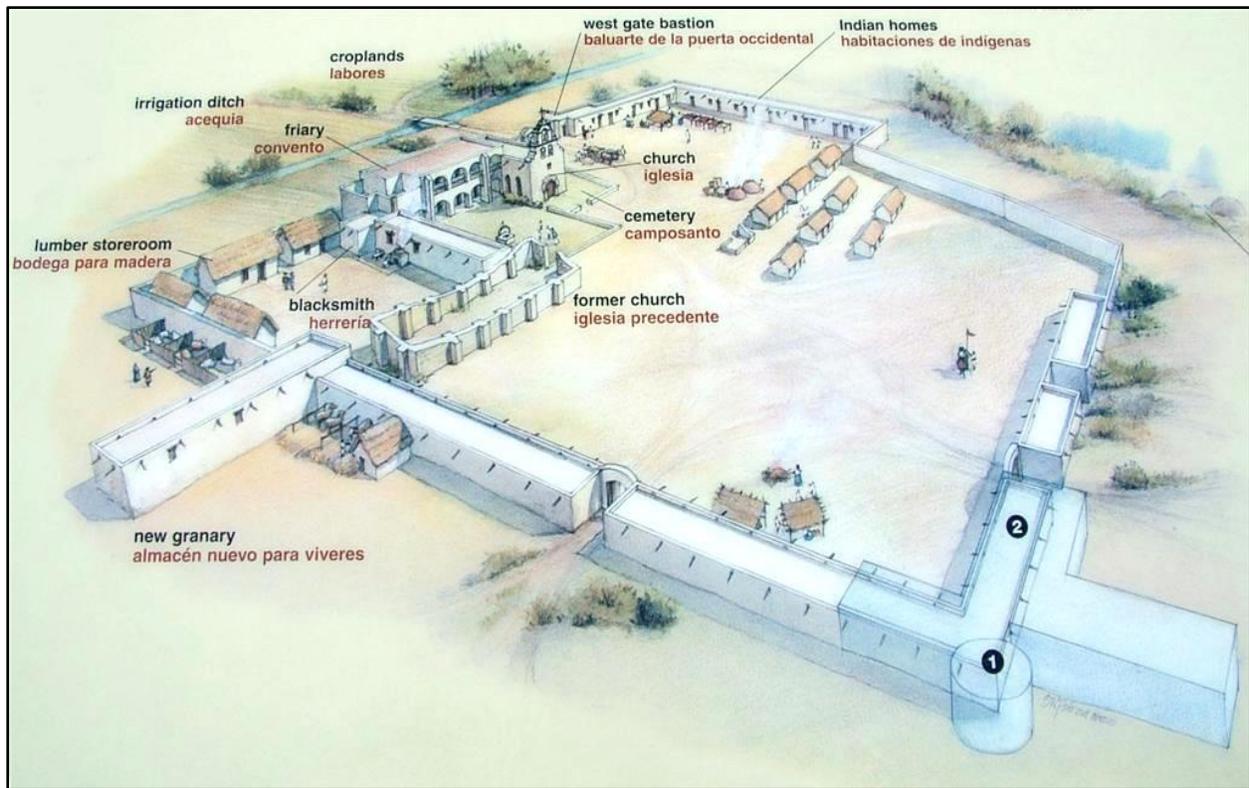


DEBT SERVICE FUNDS



Map of the Espada Mission Complex

The Espada community of San Antonio has the unique distinction of participating in the oldest continually operating irrigation system in the United States. In 1731 Father Pedro Muñoz of the College of Santa Cruz de Querétaro made a contract with the Pacaos Indians stating that they would be the owners of San Francisco de la Espada Mission, one of the early Spanish missions on the San Antonio River. The aqueduct, friary, and sacristy were completed in 1745¹.

Photo above: *Map of the Espada Mission Complex*. Retrieved from: http://www.nationalparklover.com/sam_espada03.htm
¹Texas State Historical Association. Retrieved from: <https://tshaonline.org/handbook/online/articles/uqs12>

Bexar County, Texas
Debt Service (Fund 400)
Fiscal Year Ending September 30, 2016

FY 2013-14	FY 2014-15	FY 2015-16
Actual	Estimate	Budget

AVAILABLE FUNDS

Beginning Balance

Undesignated Funds	\$66,694,458	\$50,695,263	\$33,433,995
Total Beginning Balance	\$66,694,458	\$50,695,263	\$33,433,995

Revenue

Property Taxes	\$70,051,961	\$66,179,615	\$92,870,000
Intergovernmental Revenue	2,746,311	150,000	-
Proceeds from Sales of Assets	57,050	10,875	-
Proceeds from Debt	73,221,796	207,070,565	-
Other Revenue	1,552,929	5,320,505	3,743,352
Subtotal	\$147,630,047	\$278,731,560	\$96,613,352
Interfund Transfers	\$9,801,864	\$9,851,879	\$11,302,694
Total Revenues	\$157,431,911	\$288,583,439	\$107,916,046

TOTAL AVAILABLE FUNDS	\$224,126,369	\$339,278,702	\$141,350,041
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APPROPRIATIONS

Debt Service	\$173,431,106	\$305,844,707	\$107,729,879
Subtotal	\$173,431,106	\$305,844,707	\$107,729,879
TOTAL OPERATING APPROPRIATIONS	\$173,431,106	\$305,844,707	\$107,729,879

Appropriated Fund Balance	\$50,695,263	\$33,433,995	\$33,620,162
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TOTAL APPROPRIATIONS	\$224,126,369	\$339,278,702	\$141,350,041
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DEBT SERVICE FUND

FUND: 400

Program Description: The Debt Service Fund accounts for the accumulation of ad valorem taxes collected for the purpose of paying principal and interest on long-term and short-term debt. The County issues General Obligation Bonds, Certificates of Obligation, Flood Control Certificates of Obligation, Pass-Through Revenue Bonds, Refunding Bonds, and Limited Tax Road Bonds. The proceeds from the issuance of these instruments fund capital improvement projects such as road construction, flood control projects, county buildings, improvements to detention facilities, and countywide technology. The County sells bonds once Commissioners Court approves the issuance of bonds or after the successful completion of a General Obligation Bond Election. The bonds are purchased by investors and the funds generated from the sale are allocated to support specific projects or to pay debt service on existing bonds at lower interest rates.

It should be noted that this fund does not include revenue bonds issued by the County to fund the design and construction of the Visitor Tax Projects (described later in this document). The bonds issued for those projects are Venue Project Revenue Bonds and are supported solely by Hotel/Motel Occupancy Tax and Motor Vehicle Rental Tax revenues. No other County revenues are pledged to support those revenue bonds.

The budgeted appropriation amounts reflect the actual principal and interest payments on all outstanding debt. Other funding sources, such as parking revenue, fire code fees, and Advanced Transportation District (ADT) sales tax revenue support the Debt Service Fund.

Appropriations:

	FY 2013-14 Actual	FY 2014-15 Estimate	FY 2015-16 Budget
Debt Service	\$96,784,100	\$95,206,780	\$103,450,220
Bond Issuance Costs	765,539	2,211,974	1,185,659
Refunding Payment	72,555,312	205,501,225	0
Banking – Administrative Fees	17,100	19,827	0
SARA Requirements	3,309,055	2,904,901	3,094,000
<i>Total</i>	\$173,431,106	\$305,844,707	\$107,729,879

Program Justification and Analysis:

- The FY 2015-16 Adopted Budget for all debt service payments totals \$106,544,220 (banking fees not included). These payments include the debt service for bonds issued by the San Antonio River Authority (SARA), which is a contractual requirement between Bexar County and SARA. Prior to FY 2004-05, funding for these debt service payments was forwarded to SARA and the debt service payments were made directly by SARA. Because these payments reflect actual debt service paid by Bexar County, they are more accurately reflected in the Debt Service Fund as payments required by Bexar County. The FY 2015-16 SARA debt service requirement is \$3,094,000.

- The County's credit rating of AAA by Fitch and Aaa by Moody's was reaffirmed in FY 2014-15. Also during FY 2014-15, the County was upgraded to AAA by Standard and Poors which will continue to allow the County to borrow at favorable interest rates based on its credit rating level. The County now has a true AAA credit rating from all three major credit rating agencies.
- Debt service payments scheduled in FY 2015-16 include:
 - A payment of \$3,094,000 for the FY 2014-15 SARA debt service requirements.
 - Payments totaling \$10,993,132 to pay for General Obligation Bonds and Limited Tax Bonds.
 - Payments totaling \$3,273,800 for Unlimited Taxable Road Bonds.
 - Payments totaling \$56,259,129 for Certificates of Obligation.
 - A total of \$5,100,297 is included for payments to Build America Bonds. The federal government subsidizes approximately 32 percent, or \$1.6 million, towards repayment of these bonds.
 - Payments totaling \$19,627,506 for Flood Control Certificates of Obligation.
 - A total of \$3,355,094 is included for payments to Build America Bonds. The federal government subsidizes approximately 32 percent, or \$1 million, to the County towards repayment of these bonds.
 - Payments totaling \$13,296,653 for Pass-Through Revenue Bonds.



Mission Reach Restoration

“The San Antonio River meanders past four Spanish missions built in the founding years of our city nearly three centuries ago. Today, that eight-mile section of the river, which extends south of downtown from Lone Star Boulevard to Mission Espada, is called the Mission Reach. The beautification of Mission Reach began in 2007 for the purpose of restoring the San Antonio River to its natural riparian habitat. The Mission Reach extends for 8 miles along the section of the San Antonio River that hosts the historic San Antonio Missions. The addition of bike and hiking trails and continues with public art, pedestrian bridges, and art benches¹.” Key to this segment is restoration of the river and its banks for aquatic life and wildlife, along with 15 miles of recreational trails, picnic and seating areas, pedestrian bridges, pavilions and portals to four Spanish colonial missions—Concepción, San José, San Juan and Espada².

Photo above: *Mission Concepción and its B-cycle station near the Mission Reach* by Iris Dimmick. Retrieved from: <http://therivardreport.com/rain-date-historic-mission-reach-party-on-oct-5/>

¹San Antonio River Foundation. Retrieved from: <https://www.sariverfoundation.org/river-initiatives/mission-reach/>

²San Antonio Convention & Visitor Bureau. Retrieved from: <http://visitsanantonio.com/english/explore-san-antonio/only-in-san-antonio/river-walk/touring-the-river-walk>