

# **DEBT SERVICE FUNDS**



### **St. Mary's University Outdoor Sports Complex**

The 157 year-old institution of higher education on San Antonio's West Side will continue athletic excellence with upgraded and new facilities for baseball, softball, soccer, and tennis. The complex will use \$6 million in venue tax funds and will attract NCAA Division II competitions, while providing much-needed modern facilities at St. Mary's. Construction began in November 2011.

**Bexar County, Texas**  
**Debt Service Fund 400**  
**Fiscal Year Ending September 30, 2012**

<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
<b>Actual</b>	<b>Estimate</b>	<b>Budget</b>

<b>AVAILABLE FUNDS</b>
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**Beginning Balance, October 1, 2011**

Undesignated Funds	\$57,126,856	\$72,590,214	\$72,374,249
<b>Total Beginning Balance</b>	<b>\$57,126,856</b>	<b>\$72,590,214</b>	<b>\$72,374,249</b>

**Revenue**

Ad Valorem Taxes	\$64,540,684	\$65,880,330	\$65,451,000
Intergovernmental Revenue	1,839,709	3,600,796	2,959,387
Revenue From Use of Assets	1,576,174	1,214,904	1,200,000
Sales, Refunds, and Miscellaneous	0	250	0
<b>Subtotal</b>	<b>\$67,956,567</b>	<b>\$70,696,280</b>	<b>\$69,610,387</b>
Proceeds from General Debt	41,138,782	22,022,254	1,000,000
Interfund Transfers	10,084,894	6,390,224	6,393,030
<b>Total Revenues</b>	<b>\$119,180,243</b>	<b>\$99,108,758</b>	<b>\$77,003,417</b>

<b>TOTAL AVAILABLE FUNDS</b>	<b>\$176,307,099</b>	<b>\$171,698,972</b>	<b>\$149,377,666</b>
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<b>APPROPRIATIONS</b>
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Debt Service	\$103,716,885	\$99,324,723	\$81,350,131
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<b>TOTAL OPERATING APPROPRIATIONS</b>	<b>\$103,716,885</b>	<b>\$99,324,723</b>	<b>\$81,350,131</b>
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<b>Appropriated Fund Balance</b>	<b>\$72,590,214</b>	<b>\$72,374,249</b>	<b>\$68,027,535</b>
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<b>TOTAL APPROPRIATIONS</b>	<b>\$176,307,099</b>	<b>\$171,698,972</b>	<b>\$149,377,666</b>
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# DEBT SERVICE FUND

COMPANY: 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, Commercial Paper, and Road Bonds to fund capital improvement projects such as road construction, flood control projects, county buildings, 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 bond funds to support specific projects.

It should be noted that this funds 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 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 budgeted appropriation 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. The debt issuances described here are backed by the ad valorem taxing authority of the County. Other funding sources such as parking revenue support the Debt Service Fund.

Refunding	02/15/04 Refunding Bonds (Partial ref. 9.15.05)	\$14,090,000
	9/15/05 Limited Tax Refunding Bonds	21,355,000
	5/1/06 Ltd Tax GO Refunding Bonds	5,175,000
	5/15/09 Ltd Tax GO Refunding Bonds	14,890,000
	7/22/10 Ltd Tax Refunding Bonds (Com Paper)	36,915,000
	9/13/11 Ltd Tax Refunding Bonds	18,375,000
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
GO's	10/15/04 Limited Tax GO Bonds	\$9,400,000
	8/19/10 Ltd Tax GO Bonds	24,020,000
CO's	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
	09/10/07 Tax & Revenue C.O.	22,205,000
	06/01/08 Tax & Revenue C.O.	54,675,000
	06/11/09 PPF CO	5,220,000
	09/03/09 Tax & Rev C.O.	98,445,000
	08/19/10 Tax & Rev C.O.	97,455,000
	09/19/11 Tax & Rev C.O.	14,215,000
BAB-CO's	09/03/09 Tax & Rev C.O.	\$50,620,000
	08/19/10 Tax & Rev C.O.	30,325,000

Flood	05/15/02 C.O. - Flood	\$4,240,000
	10/15/04 Flood Control Tax & Rev C.O.	3,595,000
	08/01/07 Flood Control Tax & Rev C.O.	71,820,000
	06/01/08 Flood Control Tax & Rev C.O.	68,975,000
	09/03/09 Flood Control Tax & Rev C.O.	103,690,000
BAB-Flood	09/03/09 Flood Control Tax & Rev C.O.	50,620,000
Pass-Thru	08/09/07 Pass-Through Rev & Ltd Tax Bonds (Culebra)	\$22,385,000
Pass-Thru	11/15/08 Pass-Through Rev & Ltd Tax Bonds (Blanco)	32,530,000

**Appropriations:**

	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Budget
Debt Service	\$57,831,245	\$72,873,493	\$75,345,131
Bond Issuance Costs	1,801,640	575,000	1,000,000
Refunding Payment	39,384,000	20,471,230	0
Paying Agent Fee	0	5,000	5,000
SARA Requirements	4,700,000	5,400,000	5,000,000
<i>Total</i>	<i>\$103,716,885</i>	<i>\$99,324,723</i>	<i>\$81,350,131</i>

**Program Justification and Analysis:**

- The FY 2011-12 Adopted Budget for all debt service payments totals \$75,345,131. 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 2011-12 SARA debt service requirements is approximately \$5,000,000.
- Funding in the amount of \$1,000,000 is scheduled for Bond Issuance Fees. These fees represent the cost of issuing bonds and are paid to financial advisors, bond counsel and rating agencies that assist the County with the debt issuance process.
- The County's credit rating of AAA by Fitch, Aaa by Moody's, and AA+ by Standard & Poors was reaffirmed in FY 2010-11. The County should continue to be able to borrow at favorable interest rates in FY 2011-12 as the municipal bond market continues to experience historically low interest rates.
- Debt service payments scheduled in FY 2011-12 include:
  - A payment of \$5,000,000 for the FY 2011-12 SARA debt service requirements.
  - Funding in the amount of \$1,000,000 for bond issuance costs.

- Payments totaling \$14,631,512 to pay for general obligation bonds and limited tax bonds.
- Payments totaling \$3,308,264 for unlimited taxable road bonds.
- Payments totaling \$27,872,450 for certificates of obligation.
- Payments totaling \$15,023,790 for Flood Control certificates of obligation.
- Payments totaling \$5,943,090 for pass through financing bonds.
- Payments totaling \$8,455,391 for Build America Bonds.

**Bexar County Annual Debt Service  
As of September 30, 2011**

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>SARA</b>	<b>Total</b>
2011	30,425,000	42,448,494	5,400,000	78,273,494
2012	30,645,000	44,700,131	5,000,000	80,345,131
2013	31,710,000	44,000,041	4,360,950	80,070,991
2014	28,495,000	42,676,227	3,144,511	74,315,738
2015	26,125,000	41,417,749	3,150,520	70,693,269
2016	26,030,000	40,257,992	3,145,706	69,433,698
2017	24,915,000	39,136,709	3,144,810	67,196,519
2018	26,065,000	37,986,813		64,051,813
2019	31,265,000	36,800,971		68,065,971
2020	30,440,000	35,382,194		65,822,194
2021	30,880,000	33,896,086		64,776,086
<b>Total</b>	<b>\$316,995,000</b>	<b>\$438,703,409</b>	<b>\$27,346,497</b>	<b>\$783,044,906</b>