

# **DEBT SERVICE FUNDS**



Photo credit: lackland.af.mil

Lackland Air Force Base began as a part of Kelly AFB, and finally became an independent base in 1948. Lackland was an important training installation during the Korean War and continued to expand its training capabilities. In 1968 Lackland AFB became the only entry processing station for the Air Force enlisted Basic Military Training. Today Lackland continues to be the sole basic training center in the Air Force and operates six technical training squadrons.

**Bexar County, Texas**  
**Debt Service Fund Summary**  
**Fiscal Year Ending September 30, 2010**

<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>
<b>Actual</b>	<b>Estimate</b>	<b>Budget</b>

<b>AVAILABLE FUNDS</b>
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**Beginning Balance**

Designated for Debt Service	\$38,249,359	\$47,481,395	\$61,759,587
<b>Total Beginning Balance</b>	<b>\$38,249,359</b>	<b>\$47,481,395</b>	<b>\$61,759,587</b>

**Revenue**

Ad Valorem Taxes	\$36,316,007	\$51,467,609	\$64,529,000
Revenue From Use of Assets	5,820,308	4,320,541	4,500,000
Interfund Transfers	1,399,921	2,036,773	6,084,995
Refunding Bond Proceeds	0	20,364,858	0
Premiums From Bonds Issued	860,429	0	0
<b>Total Revenues</b>	<b>\$44,396,665</b>	<b>\$78,189,781</b>	<b>\$75,113,995</b>

<b>TOTAL AVAILABLE FUNDS</b>	<b>\$82,646,024</b>	<b>\$125,671,176</b>	<b>\$136,873,582</b>
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<b>APPROPRIATIONS</b>
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Debt Service	\$28,634,771	\$42,794,184	\$58,111,051
Bond Issuance	1,329,858	1,527,405	964,253
Refunding Payment	0	14,890,000	0
SARA Requirements	5,200,000	4,700,000	4,700,000
<b>TOTAL OPERATING APPROPRIATIONS</b>	<b>\$35,164,629</b>	<b>\$63,911,589</b>	<b>\$63,775,304</b>

<b>Appropriated Fund Balance</b>	<b>\$47,481,395</b>	<b>\$61,759,587</b>	<b>\$73,098,278</b>
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<b>TOTAL APPROPRIATIONS</b>	<b>\$82,646,024</b>	<b>\$125,671,176</b>	<b>\$136,873,582</b>
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# DEBT SERVICE FUND

FUND: 400

**Program Description:** The County issues Bonds, Certificates of Obligation, Commercial Paper, and Tax Anticipation Notes to fund capital improvement projects involving road construction, flood control, detention facilities, courtroom and administrative facilities and equipment. The budgeted amounts reflect the actual principal and interest payments on all outstanding debt. The following lists each currently outstanding debt issuance, its purpose, issuance date, and type and amount of debt. It should be noted that these funds do 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 these projects are revenue bonds and are supported solely by Hotel/Motel Occupancy and Motor Vehicle Rental tax revenues. No other County revenues are pledged to support those revenue bonds. The debt issuances described here are backed by the ad valorem taxing authority of the County.

	<b>Bonds</b>	<b>Original Amount</b>
8811	08/01/00 Bonds (Partial ref. 2.15.04, 9.15.05)	13,000,000
8812	04/15/02 Refunding Bonds	31,595,000
	02/15/04 Refunding Bonds (Partial ref. 9.15.05)	14,090,000
	10/15/04 Limited Tax Bonds	9,400,000
	09/15/05 Limited Tax Refunding Bonds	21,355,000
	05/01/06 Limited Tax GO Refunding Bonds	5,175,000
	05/15/09 Limited Tax Refunding Bonds	14,890,000
Roads	10/15/04 Unlimited Tax Road Bonds	6,080,000
	09/10/07 Unlimited Tax Road Bonds	19,220,000
	06/01/08 Unlimited Tax Road Bonds	15,205,000
	<b>Certificates of Obligation</b>	
8910	04/15/02 C.O. (Partial ref. 9.15.05)	14,215,000
	02/15/04 C.O.	14,500,000
	10/15/04 Tax & Rev. C.O. (Partial ref. 9.15.05)	23,960,000
	08/09/07 Pass-Through Rev & Ltd Tax Bonds	22,385,000
	09/10/07 Tax & Revenue C.O.	22,205,000
	06/01/08 Tax & Revenue C.O.	54,675,000
	12/18/08 Pass Through Rev & Ltd Tax Bonds	31,125,000
	09/03/09 Tax & Rev C.O.	98,445,000
	06/11/09 Public Property Finance CO	5,220,000
8911	05/15/02 C.O. - Flood	4,240,000
	10/15/04 Flood Control Tax & Rev. C.O.	3,595,000
	09/10/07 Flood Control Tax & Rev C.O.	71,820,000
	06/01/08 Flood Control Tax & Rev C.O.	68,975,000

**Build America Bonds - Taxable**

	09/03/09 Tax & Rev C.O.	50,620,000
	06/11/09 Public Property Finance C.O.	5,220,000
Flood	05/15/02 C.O. - Flood	4,240,000
Flood	10/15/04 Flood Control Tax & Rev C.O.	3,595,000
Flood	09/10/07 Flood Control Tax & Rev C.O.	71,820,000
Flood	06/01/08 Flood Control Tax & Rev C.O.	68,975,000
Flood	09/03/09 Flood Control Tax & Rev C.O.	103,690,000

**Build America Bonds - Taxable**

Flood	09/03/09 Flood Control Tax & Rev C.O.	50,620,000
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**Appropriations:**

	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Budget</b>
Debt Service	\$28,634,771	\$42,794,184	\$58,111,051
Bond Issuance Costs	1,329,858	1,527,405	964,253
Refunding Payment	0	14,890,000	0
Paying Agent Fee	0	0	0
SARA Requirements	5,200,000	4,700,000	4,700,000
<i>Total</i>	<b>\$35,164,629</b>	<b>\$63,911,589</b>	<b>\$63,775,304</b>

**Program Justification and Analysis:**

- The FY 2009-10 Adopted Budget for all debt service payments totals \$58,111,051. These payments include the debt service for debt 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 2009-10 SARA debt service requirements is approximately \$4,700,000.
- The flood control and debt service ad valorem tax rates are annually adjusted so that ad valorem tax revenue will now be deposited directly into the Debt Service Fund instead of the Flood Control Fund. This will be an annual occurrence as Bexar County accomplishes its Ten Year Flood Control Program.
- Funding in the amount of \$964,253 is also approved for Bond Issuance Fees. These fees represent the cost of financial advisors, bond counsel and Rating Agencies that assist the County with the debt issuance process.
- Debt service payments approved in FY 2009-10 include:
  - A payment of \$2,271,931 for Commercial Paper utilized to pay for the adopted FY 2009-10 Capital Improvements Projects and 2003 Bond Referendum Projects.
  - Payments totaling \$5,934,994 for the second year in payments associated with projects funded through the Advanced Transportation District.
  - A payment of \$150,000 associated with Parking Facilities.
  - The FY 2009-10 Adopted Budget includes a payment of \$1,373,100 for the Public Property Finance Certificates of Obligations to pay off projects funded through the Capital Lease.
  - A payment of \$15,626,422 to pay for Flood Control Debt Service payment for projects that are part of the Ten Year Flood Control Fund.
  - A payment of \$32,904,605 to pay for Regular Debt Service for County Capital Improvement Projects.

**Bexar County Limited Tax Bonds**  
**As of September 30, 2010**

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>SARA</b>	<b>Total</b>
2010	25,285,000	32,285,000	4,700,000	62,270,000
2011	25,030,000	34,930,388	5,400,000	63,360,388
2012	26,095,000	33,929,779	5,000,000	65,024,779
2013	26,080,000	32,800,008	4,360,950	63,240,958
2014	22,650,000	31,688,974	3,144,511	57,483,485
2015	20,065,000	30,651,845	3,150,520	53,867,365
2016	19,755,000	29,708,963	3,145,706	52,609,669
2017	18,435,000	28,780,155	3,144,810	50,359,965
2018	19,320,000	27,904,759		47,224,759
2019	24,220,000	27,015,917		51,235,917
2020	23,085,000	25,907,540		48,992,540
2021	23,180,000	24,771,332		47,951,332
<b>Total</b>	<b>\$273,200,000</b>	<b>\$360,374,660</b>	<b>\$32,046,497</b>	<b>\$663,621,157</b>



The Base Realignment and Closure (BRAC) 2005 will be transforming Fort Sam Houston into the world's largest medical technician training site. In the photograph above is the original Brooke Army Medical Center (BAMC) and below is the simulated development project of BAMC as the San Antonio Military Medical Center. The expansion of Fort Sam Houston will bring 12,500 new jobs to the installation.

