3,364
Justice of the Peace Courts	Civil and Criminal Cases Filed During the Year [4]	172,062	151,430	159,183
HEALTH & PUBLIC WELFARE				
Number of grants	Federal	86	82	100
	State	31	35	35
	Private	5	12	10
Child Welfare Board	Children in DFPS legal responsibility [5]	5,074	5,335	5,197
	Children in Substitute care [5]	5,008	5,285	5,063
	Children in Foster Care [5]	3,585	3,890	3,879
PUBLIC WORKS	Number of Work Orders for Road Maintenance	8,723	8,607	8,159
	Number of Work Orders for Traffic Maintenance	4,100	4,262	3,727
	Number of Capital Projects in Design	15	24	22
	Number of Capital Projects in Construction	6	10	3
	Number of Capital Projects Completed	4	12	10
GENERAL GOVERNMENT				
Commissioners Court	Number of official public meetings			
	Regular Sessions	24	25	23
	Special Sessions (Work Sessions)	15	14	19

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] Fiscal year 2007 totals are estimates.

[4] Totals are from the Texas Office of Court Administration.

2005	2004	2003	2002	2001	2000	1999
3,458	3,319	3,311	3,492	3,202	N/A	N/A
532	438	428	490	408	N/A	N/A
68,600	67,058	64,715	64,670	62,262	61,308	64,059
68,366	67,028	64,805	64,734	61,742	61,483	63,900
919	918	918	918	918	907	906
N/A	N/A	167	146	141	141	141
470	443	N/A	N/A	N/A	N/A	N/A
10,269	9,901	11,075	8,449	6,941	10,868	13,134
34,422	34,887	37,609	30,760	32,510	30,271	58,605
3,464	3,029	4,664	3,232	3,200	3,612	6,933
39,069	36,137	34,691	31,965	2,385	56,026	28,589
10,413	9,113	8,463	6,768	5,867	6,744	6,844
4,448	4,618	4,524	4,480	4,292	4,197	3,605
3,292	2,848	2,751	2,695	2,445	2,256	2,456
131,727	109,966	86,166	94,007	85,281	84,756	76,350
100	82	80	68	65	81	69
34	33	36	28	33	55	37
13	13	12	6	9	9	3
4,810	3,825	3,092	2,869	2,954	2,540	2,083
4,725	3,747	3,007	2,798	2,843	2,544	2,121
3,742	3,117	2,466	2,272	2,323	2,171	1,715
7,937	7,197	6,628	N/A	N/A	N/A	N/A
4,021	3,798	3,542	N/A	N/A	N/A	N/A
26	32	23	N/A	N/A	N/A	N/A
23	15	10	N/A	N/A	N/A	N/A
10	3	3	N/A	N/A	N/A	N/A
24	27	37	25	N/A	N/A	N/A
19	24	19	17	N/A	N/A	N/A

[5] 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 of 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 18

Bexar County, Texas
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Function/Program		2008	2007 [2]	2006
PUBLIC SAFETY				
Sheriff-Adult Detention	Number of inmate beds	4,390	4,294	4,294
Sheriff-Law Enforcement	Number of patrol vehicles	110	122	112
JUDICIAL				
District Courts				
Criminal	Number of elected judges	9	9	9
Civil	Number of elected judges	13	13	13
Juvenile	Number of elected judges	2	2	2
County Courts-At-Law				
Criminal	Number of elected judges	9	10	9
Civil	Number of elected judges	3	2	3
Probate	Number of elected judges	2	2	2
Justice of the Peace Courts				
	Number of elected judges	6	6	5
EDUCATION & RECREATION				
County Parks	Number of acres maintained	570	602	602
	Number of county parks	11	8	9
	Number of civic centers	3	3	3
PUBLIC WORKS	Road Miles Maintained	1,026	961	956
	Road Resurfaced (miles)	121	114	112
	Heavy Trucks/Equipment	299	250	293
GENERAL GOVERNMENT				
	Number of Light Vehicles [1]	506	572	481

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.

[2] Fiscal year 2007 totals are estimates. No capital assets were reported for the function of Health and Public Welfare.

Table 18 Continued

2005	2004	2003	2002	2001	2000	1999
4,294	4,294	4,294	3,670	3,670	3,670	3,670
105	101	105	93	81	101	88
9	9	9	9	9	9	9
13	13	13	13	13	13	13
2	2	2	2	2	2	2
9	9	9	9	9	9	9
3	3	3	3	3	3	3
2	2	2	2	2	2	2
5	5	5	5	5	5	5
548	548	548	388	388	357	357
9	9	9	9	9	9	9
3	3	3	3	3	3	3
948	945	932	N/A	N/A	N/A	N/A
132	101	109	94	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
326	299	286	295	288	297	237

Table 19

Bexar County, Texas
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	Full-time Equivalent Employees as of September 30									
Function/Program	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**
General government/ Administrative	674	682	688	687	685	692	739	753	767	803
Judicial	760	774	804	831	828	843	844	863	904	902
Public safety [1]	2,034	2,047	2,270	2,333	2,325	-	-	-	-	-
Officers	-	-	-	-	-	1,779	1,894	1,966	1,905	2,024
Civilians	-	-	-	-	-	552	490	501	482	491
Education and recreation	67	69	69	69	69	66	67	67	62	69
Public works	247	248	248	250	249	254	265	269	270	277
Health and public welfare	80	86	64	45	45	50	54	40	50	68
Total	3,862	3,906	4,143	4,215	4,201	4,236	4,353	4,459	4,440	4,634

Source: Bexar County payroll.

Note: [1] Public Safety employment totals from FY 1999-2003 represent total officers and civilians. Fiscal Year 2004-present will breakdown the number of officers and civilians under public safety.

Table 20

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]
1998 [1]	$226,590,540	$273,010,251	83.00%	$ 46,419,711	$ 109,329,943	42.46%	8.20%
1999	252,601,106	299,630,234	84.30%	47,029,128	117,996,322	39.86%	9.44%
2000	280,545,447	330,316,309	84.93%	49,770,862	126,388,903	39.38%	9.24%
2001	312,734,351	366,714,450	85.28%	53,980,099	137,256,502	39.32%	9.09%
2002	340,478,485	405,515,333	83.96%	65,036,848	147,110,138	44.20%	9.08%
2003	378,486,006	438,774,462	86.26%	60,288,456	153,332,302	39.32%	9.28%
2004	406,467,238	467,799,283	86.89%	61,332,045	157,693,659	38.89%	9.81%
2005	439,658,564	505,135,375	87.04%	65,476,811	167,111,308	39.18%	9.43%
2006 [3]	439,106,883	541,188,418	91.12%	48,081,535	174,803,879	27.51%	9.49%
2007	533,909,770	586,511,660	91.03%	52,601,890	189,723,874	27.73%	9.90%
2008 [4]	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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 1999 Note O, Fiscal Year 2000 Note P, Fiscal Year 2001-present Note Q).

[3] Funding information for 2006 may differ from prior year compliance data due to plan changes effective 1/1/08

[4] Fiscal Year 2008 figures will not be available from TCDRS until April or May 2009.

Table 21

Bexar County, Texas
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2007		
Assessed Value of All Taxable Property	$ 86,921,985,819	
Assessed Value of Real Property	$ 77,903,491,143	
Roads Debt Limit (25% of Assessed Value of Real Property) A		19,632,861,079
Amount of Debt Applicable to Constitutional Debt Limit:		
Total Bonded Debt Applicable	5,200,000	
Less: Debt Service Available Funds	$ 241,165	$ 4,958,835
Legal Debt Margin, Bonds Issued under Article 3, Section 52 of the Texas Constitution		$19,627,902,244

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
1999	8,475,698,851	8,862,415	8,466,836,436	10.46%
2000	8,901,359,650	4,464,051	8,896,895,599	5.02%
2001	9,684,774,023	3,812,170	9,680,961,853	3.94%
2002	10,706,012,309	3,315,988	10,702,696,321	3.10%
2003	11,457,541,214	2,355,550	11,455,185,664	2.06%
2004	12,449,915,552	5,369,793	12,444,545,759	4.31%
2005	13,085,678,783	5,838,835	13,079,839,948	4.46%
2006	14,306,686,610	5,838,835	14,300,847,775	4.08%
2007	16,474,619,219	5,838,835	16,468,780,384	3.54%
2008	$19,632,861,079	$ 4,958,835	$ 19,627,902,244	2.53%

[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.

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 $4,346,099,291 compared to applicable bonds outstanding at September 30, 2008 of $396,855,001.

Table 22

Bexar County, Texas
MISCELLANEOUS INFORMATION
(Unaudited)

Employment Statistics (MSA) [1]

	2008	2007	2006
Total Employed	718,256	714,999	715,679
Total Unemployed	38,304	31,215	28,408
Total Labor Force	756,560	746,214	744,087
Percent of Unemployment	5.1%	4.1%	3.8%

Non-agricultural employment by categories [2]

	2008	Percent	2007	Percent	2006	Percent
Natural Resources & Mining	3,700	1	3,400	1	51,300	6
Construction	52,900	6	48,933	6	N/A	N/A
Manufacturing	48,267	6	49,467	6	48,300	6
Trade/Transportation/Utilities	151,967	17	145,200	17	145,400	18
Information	21,667	2	20,333	2	20,400	3
Finance Activities	65,700	8	65,967	8	64,500	8
Services and Miscellaneous [3]	357,666	42	353,668	42	332,500	41
Government	149,900	18	143,100	18	147,600	18
	851,767	100	830,068	100	810,000	100

	CPS Energy [4]		San Antonio Water System [5]		County
Year	Electric Customers	Gas Customers	Water Connections	Wastewater Connections	Registered Voters[6]
1999	550,000	302,000	282,209	N/A	811,257
2000	563,100	303,900	288,803	N/A	822,826
2001	578,300	305,800	300,296	N/A	852,329
2002	592,195	206,668	293,299	N/A	830,540
2003	604,108	310,310	302,880	N/A	854,010
2004	602,313	306,845	310,433	N/A	850,088
2005	638,344	310,699	317,214	N/A	871,251
2006	639,001	310,860	331,476	361,993	848,506
2007	662,131	314,785	344,168	379,962	865,234
2008	681,295	319,261	348,834	389,894	872,957

Source: [1] Texas Workforce Commission MSA report.
[2] The Greater San Antonio Chamber of Commerce, September 2008, third quarterly report.
[3] Professional & Business Services, Educational & Health Services, Leisure & Hospitality are combined.
[4] Formally called City Public Service.
[5] Greater San Antonio Chamber of Commerce (San Antonio Region Economic Trends 1999-2005)
As of 2006 San Antonio Water System now provides figures for water and wastewater connections separately.
[6] Bexar County Elections Department.

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COMPLIANCE SECTION

Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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 the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bexar County, Texas (the "County"), as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 27, 2009. We did not audit the financial statements of the University Health System (the "System"), the discretely presented component unit. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

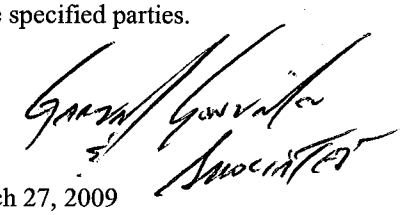
207 Arden Grove
San Antonio, TX 78215
210/227-1389
Fax 227-0716

Compliance and Other Matters

As part of obtaining reasonable assurance about whether County's financial statements are free of 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*.

We noted certain matters which we have reported to management of the County in a separate letter dated March 27, 2009.

This report is intended solely for the information and use of the County Judge and Commissioners, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



March 27, 2009

Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

The Honorable County Judge and Commissioners
Bexar County, Texas

Compliance

We have audited the compliance of Bexar County Texas (the "County") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and *The State of Texas Single Audit Circular* that are applicable to each of its major federal and state programs for the year ended September 30, 2008. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, OMB Circular A-133, and The 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended September 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the State of Texas Single Audit Circular and which are described in the accompanying schedule of findings and questioned costs as item 2008-1 and 2008-2 and in the schedule of prior year findings and questioned costs as items 2007-1, 2006-01, and 2006-03.

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Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

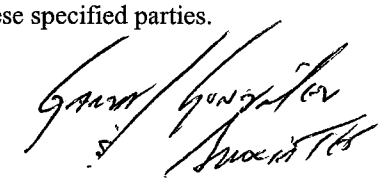
A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented or detected by the County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The County's responses to the findings identified in our audit are described in the accompanying schedules of current year and prior year findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the County Judge and Commissioners, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



March 27, 2009

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
September 30,2008

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	FEDERAL FUNDS				
	Department of Agriculture				
	Passed Through				
	Texas Health and Human Services Commission				
001-1051-2170	National School Lunch Program	10.555	TX-015-2048	$ 416,503	
	Total Department of Agriculture			416,503	0
	Department of Health and Human Services				
113-HHS-6565	Family Drug Court	93.243	5 H79 TI017494-03	375,173	
113-R07-4804	HIV Emergency Relief Project, Part A, 2007-2008	93.914	6-H89-HA-00041	2,145,367	2,131,543
113-R08-4335	HIV Emergency Relief Project Part A, 2008-2009	93.914	H89HA00041-14-00	2,050,968	1,896,534
	Passed Through				
	Texas Attorney General				
	Child Support Enforcement Program				
001-1051-2089	Title IV-D	93.563		471,656	
001-1051-3090	Title IV-D	93.563		1,975,753	
001-1051-2092	Title IV-E District Attorney	93.658		246,377	
	Texas Department of Family and Protective Services				
001-1051-2090	Title IV-E	93.658		1,228	
	Texas Department of Housing and Community Affairs				
	Comprehensive Energy Assistance Program				
113-HCA-6481	CEAP- Case Administration	93.568	587,006	51,167	
113-HCA-6482	CEAP- Case Management	93.568	587,006	31,001	
113-HCA-6483	CEAP- Direct Service Support	93.568	587,006	10,920	
113-HCA-6484	CEAP- Energy Crisis	93.568	587,006	149,494	
113-HCA-6485	CEAP- Co-Payment	93.568	587,006	56,879	
113-HCA-6486	CEAP- Elderly and Disabled Assistance	93.568	587,006	171,108	
113-HCA-6487	CEAP- Heating and Cooling Systems	93.568	587,006	130,432	
113-HCA-6491	CEAP- Case Administration	93.568	587,006	62,043	
113-HCA-6492	CEAP- Case Management	93.568	587,006	29,760	
113-HCA-6493	CEAP- Direct Service Support	93.568	587,006	19,842	
113-HCA-6494	CEAP- Energy Crisis	93.568	587,006	388,599	
113-HCA-6495	CEAP- Co-Payment	93.568	587,006	331,067	
113-HCA-6496	CEAP- Elderly and Disabled Assistance	93.568	587,006	976,397	
113-HCA-6497	CEAP- Heating and Cooling Systems	93.568	587,006	47,695	
113-HCA-6498	CEAP- Training and Travel	93.568	587,006	1,443	

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
September 30,2008

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	FEDERAL FUNDS (Continued)				
	Texas Department of State Health Services				
113-TA8-4311	HIV Emergency Relief Project, Part B, Administrative Agency	93.917	2008-025808	40,556	
113-TH8-4315	HIV Emergency Relief Project, Part B, HOPWA	93.917	2008-025799	80,607	80,607
113-TR8-4321	HIV Emergency Relief Project, Part B, Service Delivery	93.917	2008-025802	614,343	614,343
	Texas Juvenile Probation Commission				
800	Title IV-E, Administration	93.658	TJPC-E	986,945	
800	Title IV-E, Foster Care Program	93.658	TJPC-E	222,902	
	Total Department of Health and Human Services			11,669,722	4,723,027
	Department of Homeland Security				
	Passed Through				
	Texas Engineering Extension Service				
113-DHS-4469	Urban Areas Security Initiative, UASI	97.008	2006-GE-T6-0068	810,892	
113-DHS-4473	Urban Areas Security Initiative, UASI	97.008	2007-GE-T7-0024	119,626	
113-DHS-4468	Citizen Corp, CCP	97.053	2006-GE-T6-0068	64,506	
113-DHS-4471	State Homeland Security Program, SHSP	97.073	2006-GE-T6-0068	79,256	
113-DHS-4470	Law Enforcement Terrorism Prevention Program, LETPP	97.074	2006-GE-T6-0068	95,986	
	Total Department of Homeland Security			1,170,266	0
	Department of Housing and Urban Development				
120-C96	Community Development Block Grant 1996	14.218	B-96-UC-48-0500	7,519	7,519
120-C97	Community Development Block Grant 1997	14.218	B-97-UC-48-0500	12,929	12,929
120-C98	Community Development Block Grant 1998	14.218	B-98-UC-48-0500	3,995	3,995
120-C99	Community Development Block Grant 1999	14.218	B-99-UC-48-0500	53,446	53,446
120-C00	Community Development Block Grant 2000	14.218	B-00-UC-48-0500	45,788	45,788
120-C01	Community Development Block Grant 2001	14.218	B-01-UC-48-0500	180,000	180,000
120-C02	Community Development Block Grant 2002	14.218	B-02-UC-48-0500	150,000	150,000
120-C03	Community Development Block Grant 2003	14.218	B-03-UC-48-0500	100,000	100,000
120-C04	Community Development Block Grant 2004	14.218	B-04-UC-48-0500	5,214	5,214
120-C05	Community Development Block Grant 2005	14.218	B-05-UC-48-0500	71,705	71,705
120-C06	Community Development Block Grant 2006	14.218	B-06-UC-48-0500	248,285	239,904
120-C07	Community Development Block Grant 2007	14.218	B-07-UC-48-0500	921,729	417,790
	Total Community Development Block Grant			1,800,610	1,288,290

	FEDERAL FUNDS (Continued)				
117-H96	HOME Investment Partnership Agreement 1996	14.239	M96-UC-48-0500	2,201	2,201
117-H98	HOME Investment Partnership Agreement 1998	14.239	M98-UC-48-0500	49,900	49,900
117-H99	HOME Investment Partnership Agreement 1999	14.239	M99-UC-48-0500	39,000	39,000
117-H00	HOME Investment Partnership Agreement 2000	14.239	M00-UC-48-0500	127,063	114,651
117-H01	HOME Investment Partnership Agreement 2001	14.239	M01-UC-48-0500	27,182	27,182
117-H02	HOME Investment Partnership Agreement 2002	14.239	M02-UC-48-0500	10,548	
117-H03	HOME Investment Partnership Agreement 2003	14.239	M03-UC-48-0500	242,005	241,905
117-H04	HOME Investment Partnership Agreement 2004	14.239	M04-UC-48-0500	13,596	13,596
117-H05	HOME Investment Partnership Agreement 2005	14.239	M05-UC-48-0500	55,643	6,181
117-H06	HOME Investment Partnership Agreement 2006	14.239	M06-UC-48-0500	203,414	185,095
117-H07	HOME Investment Partnership Agreement 2007	14.239	M07-UC-48-0500	154,884	150,000
	Total HOME Investment Partnership Agreement			925,436	829,711
	Total Department of Housing and Urban Development			2,726,046	2,118,001
	Department of Justice				
113-DOJ-4225	Juvenile Sex Offender Management Program	16.203	2006-WP-BX-0002	54,355	
113-DOJ-4227	Law Enforcement Task Forces and Services for Human Trafficking Victims	16.320	2006-VT-BX-0006	157,721	
113-DOJ-4222	Safe Havens, Supervised Visitation and Exchange Program	16.527	2005-CW-AX-0016	121,002	
113-DOJ-4226	Operation JEDI	16.588	2006-WE-AX-0013	596,606	
113-DOJ-4220	Family Justice Center	16.590	2004-WE-AX-K026	10,057	
001-1051-2105	State Criminal Alien Assistance Program	16.606		728,240	
113-DOJ-4223	Bullet Proof Vests	16.607	2008-BW-BX-078A0	2,084	
113-DOJ-4230	Bullet Proof Vests	16.607	2008-BW-BX-078A0	60,533	
113-DOJ-4228	Project Safe Neighborhood, US Attorney's Office, WDTX	16.609		7,483	
113-DOJ-4205	Justice Assistance Grant - 2005	16.738	2005-DJ-BX-0602	24,534	
113-DOJ-4206	Justice Assistance Grant - 2006	16.738	2006-DJ-BX-0358	36,790	
113-DOJ-4207	Justice Assistance Grant - 2007	16.738	2007-DJ-BX-1327	794,961	
113-DOJ-4229	Justice and Mental Health Collaboration Program	16.745	2007-MO-BX-0011	5,494	
113-DOJ-4231	Mental Health Court	16.745	2007-MO-BX-0012	52,616	
001-1051-2104	Southwest Border Prosecution Initiative	20.233		90,074	
113-OTM-6586	FBI - Sheriff			6,570	
113-OTM-6587	DEA - Sheriff			16,211	
113-OTM-6588	U.S. Marshals Service - Sheriff			19,388	
113-OTM-6589	Secret Service - Sheriff			5,577	

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
September 30,2008

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	FEDERAL FUNDS (Continued)				
	Passed Through				
	Texas Governor's Office				
113-CJD-4063	Family Preservation Services	16.523	JB-05-J20-13310-09	186,394	
113-CJD-4075	Family Preservation Services	16.523	13310-10	10,686	
113-CJD-4070	Intervention and Prevention for Offenders at Risk of Abusing Drugs	16.540	17994-03	50,797	
113-CJD-4080	Intervention and Prevention for Offenders at Risk of Abusing Drugs	16.540	17994-04	61,281	
113-CJD-4071	Forensic Science Improvement Project	16.560	DN-07-A10-19791-01	16,337	
113-CJD-4061	Community Advocate Program	16.575	VA-07-V30-15683-08	76,361	
113-CJD-4072	Community Advocate Program	16.575	VA-07-V30-15683-09	28,501	
113-CJD-4062	Family Justice Center Coordinated Intake Project	16.575	VA-06-V30-18212-02	86,527	
113-CJD-4064	Adult Drug Court	16.585	16923-05	161,406	
113-CJD-4065	Felony Drug Court	16.585	17368-04	158,966	
113-CJD-4066	Family Drug Treatment Court	16.585	17367-04	65,375	
113-CJD-4074	Family Drug Treatment Court	16.585	DJ-05-A10-208666-01	72,152	
113-CJD-4079	Family Drug Treatment Court	16.585	1,736,705	3,788	
113-CJD-4067	Juvenile Drug Court	16.585	JB-05-J20-16922-05	106,402	
113-CJD-4076	Juvenile Drug Court	16.585	16922-06	4,831	
113-CJD-4069	Project Connect	84.186	ED-18290-02	70,688	
	Texas Attorney General				
113-OAG-4096	Project Safe Neighborhood, District Attorney	16.609	04-05525	8,333	
113-OAG-4100	Project Safe Neighborhood, Crime Lab	16.609	05-00064	16,478	
113-OAG-6518	Project Safe Neighborhood, Anti-Gang Equipment Grant	16.609	08-09004	11,381	
113-OAG-6544	Project Safe Neighborhood, Juvenile	16.609	04-05534.A1	38,240	
113-OAG-6550	Project Safe Neighborhood, Juvenile	16.609	04-05534.A2	32,461	
113-OAG-6516	Project Safe Neighborhood, Juvenile	16.609	08-09012	2,149	
113-OAG-6559	Project Safe Neighborhood, DA Firearms	16.609	08-06034	58,517	
113-OAG-6560	Project Safe Neighborhood, Juvenile	16.609	08-06042	9,528	
113-OAG-6551	Anti-Gang Initiative, DA	16.744	07-01596	24,372	
113-OAG-6552	Anti-Gang Initiative, Sheriff	16.744	07-01603	44,443	
113-OAG-6557	Anti-Gang Initiative, Sheriff	16.744	08-05838	64,638	
113-OAG-6558	Anti-Gang Initiative, DA	16.744	08-05820	106,397	
113-OAG-6520	Access and Visitation Program - Title IV-D	93.597	09-C0004	5,179	
113-OAG-6556	Access and Visitation Program - Title IV-D	93.597	07-C0205	51,667	
	Total Department of Justice			4,424,571	0

	FEDERAL FUNDS (Continued)				
	Department of Transportation				
	Passed Through				
	Metropolitan Planning Organization				
113-DOT-4264	Unified Planning Work Program	20.205	TX-08-0285-1/0291-1	967	
113-DOT-4265	Unified Planning Work Program	20.205	TX-08-0285-1/0291-1	62,370	
113-DOT-6524	STEP-Click It Or Ticket	20.604		72,856	
	Total Department of Transportation			136,193	0
	Federal Emergency Management Agency				
	Passed Through				
	Texas Department of Public Safety				
001-1051-2050	Emergency Management Assistance	83.543		67,743	
	Total Federal Emergency Management Agency			67,743	0
	Social Security Administration				
001-1051-2091	SSA Incentive	96.001		85,500	
	Total Social Security Administration			85,500	0
	Total Federal Funds			20,696,544	6,841,028

Bexar County, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
September 30,2008

Fund/ Agency/ Organization	Grantor/Program Title	CFDA	Grantor or Pass-through Grantor's Number	Program Expenditures	Passed Through to Sub-recipients
	STATE FUNDS				
	Texas Governor's Office				
113-CJD-4068	Gang Intelligence	N/A	SF-18302-02	50,978	
	Total Texas Governor's Office			50,978	0
	Texas Comptroller of Public Accounts				
113-CPA-4259	Tobacco Compliance, Sheriff	N/A		477	
113-CPA-4260	Tobacco Compliance, Const. 4	N/A		44	
113-CPA-6506	Tobacco Compliance, Sheriff	N/A		30,287	
113-CPA-6507	Tobacco Compliance, Sheriff	N/A		6,401	
682-1051-2032	State Chapter 19 Vote	N/A		335,904	
001-1051-2120	County Courts	N/A		825,000	
001-1051-2253	Prosecutor Longevity Pay	N/A		244,090	
001-1051-2297	DA Witness Reimbursement	N/A		41,382	
001-1051-2298	Jury Supplemental	N/A		596,700	
017-1051-2122	Probate Supplemental	N/A		232,881	
029-1051-2299	DA Supplemental	N/A		34,450	
	Total Texas Comptroller of Public Accounts			2,347,616	0
	Texas Attorney General				
113-OAG-6554	Texas VINE Maintenance Grant	N/A		81,500	
113-OAG-6519	Victim Coordinator Liaison, Sheriff	N/A	08-01415	2,238	
113-OAG-6555	Victim Coordinator Liaison, Sheriff	N/A	08-01415	32,482	
	Total Texas Attorney General			116,220	0
	Texas Parks and Wildlife Department				
113-TPW-6599	Lakewood Acres Trail System	N/A		29,992	
	Total Texas Parks and Wildlife Department			29,992	0

	STATE FUNDS (Continued)				
	Texas Department of State Health Services				
113-TS8-4325	HIV Emergency Relief Project, Part B, State Services	N/A	2008-025801	310,894	310,894
113-TS9-4325	HIV Emergency Relief Project, Part B, State Services	N/A	2008-028099	57,491	57,491
	Total Texas Department of State Health Services			368,385	368,385
	Texas Department of Transportation				
	Passed Through				
	City of San Antonio				
113-SAT-4297	Regional Auto Crimes Team	N/A	SA-T04-10063-08	128,832	
113-SAT-4298	Regional Auto Crimes Team	N/A	SA-T04-10063-09	10,572	
	Total Texas Department of Transportation			139,404	0
	Texas Task Force on Indigent Defense				
113-IND-4286	Appellate Public Defender's Office, Indigent Defense	N/A	212-57-D01	178,756	
113-IND-4285	Appellate Public Defender's Office, Indigent Defense, Regional Pilot Project	N/A	212-57-T01	123,985	
001-1051-2252	Indigent Defense	N/A		713,662	
001-1051-2255	Indigent Defense Equal	N/A		385,802	
	Total Texas Task Force on Indigent Defense			1,402,205	0
	Total State Funds			4,454,800	368,385
	Total Federal and State Funds			$ 25,151,344	7,209,413

BEXAR COUNTY, TEXAS
San Antonio, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS

Year Ended September 30, 2008

1. GENERAL

The accompanying schedule presents the activity of all federal and state award programs of Bexar County, Texas (the "County"), except for the federal and state award programs for the University Health System, the discretely presented component unit of the County, which have been excluded. 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 "Other Governmental Funds" column in the governmental funds financial statements. With this measurement focus, only current assets and current liabilities 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) in net current assets.

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 unmatured 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, they are recorded as deferred revenues until earned.

3. 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 collectibility of any related receivable at September 30, 2008 may be impaired.

BEXAR COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2008

SECTION I -- SUMMARY OF AUDITORS' RESULTS

Financial Statements		
Type of auditors' report issued: Unqualified		
Internal Control over financial reporting: Material weakness(es) identified?	____Yes	_X_No
Significant deficiency(s) identified not considered to be material weaknesses?	____Yes	_X_None Reported
Noncompliance material to financial statements noted?	____Yes	_X_No

Federal and State Awards		
Internal control over major programs: Material weakness(es) identified?	____Yes	_X_No
Significant deficiency(s) identified not considered to be material weaknesses?	____Yes	_X_None Reported
Type of auditors' report issued on compliance for major Programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section. 510(a)?	_X_Yes	____No

Identification of Major Programs	
CFDA Number(s)	**Name of Federal or State Program**
Federal	
14.218	Community Development Block Grant
16.602	State Criminal Alien Assistance Program
93.914	HIV Emergency Relief Project, Part A, 2007 – 2008 HIV Emergency Relief Project, Part A, 2008 - 2009

BEXAR COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2008

SECTION I -- SUMMARY OF AUDITORS' RESULTS (Continued)

	State			
	N/A	State Indigent Defense		
	N/A	HIV Emergency Relief Project, Part B, State Services		
	Dollar Threshold used to distinguish between Type A and Type B programs: Federal – $ 620,896 State – $ 300,000			
	Auditee qualified as low-risk auditee?		X Yes	____No

SECTION II --- FINANCIAL STATEMENT FINDINGS

There are no financial statement findings for the year ended September 30, 2008.

BEXAR COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2008

SECTION III --- FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

Reference Number	Finding	Questioned Cost
Community Development Block Grant - 14.218		
2008-01	Suspension and Debarment Federal regulations state that non-federal entities are prohibited from contracting with or making subawards to parties that are suspended or debarred or whose principals are suspended or debarred from participating in federal awards. Verification if an entity is suspended or debarred may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity. Our testing indicated that the required verification was not available for two (2) of the twenty-five (25) transactions selected for testing; however, our review of the Excluded Parties List System (EPLS) website indicated that none of the vendors that were tested were actually suspended or debarred. We recommend that the County develop procedures to ensure that all vendors receiving in excess of $25,000 in federal awards and all subawards are not suspended or debarred from participating in federal awards in order to comply with federal requirements. Management Response: The two contracts that were selected for testing pre-dated changes made during last fiscal year to bid documents. The Purchasing Department has inserted suspension and debarment language to the Request for Proposal and the Solicitation, Offer and Award bid documents to ensure compliance.	None

BEXAR COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2008

Reference Number	Finding	Questioned Cost
State Criminal Alien Assistance Program - 16.602		
2008 – 02	Grant Application Process The grant application for the State Criminal Alien Assistance Program (SCAAP) requires that the County submit total salary costs for personnel whose primary responsibility is the control, custody, or supervision of persons detained and incarcerated, including correctional officers for a specified period. The amount reported for total salary cost for the FY 2007 SCAAP application (November 2005 to June 2006) was not supported with documentation indicating the source of the data and could not be recomputed. In addition, the County is required to submit records of inmates in their custody during the reporting period who (1) were born outside the United States or one of its territories and had no reported or documented claim to U.S. citizenship; (2) were in the applicant's custody for 4 or more consecutive days during the reporting period; (3) were convicted of a felony or second misdemeanor for violations of state or local law; and (4) were identified and reported as undocumented, using due diligence. In testing of the records of forty (40) inmates selected for the periods of June 2005 through July 2007, we noted the following: • 1 instance in which the inmate was not in custody for 4 or more consecutive days during the reporting period • 8 instances in which the inmate was not convicted of a felony or second misdemeanor for violations of state or local law. We recommend that the County develop and maintain support documentation for all payroll costs reported and improve the reporting process for the incarcerated inmates to the report only individuals with the proper qualifying violation and those individuals with four or more consecutive days of incarceration. Management Response All participating Bexar County Departments of the SCAAP Grant will meet to discuss all required U.S. Department of Justice rules and regulations for the reimbursement of the SCAAP grant. Prior to the submission of the next SCAAP grant application, the grant administering department will review a sample of the inmate data to ensure they meet the criteria of the SCAAP grant. Additionally, documentation will be maintained of the salaries and benefits reported on the application.	None

BEXAR COUNTY, TEXAS
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2008

SECTION III --- FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

Reference Number	Finding	Questioned Cost
Appellate Public Defender's Office/Indigent Defense		
2007 – 01	Allowable Costs The Uniform Grant Management Standards requires that when employees work solely on a federal or state program their salaries and wages will be supported by periodic certifications that the employee worked solely on that federal or state program. Where employees work on multiple activities a distribution of their salaries will be supported by personal activity reports (time and effort records). The certifications for the four employees we selected for testing were prepared upon our request, five months after year end. We recommend that the County strengthen internal controls to ensure that the semi-annual certifications are prepared timely for employees charged 100% to state programs to comply with the Uniform Grant Management Standards. Management's Response: Management will comply with the semi-annual certifications as required by the Uniform Grant Management Standards.	None

BEXAR COUNTY, TEXAS
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2008

Reference Number	Finding	Questioned Cost
Urban Area Security Initiative – CFDA 97.008		
2006 – 01	Suspension and Debarment Federal regulations state that non-federal entities are prohibited from contracting with or making subawards to parties that are suspended or debarred or whose principals are suspended or debarred from participating in federal awards. Verification if an entity is suspended or debarred may be accomplished by checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity. In fiscal year 2006, four transactions were tested for compliance with the suspension and debarment requirement. Our testing indicated that the required verification was not available for any of the vendors; however, our review of the *Excluded Parties List System (EPLS) website* indicated that none of the vendors that were tested were actually suspended or debarred. Our follow-up in fiscal year 2007 indicated that the required verification was not available for two different vendors selected for testing. Our review of the *EPLS website* indicated that none of these vendors were actually suspended or debarred. Follow-up performed in the current year indicates that the required verification was not available for three vendors selected for testing. Our review of the *EPLS website* indicated that none of these vendors were actually suspended or debarred. We recommend that the County continue to develop procedures to ensure that all vendors receiving in excess of $25,000 in federal awards and all subawards are not suspended or debarred from participating in federal awards in order to comply with federal requirements. Management's Response: The County Purchasing Department: 1) requires vendors to verify when submitting bid/proposals as a requirement of the County competitive solicitation process, they are not listed on any federal, state, or local list of debarred, suspended and ineligible contractors and grantees; 2) purchased these items from vendor proposals which contain no mention that they are listed on any list of debarred, suspended and ineligible contractors and grantees; 3) purchased these items in compliance with the Texas State Local Government Code (and others) for the particular purchases. In addition, steps are being taken to address future purchases and work with departments and the corresponding responsible offices to remain compliant.	

SECTION III --- FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS (Continued)

Reference Number	Finding	Questioned Cost
Justice Assistance Grant – CFDA 16.738		
2006-02	Allowable Costs OMB Circular A-87 requires that when employees work solely on a federal program their salaries and wages will be supported by periodic certifications that the employee worked solely on that federal program. Where employees work on multiple activities a distribution of their salaries will be supported by personal activity reports (time and effort records). In our prior year testing, we noted that all of the seven payroll transactions tested did not have the required certifications. Our follow-up in the current year denoted that the certifications were prepared for four employees selected for testing after our notification; therefore, the County did not prepare the semi-annual certifications on a timely basis. We recommend that the County develop procedures to ensure semi-annual certifications are properly and timely prepared for those employees charged 100% to a federal program stating that they worked solely on that federal program to comply with federal requirements. This finding has been satisfactorily resolved.	
HOME – CFDA 14.239		
2006-03	Special Tests and Provision – Housing Quality Standards HOME requirements state that during the period of affordability for HOME assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards no less than: (a) every three years for projects containing 1 to 4 units, (b) every two years for projects containing 5 to 25 units, and (c) every year for projects containing 26 or more units. Inspections were not performed for any apartment units in the prior year. Our follow-up in the current year indicated that a tracking system was implemented and inspections were performed for three of fourteen apartment units. We recommend that the County perform the required inspections for all HOME assisted rental housing units to ensure those inspections are performed to comply with federal requirements. Management Response: As noted above, a tracking system was implemented and inspections were performed for three of fourteen apartment units. Funding shortages precluded Bexar County from hiring a monitor to assist with monitoring efforts. Assignments have been reorganized for current CDBG staff and an additional CDBG project monitor whose duties will include assisting with monitoring HOME projects will be hired. All fourteen apartments will be inspected during the 2008-09 budget year.	

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