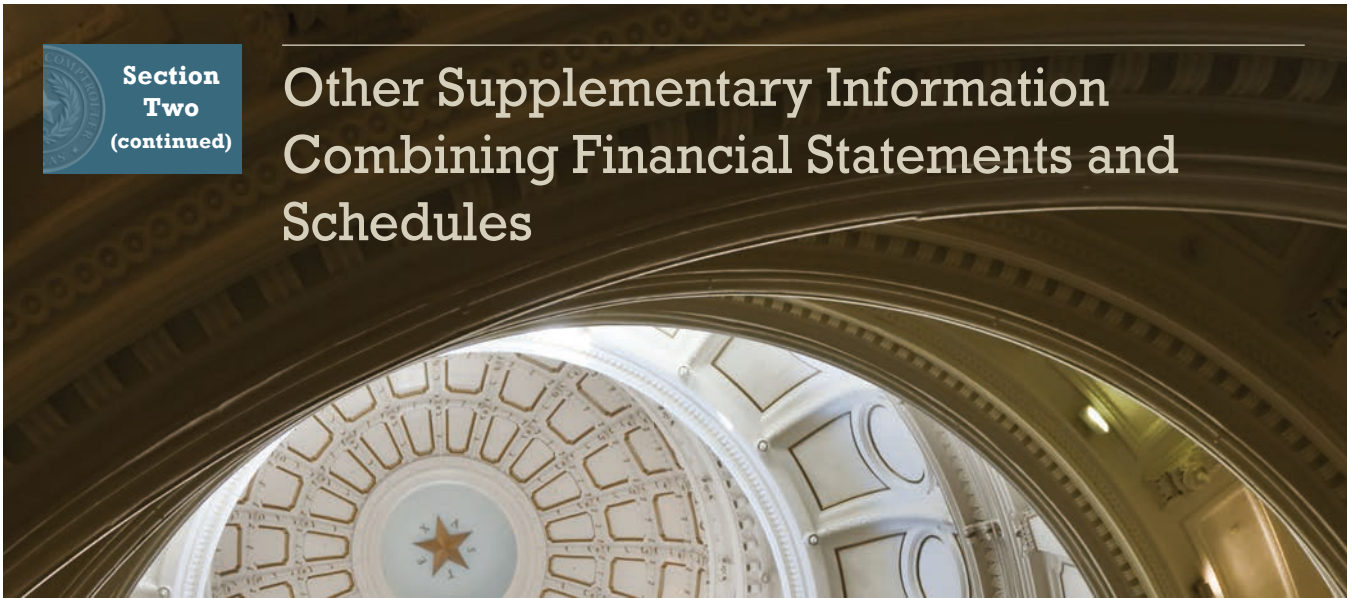
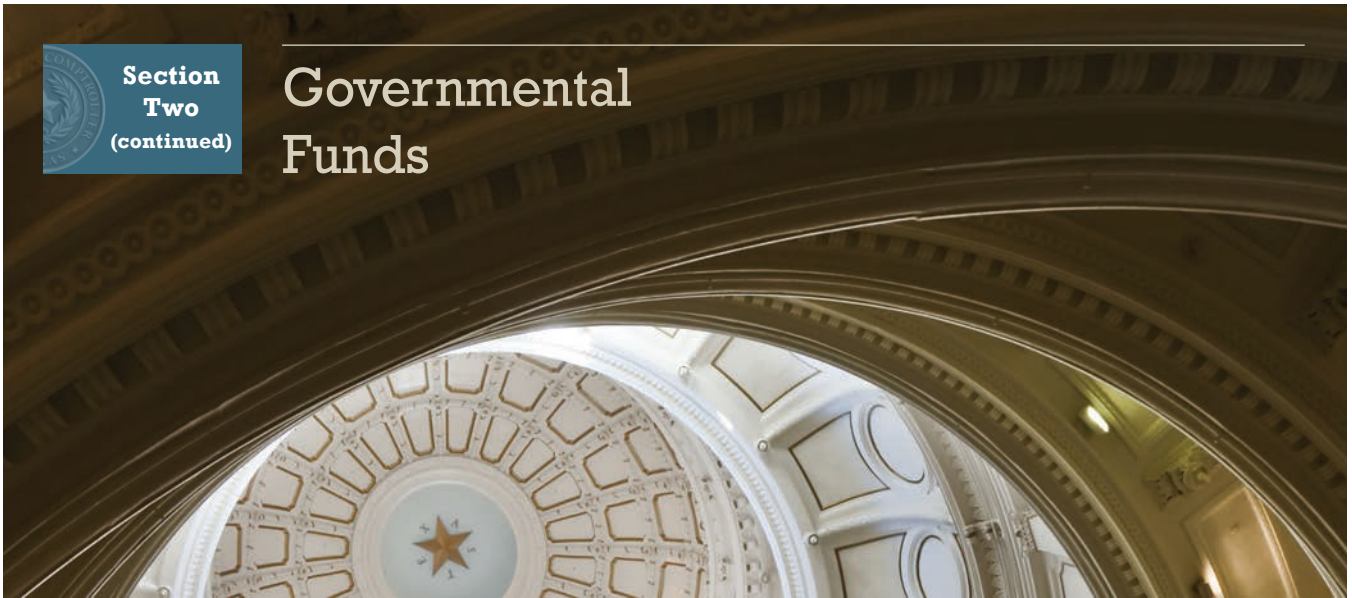


Other Supplementary Information Combining Financial Statements and Schedules



 **Section
Two**
(continued)

Governmental Funds



STATE OF TEXAS

Combining Balance Sheet – Nonmajor Governmental Funds

August 31, 2013 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
ASSETS					
Cash and Cash Equivalents	\$ 1,148,739	\$ 796,916	\$ 1,520,506	\$ 43,948	\$ 3,510,109
Short-Term Investments	16,345			18,501	34,846
Receivables:					
Accounts	435	356	3,337	2	4,130
Taxes	71,536				71,536
Federal	1,001	19,148			20,149
Interest and Dividends	12,436	61		12	12,509
Due From Other Funds	69,010	890	30,950	584	101,434
Interfund Receivable			2		2
Inventories	178		5		183
Prepaid Items	5				5
Investments	14			754,721	754,735
Loans and Contracts	1,026,501				1,026,501
Other Assets	68				68
Restricted:					
Cash and Cash Equivalents	4,725				4,725
Loans and Contracts	823,653				823,653
Other Assets	88,018				88,018
Total Assets	<u>\$ 3,262,664</u>	<u>\$ 817,371</u>	<u>\$ 1,554,800</u>	<u>\$ 817,768</u>	<u>\$ 6,452,603</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	\$ 27,888	\$	\$ 147,364	\$ 947	\$ 176,199
Payroll	3,939		84		4,023
Due To Other Funds	1,412	400	890	28,282	30,984
Interfund Payable	2,710		461		3,171
Deferred Revenues	311		486,447		486,758
Other Liabilities	264		1,562		1,826
Total Liabilities	<u>36,524</u>	<u>400</u>	<u>636,808</u>	<u>29,229</u>	<u>702,961</u>
Fund Balances:					
Nonspendable	183		5	777,867	778,055
Restricted	2,351,119	816,971	917,987	352	4,086,429
Committed	872,366			10,320	882,686
Assigned	2,472				2,472
Total Fund Balances	<u>3,226,140</u>	<u>816,971</u>	<u>917,992</u>	<u>788,539</u>	<u>5,749,642</u>
Total Liabilities and Fund Balances	<u>\$ 3,262,664</u>	<u>\$ 817,371</u>	<u>\$ 1,554,800</u>	<u>\$ 817,768</u>	<u>\$ 6,452,603</u>

STATE OF TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

For the Fiscal Year Ended August 31, 2013 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
REVENUES					
Taxes	\$ 3,764,411	\$	\$	\$	\$ 3,764,411
Federal	2,077	50,006			52,083
Licenses, Fees and Permits	370,112	383,423			753,535
Interest and Other Investment Income	86,561	27,444	4,944	59,698	178,647
Land Income	16			16	32
Sales of Goods and Services	335		171,694		172,029
Other	22,803				22,803
Total Revenues	<u>4,246,315</u>	<u>460,873</u>	<u>176,638</u>	<u>59,714</u>	<u>4,943,540</u>
EXPENDITURES					
Current:					
General Government	179,059	929	18,091	2,376	200,455
Education	2,184,516		249	2,318	2,187,083
Employee Benefits	16,646				16,646
Health and Human Services	1,616		17,968	197	19,781
Public Safety and Corrections	55,493		40,806		96,299
Transportation	1,185		95,497		96,682
Natural Resources and Recreation	50,743		6,126	1,220	58,089
Regulatory Services	89,881				89,881
Capital Outlay	1,812		1,166,003		1,167,815
Debt Service:					
Principal		577,618			577,618
Interest	152	682,736	22		682,910
Other Financing Fees	740		4,234		4,974
Total Expenditures	<u>2,581,843</u>	<u>1,261,283</u>	<u>1,348,996</u>	<u>6,111</u>	<u>5,198,233</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>1,664,472</u>	<u>(800,410)</u>	<u>(1,172,358)</u>	<u>53,603</u>	<u>(254,693)</u>
OTHER FINANCING SOURCES (USES)					
Transfer In	1,491,906	893,547	21,170		2,406,623
Transfer Out	(3,288,664)	(40,999)	(163,253)	(18,303)	(3,511,219)
Bonds and Notes Issued	83,927	11,455	1,024,025		1,119,407
Bonds Issued for Refunding	98,550				98,550
Premiums on Bonds Issued	14,235		185,319		199,554
Payment to Escrow for Refunding	(113,200)	(325)			(113,525)
Total Other Financing Sources (Uses)	<u>(1,713,246)</u>	<u>863,678</u>	<u>1,067,261</u>	<u>(18,303)</u>	<u>199,390</u>
Net Change in Fund Balances	<u>(48,774)</u>	<u>63,268</u>	<u>(105,097)</u>	<u>35,300</u>	<u>(55,303)</u>
Fund Balances, September 1, 2012	3,274,868	1,389,875	241,925	753,239	5,659,907
Restatements	46	(636,172)	781,164		145,038
Fund Balances, September 1, 2012, as Restated	<u>3,274,914</u>	<u>753,703</u>	<u>1,023,089</u>	<u>753,239</u>	<u>5,804,945</u>
Fund Balances, August 31, 2013	<u>\$ 3,226,140</u>	<u>\$ 816,971</u>	<u>\$ 917,992</u>	<u>\$ 788,539</u>	<u>\$ 5,749,642</u>

Nonmajor Special Revenue Funds

The **Property Tax Relief Fund** is outside the general revenue fund. The proceeds of the fund are from allocations of the computation of motor vehicle sales tax, collection of all tobacco products tax increases and calculated amounts from franchise taxes. The fund was established with the intent of reducing school district property taxes.

The **Texas Transportation Corporations** issue bonds and notes – currently only conduit debt – to finance the cost of projects. The corporations act on behalf of the Texas Department of Transportation (TxDOT) in the promotion and development of transportation facilities by issuing private activity bonds for projects developed under comprehensive development agreements entered into by TxDOT.

The **Water Development Funds** receive proceeds from the sale of Texas Water Development bonds for the purpose of aiding and making funds available to various political subdivisions for projects and other authorized purposes. The funds also receive gifts or grants for the purpose of assisting economically distressed areas. Monies in the funds are invested.

The **System Benefit Fund** receives funds from a nonbypassable fee in an amount not to exceed 65 cents per megawatt hour and interest earned. The funds are used to provide funding for programs to assist low-income electric customers.

The **Available School Fund** receives distributions from the permanent school fund based on total return of investment assets, allocations of motor fuel taxes and appropriations made by the Legislature. The fund is to be used for the support of public schools.

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Special Revenue Funds

August 31, 2013 (Amounts in Thousands)

	Property Tax Relief Fund	Texas Transportation Corporations	Water Development Funds	System Benefit Fund	Available School Fund	Other Nonmajor Special Revenue Funds*	Totals
ASSETS							
Cash and Cash Equivalents	\$	\$ 359	\$ 59,314	\$ 838,530	\$ 17,273	\$ 233,263	\$ 1,148,739
Short-Term Investments			16,336			9	16,345
Receivables:							
Accounts			77			358	435
Taxes					71,536		71,536
Federal			35			966	1,001
Interest and Dividends	351		3,194		25	8,866	12,436
Due From Other Funds		216			66,863	1,931	69,010
Inventories						178	178
Prepaid Items						5	5
Investments						14	14
Loans and Contracts			1,021,441			5,060	1,026,501
Other Assets						68	68
Restricted:							
Cash and Cash Equivalents						4,725	4,725
Loans and Contracts						823,653	823,653
Other Assets						88,018	88,018
Total Assets	<u>\$ 351</u>	<u>\$ 575</u>	<u>\$ 1,100,397</u>	<u>\$ 838,530</u>	<u>\$ 155,697</u>	<u>\$ 1,167,114</u>	<u>\$ 3,262,664</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Payables:							
Accounts	\$	\$ 178	\$ 362	\$ 25,096	\$	\$ 2,252	\$ 27,888
Payroll			30			3,909	3,939
Due To Other Funds			418			994	1,412
Interfund Payable			2,710				2,710
Deferred Revenues					136	175	311
Other Liabilities						264	264
Total Liabilities	<u>0</u>	<u>178</u>	<u>3,520</u>	<u>25,096</u>	<u>136</u>	<u>7,594</u>	<u>36,524</u>
Fund Balances:							
Nonspendable						183	183
Restricted	333		1,096,691		155,561	1,098,534	2,351,119
Committed	18		186	813,434		58,728	872,366
Assigned		397				2,075	2,472
Total Fund Balances	<u>351</u>	<u>397</u>	<u>1,096,877</u>	<u>813,434</u>	<u>155,561</u>	<u>1,159,520</u>	<u>3,226,140</u>
Total Liabilities and Fund Balances	<u>\$ 351</u>	<u>\$ 575</u>	<u>\$ 1,100,397</u>	<u>\$ 838,530</u>	<u>\$ 155,697</u>	<u>\$ 1,167,114</u>	<u>\$ 3,262,664</u>

* The other nonmajor special revenue funds column includes blended component units and the special revenue funds of the Employees Retirement System of Texas and the student loan fund. These funds do not meet the materiality threshold for separate column presentation.

STATE OF TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds

For the Fiscal Year Ended August 31, 2013 (Amounts in Thousands)

	Property Tax Relief Fund	Texas Transportation Corporations	Water Development Funds	System Benefit Fund	Available School Fund	Other Nonmajor Special Revenue Funds*	Totals
REVENUES							
Taxes	\$ 2,969,676	\$	\$	\$	\$ 794,735	\$	\$ 3,764,411
Federal			190			1,887	2,077
Licenses, Fees and Permits			221	146,695		223,196	370,112
Interest and Other Investment Income	1,272		28,164	2,932	639	53,554	86,561
Land Income						16	16
Sales of Goods and Services			117			218	335
Other		1,411	1,352			20,040	22,803
Total Revenues	<u>2,970,948</u>	<u>1,411</u>	<u>30,044</u>	<u>149,627</u>	<u>795,374</u>	<u>298,911</u>	<u>4,246,315</u>
EXPENDITURES							
Current:							
General Government						179,059	179,059
Education					2,172,212	12,304	2,184,516
Employee Benefits						16,646	16,646
Health and Human Services						1,616	1,616
Public Safety and Corrections						55,493	55,493
Transportation		1,185					1,185
Natural Resources and Recreation			47,221			3,522	50,743
Regulatory Services				89,881			89,881
Capital Outlay			28			1,784	1,812
Debt Service:							
Interest			152				152
Other Financing Fees						740	740
Total Expenditures	<u>0</u>	<u>1,185</u>	<u>47,401</u>	<u>89,881</u>	<u>2,172,212</u>	<u>271,164</u>	<u>2,581,843</u>
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	<u>2,970,948</u>	<u>226</u>	<u>(17,357)</u>	<u>59,746</u>	<u>(1,376,838)</u>	<u>27,747</u>	<u>1,664,472</u>
OTHER FINANCING SOURCES (USES)							
Transfer In			2,180		1,320,887	168,839	1,491,906
Transfer Out	(2,970,615)		(92,121)		(11,763)	(214,165)	(3,288,664)
Bonds and Notes Issued			83,927				83,927
Bonds Issued for Refunding						98,550	98,550
Premiums on Bonds Issued						14,235	14,235
Payment to Escrow for Refunding						(113,200)	(113,200)
Total Other Financing Sources (Uses)	<u>(2,970,615)</u>	<u>0</u>	<u>(6,014)</u>	<u>0</u>	<u>1,309,124</u>	<u>(45,741)</u>	<u>(1,713,246)</u>
Net Change in Fund Balances	<u>333</u>	<u>226</u>	<u>(23,371)</u>	<u>59,746</u>	<u>(67,714)</u>	<u>(17,994)</u>	<u>(48,774)</u>
Fund Balances, September 1, 2012	18	171	1,120,248	753,688	223,275	1,177,468	3,274,868
Restatements						46	46
Fund Balances, September 1, 2012, as Restated	<u>18</u>	<u>171</u>	<u>1,120,248</u>	<u>753,688</u>	<u>223,275</u>	<u>1,177,514</u>	<u>3,274,914</u>
Fund Balances, August 31, 2013	<u>\$ 351</u>	<u>\$ 397</u>	<u>\$ 1,096,877</u>	<u>\$ 813,434</u>	<u>\$ 155,561</u>	<u>\$ 1,159,520</u>	<u>\$ 3,226,140</u>

* The other nonmajor special revenue funds column includes blended component units and the special revenue funds of the Employees Retirement System of Texas and the student loan fund. These funds do not meet the materiality threshold for separate column presentation.

STATE OF TEXAS

Budgetary Comparison Schedule

Nonmajor Special Revenue Funds

For the Fiscal Year Ended August 31, 2013 (Amounts in Thousands)

	Property Tax Relief Fund				Water Development Funds *			
	Budgetary Amounts		Actual Amounts	Final To	Budgetary Amounts		Actual Amounts	Final To
	Original	Final	Budgetary Basis	Actual Variance	Original	Final	Budgetary Basis	Actual Variance
REVENUES								
Taxes	\$ 2,229,728	\$ 2,803,403	\$ 2,969,676	\$ 166,273	\$	\$	\$	\$
Federal					60	264	155	(109)
Licenses, Fees and Permits							221	221
Interest and Other Investment Income	1,155	1,129	939	(190)	13,010	22,899	27,978	5,079
Sales of Goods and Services					300	294	79	(215)
Other					3,000		1,351	1,351
Total Revenues	<u>2,230,883</u>	<u>2,804,532</u>	<u>2,970,615</u>	<u>166,083</u>	<u>16,370</u>	<u>23,457</u>	<u>29,784</u>	<u>6,327</u>
EXPENDITURES								
General Government								
Education	2,338,574	2,338,574		2,338,574				
Employee Benefits								
Health and Human Services								
Public Safety and Corrections								
Natural Resources and Recreation					5,787	7,592	47,365	(39,773)
Regulatory Services								
Total Expenditures	<u>2,338,574</u>	<u>2,338,574</u>	<u>0</u>	<u>2,338,574</u>	<u>5,787</u>	<u>7,592</u>	<u>47,365</u>	<u>(39,773)</u>
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	<u>(107,691)</u>	<u>465,958</u>	<u>2,970,615</u>	<u>2,504,657</u>	<u>10,583</u>	<u>15,865</u>	<u>(17,581)</u>	<u>(33,446)</u>
OTHER FINANCING SOURCES (USES)								
Transfer In							2,180	2,180
Transfer Out			(2,970,615)	(2,970,615)			(92,121)	(92,121)
Available Beginning Balances		(65,371)		65,371	98,385	95,792	(22,877)	(118,669)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(65,371)</u>	<u>(2,970,615)</u>	<u>(2,905,244)</u>	<u>98,385</u>	<u>95,792</u>	<u>(112,818)</u>	<u>(208,610)</u>
Excess (Deficiency) of Revenues and								
Other Financing Sources Over (Under)								
Expenditures and Other Financing Uses	<u>\$ (107,691)</u>	<u>\$ 400,587</u>	<u>\$ 0</u>	<u>\$ (400,587)</u>	<u>\$ 108,968</u>	<u>\$ 111,657</u>	<u>\$ (130,399)</u>	<u>\$ (242,056)</u>

* The Water Development Funds received bond proceeds of \$83.9 million this year and \$63.7 million from the prior year not included on this schedule.

** The activity of the Texas transportation corporations, now discretely presented, is not shown on this schedule because there is no legally adopted budget.

System Benefit Fund				Available School Fund				Other Nonmajor Special Revenue Funds**			
Budgetary Amounts		Actual Amounts	Final To Actual	Budgetary Amounts		Actual Amounts	Final To Actual	Budgetary Amounts		Actual Amounts	Final To Actual
Original	Final	Basis	Variance	Original	Final	Basis	Variance	Original	Final	Basis	Variance
\$	\$	\$	\$	\$	\$	\$ 792,120	\$ 792,120	\$	\$	\$	\$
145,614	144,158	146,695	2,537					2,250	4,250	1,226	(3,024)
10,273	3,960	2,932	(1,028)	1,513	1,324	647	(677)	90,718	95,773	85,099	(10,674)
								704	597	11,370	10,773
										(115)	(115)
								20	59	990	931
<u>155,887</u>	<u>148,118</u>	<u>149,627</u>	<u>1,509</u>	<u>1,513</u>	<u>1,324</u>	<u>792,767</u>	<u>791,443</u>	<u>93,692</u>	<u>100,679</u>	<u>98,570</u>	<u>(2,109)</u>
				2,026,989	2,026,989	2,172,212	(145,223)	428,470	86,065	80,504	5,561
										5,012	(5,012)
								512,997	16,714	16,554	160
								18,611	18,986	244	18,742
								5,000	5,000	46	4,954
								3,199	4,522	4,325	197
<u>86,139</u>	<u>88,193</u>	<u>77,755</u>	<u>10,438</u>								
<u>86,139</u>	<u>88,193</u>	<u>77,755</u>	<u>10,438</u>	<u>2,026,989</u>	<u>2,026,989</u>	<u>2,172,212</u>	<u>(145,223)</u>	<u>968,277</u>	<u>131,287</u>	<u>106,685</u>	<u>24,602</u>
<u>69,748</u>	<u>59,925</u>	<u>71,872</u>	<u>11,947</u>	<u>(2,025,476)</u>	<u>(2,025,665)</u>	<u>(1,379,445)</u>	<u>646,220</u>	<u>(874,585)</u>	<u>(30,608)</u>	<u>(8,115)</u>	<u>22,493</u>
				1,661,333	1,690,587	1,320,887	(369,700)			104,549	104,549
					(347,520)	(11,763)	335,757			(78,083)	(78,083)
<u>755,746</u>	<u>752,884</u>	<u>766,658</u>	<u>13,774</u>	<u>461,743</u>	<u>82,139</u>	<u>24,400</u>	<u>(57,739)</u>	<u>(463,448)</u>	<u>271,059</u>	<u>98,521</u>	<u>(172,538)</u>
<u>755,746</u>	<u>752,884</u>	<u>766,658</u>	<u>13,774</u>	<u>2,123,076</u>	<u>1,425,206</u>	<u>1,333,524</u>	<u>(91,682)</u>	<u>(463,448)</u>	<u>271,059</u>	<u>124,987</u>	<u>(146,072)</u>
<u>\$ 825,494</u>	<u>\$ 812,809</u>	<u>\$ 838,530</u>	<u>\$ 25,721</u>	<u>\$ 97,600</u>	<u>\$ (600,459)</u>	<u>\$ (45,921)</u>	<u>\$ 554,538</u>	<u>\$ (1,338,033)</u>	<u>\$ 240,451</u>	<u>\$ 116,872</u>	<u>\$ (123,579)</u>

Nonmajor Debt Service Funds

The **Texas College Student Loan Bonds Interest and Sinking Fund** receives deposits from the Texas opportunity plan fund for payment of current interest and principal and establishment of a reserve.

The **Texas Department of Transportation Texas Mobility Fund** receives proceeds from the sale of general obligation bonds and the revenues dictated by statute to provide for the debt service requirements of those bonds. The bond proceeds provide a method of financing for the construction, reconstruction, acquisition and expansion of state highway projects. The proceeds remain in the fund until transferred to the state highway fund.

The **Texas Public Finance Authority G.O. Bond Funds** receive proceeds and accrued interest from the sale of general obligation bonds and provide the debt service requirements for those bonds.

The **Texas Public Finance Authority Commercial Paper Funds** receive deposits of any accrued interest on the sale of notes and pledged revenues necessary to make debt service payments.

The **Texas Department of Transportation State Highway Debt Service Fund** receives proceeds and accrued interest from the sale of revenue bonds and provides the debt service requirements for those bonds.

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Debt Service Funds

August 31, 2013 (Amounts in Thousands)

	Texas College Student Loan Bonds Interest and Sinking Fund	Texas Department of Transportation Texas Mobility Fund	Texas Public Finance Authority G.O. Bond Funds	Texas Public Finance Authority Commercial Paper Funds	Texas Department of Transportation State Highway Debt Service Fund	Other Nonmajor Debt Service Funds	Totals
ASSETS							
Cash and Cash Equivalents	\$ 93,802	\$ 552,997	\$ 164	\$ 5,126	\$ 144,815	\$ 12	\$ 796,916
Receivables:							
Accounts	356						356
Federal		8,866			10,282		19,148
Interest and Dividends	61						61
Due from Other Funds		890					890
Total Assets	<u>\$ 94,219</u>	<u>\$ 562,753</u>	<u>\$ 164</u>	<u>\$ 5,126</u>	<u>\$ 155,097</u>	<u>\$ 12</u>	<u>\$ 817,371</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Due To Other Funds	\$ 0	\$ 400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 400
Total Liabilities	<u>0</u>	<u>400</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>400</u>
Fund Balances:							
Restricted	94,219	562,353	164	5,126	155,097	12	816,971
Total Fund Balances	<u>94,219</u>	<u>562,353</u>	<u>164</u>	<u>5,126</u>	<u>155,097</u>	<u>12</u>	<u>816,971</u>
Total Liabilities and Fund Balances	<u>\$ 94,219</u>	<u>\$ 562,753</u>	<u>\$ 164</u>	<u>\$ 5,126</u>	<u>\$ 155,097</u>	<u>\$ 12</u>	<u>\$ 817,371</u>

STATE OF TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds

For the Fiscal Year Ended August 31, 2013 (Amounts in Thousands)

	Texas College Student Loan Bonds Interest and Sinking Fund	Texas Department of Transportation Texas Mobility Fund	Texas Public Finance Authority G.O. Bond Funds	Texas Public Finance Authority Commercial Paper Funds	Texas Department of Transportation State Highway Debt Service Fund	Other Nonmajor Debt Service Funds	Totals
REVENUES							
Federal	\$ 28	\$ 21,445	\$ 3,659	\$	\$ 24,874	\$	\$ 50,006
Licenses, Fees and Permits		383,423					383,423
Interest and Other Investment Income	926	25,791	157	22	531	17	27,444
Total Revenues	954	430,659	3,816	22	25,405	17	460,873
EXPENDITURES							
Current:							
General Government			692	235		2	929
Debt Service:							
Principal	58,525	53,190	175,980	36,143	120,155	133,625	577,618
Interest	34,446	287,771	92,163	305	194,786	73,265	682,736
Total Expenditures	92,971	340,961	268,835	36,683	314,941	206,892	1,261,283
Excess (Deficiency) of Revenues Over (Under) Expenditures	(92,017)	89,698	(265,019)	(36,661)	(289,536)	(206,875)	(800,410)
OTHER FINANCING SOURCES (USES)							
Transfer In	108,403		254,756	36,667	287,904	205,817	893,547
Transfer Out	(40,991)					(8)	(40,999)
Bonds and Notes Issued			10,397			1,058	11,455
Payment to Escrow for Refunding	(325)						(325)
Total Other Financing Sources (Uses)	67,087	0	265,153	36,667	287,904	206,867	863,678
Net Change in Fund Balances	(24,930)	89,698	134	6	(1,632)	(8)	63,268
Fund Balances, September 1, 2012	119,149	1,108,827	30	5,120	156,729	20	1,389,875
Restatements		(636,172)					(636,172)
Fund Balances, September 1, 2012, as Restated	119,149	472,655	30	5,120	156,729	20	753,703
Fund Balances, August 31, 2013	\$ 94,219	\$ 562,353	\$ 164	\$ 5,126	\$ 155,097	\$ 12	\$ 816,971

Nonmajor Capital Projects Funds

The **Texas Public Finance Authority Administration Project Funds** utilize long-term financing for various state construction, repair or renovation projects. Funds are also used to refinance purchases of equipment by various state agencies.

The **Texas Parks and Wildlife Department Project Funds** are used for the acquisition and development of state park sites. Revenues from park entrance fees are used for the repayments of long-term debt incurred.

The **Texas Facilities Commission Project Funds** are used to administer the state's major and minor building construction programs.

The **Texas Department of Criminal Justice Prison Project Funds** are used for construction of regional centers and for repairs and minor construction of correctional facilities.

The **Texas Youth Commission Project Funds** are used to pay for minor construction and repairs of the Texas Youth Commission buildings and facilities.

The **Texas Health Agencies Project Funds** are used to pay for the cost of construction, repair and remodeling for certain mental health facilities and other health related projects.

The **Texas Department of Public Safety Project Funds** are used to finance construction of new Department of Public Safety buildings and crime lab facilities in various state locations.

The **Texas Department of Transportation Project Funds** are used for public road and highway development, construction and improvement projects. The funds are also used to establish, acquire, operate, maintain and dispose of airports and air navigation facilities.

The **Texas Historical Commission Project Funds** are used to provide financial assistance to counties for the repair and renovation of courthouses.

The **Texas Mobility Capital Project Funds** are used to provide a method of financing construction, reconstruction, acquisition and expansion of state highways and other transportation projects.

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Capital Projects Funds

August 31, 2013 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Department of Criminal Justice Prison Project Funds	Texas Youth Commission Project Funds
ASSETS					
Cash and Cash Equivalents	\$ 1,790	\$ 12,708	\$ 23,640	\$ 14,054	\$ 3,702
Accounts Receivable			3,337		
Due From Other Funds			29,887		754
Interfund Receivable		2			
Inventories	5				
Total Assets	<u>\$ 1,795</u>	<u>\$ 12,710</u>	<u>\$ 56,864</u>	<u>\$ 14,054</u>	<u>\$ 4,456</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	\$ 163	\$ 1,369	\$ 910	\$ 1,036	\$ 140
Payroll	84				
Due To Other Funds					
Interfund Payable	3				
Deferred Revenues					
Other Liabilities			424	1,129	
Total Liabilities	<u>250</u>	<u>1,369</u>	<u>1,334</u>	<u>2,165</u>	<u>140</u>
Fund Balances:					
Nonspendable	5				
Restricted	1,540	11,341	55,530	11,889	4,316
Total Fund Balances	<u>1,545</u>	<u>11,341</u>	<u>55,530</u>	<u>11,889</u>	<u>4,316</u>
Total Liabilities and Fund Balances	<u>\$ 1,795</u>	<u>\$ 12,710</u>	<u>\$ 56,864</u>	<u>\$ 14,054</u>	<u>\$ 4,456</u>

Texas Health Agencies Project Funds	Texas Department of Public Safety Project Funds	Texas Department of Transportation Project Funds	Texas Historical Commission Project Funds	Texas Mobility Capital Project Funds	Other Nonmajor Capital Projects Funds	Totals
\$ 13,968	\$ 6,895	\$ 767,648	\$ 25,180	\$ 645,321	\$ 5,600	\$ 1,520,506
290				19		3,337
						30,950
						2
						5
<u>\$ 14,258</u>	<u>\$ 6,895</u>	<u>\$ 767,648</u>	<u>\$ 25,180</u>	<u>\$ 645,340</u>	<u>\$ 5,600</u>	<u>\$ 1,554,800</u>
\$ 11,250	\$ 4,196	\$ 117,124	\$ 806	\$ 10,346	\$ 24	\$ 147,364
						84
				890		890
360			98			461
		486,447				486,447
9						1,562
<u>11,619</u>	<u>4,196</u>	<u>603,571</u>	<u>904</u>	<u>11,236</u>	<u>24</u>	<u>636,808</u>
2,639	2,699	164,077	24,276	634,104	5,576	917,987
<u>2,639</u>	<u>2,699</u>	<u>164,077</u>	<u>24,276</u>	<u>634,104</u>	<u>5,576</u>	<u>917,992</u>
<u>\$ 14,258</u>	<u>\$ 6,895</u>	<u>\$ 767,648</u>	<u>\$ 25,180</u>	<u>\$ 645,340</u>	<u>\$ 5,600</u>	<u>\$ 1,554,800</u>

STATE OF TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds

For the Fiscal Year Ended August 31, 2013 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Department of Criminal Justice Prison Project Funds	Texas Youth Commission Project Funds
REVENUES					
Interest and Other Investment Income	\$ 4	\$ 50	\$ 132	\$ 60	\$ 26
Sales of Goods and Services			9,126		
Total Revenues	<u>4</u>	<u>50</u>	<u>9,258</u>	<u>60</u>	<u>26</u>
EXPENDITURES					
Current:					
General Government	1,209		8,232		
Education					
Health and Human Services					
Public Safety and Corrections				33,507	5,199
Transportation					
Natural Resources and Recreation		6,126			
Capital Outlay		4,087	7,634	7,700	
Debt Service:					
Interest					
Other Financing Fees					
Total Expenditures	<u>1,209</u>	<u>10,213</u>	<u>15,866</u>	<u>41,207</u>	<u>5,199</u>
Deficiency of Revenues					
Under Expenditures	<u>(1,205)</u>	<u>(10,163)</u>	<u>(6,608)</u>	<u>(41,147)</u>	<u>(5,173)</u>
OTHER FINANCING SOURCES (USES)					
Transfer In	761		20,287		
Transfer Out	(653)		(18)		(6)
Bonds and Notes Issued	1,000	8,320	1,000	40,000	1,000
Premiums on Bonds Issued					
Total Other Financing Sources (Uses)	<u>1,108</u>	<u>8,320</u>	<u>21,269</u>	<u>40,000</u>	<u>994</u>
Net Change in Fund Balances	<u>(97)</u>	<u>(1,843)</u>	<u>14,661</u>	<u>(1,147)</u>	<u>(4,179)</u>
Fund Balances, September 1, 2012	1,642	13,184	40,869	13,035	8,495
Restatements				1	
Fund Balances, September 1, 2012, as Restated	<u>1,642</u>	<u>13,184</u>	<u>40,869</u>	<u>13,036</u>	<u>8,495</u>
Fund Balances, August 31, 2013	<u>\$ 1,545</u>	<u>\$ 11,341</u>	<u>\$ 55,530</u>	<u>\$ 11,889</u>	<u>\$ 4,316</u>

Texas Health Agencies Project Funds	Texas Department of Public Safety Project Funds	Texas Department of Transportation Project Funds	Texas Historical Commission Project Funds	Texas Mobility Capital Project Funds	Other Nonmajor Capital Projects Funds	Totals
\$ 73	\$ 34	\$ 2,205	\$ 129	\$ 2,192	\$ 39	\$ 4,944
		162,568				171,694
<u>73</u>	<u>34</u>	<u>164,773</u>	<u>129</u>	<u>2,192</u>	<u>39</u>	<u>176,638</u>
			8,648		2	18,091
					249	249
17,968						17,968
	2,025				75	40,806
		1,890		93,607		95,497
						6,126
9,406	36,421	1,036,919	715	55,356	7,765	1,166,003
22						22
		3,766		468		4,234
<u>27,396</u>	<u>38,446</u>	<u>1,042,575</u>	<u>9,363</u>	<u>149,431</u>	<u>8,091</u>	<u>1,348,996</u>
(27,323)	(38,412)	(877,802)	(9,234)	(147,239)	(8,052)	(1,172,358)
122						21,170
(9)		(162,567)				(163,253)
20,000	30,500	918,205	2,000		2,000	1,024,025
		185,319				185,319
<u>20,113</u>	<u>30,500</u>	<u>940,957</u>	<u>2,000</u>	<u>0</u>	<u>2,000</u>	<u>1,067,261</u>
(7,210)	(7,912)	63,155	(7,234)	(147,239)	(6,052)	(105,097)
10,029	10,611	100,922	31,510		11,628	241,925
(180)				781,343		781,164
<u>9,849</u>	<u>10,611</u>	<u>100,922</u>	<u>31,510</u>	<u>781,343</u>	<u>11,628</u>	<u>1,023,089</u>
<u>\$ 2,639</u>	<u>\$ 2,699</u>	<u>\$ 164,077</u>	<u>\$ 24,276</u>	<u>\$ 634,104</u>	<u>\$ 5,576</u>	<u>\$ 917,992</u>

Nonmajor Permanent Funds

The **Permanent Health Fund for Higher Education** was established by the Legislature from a portion of the money received in the settlement of *The State of Texas v. The American Tobacco Co., et.al.* The corpus of the account was designated by the Legislature to be preserved. Distributions of earnings on the account are to be transferred to other accounts and used for health care costs, tobacco education and enforcement.

The **National Research University Fund** was established by the Legislature to provide a dedicated, independent and equitable source of funding to enable emerging research universities to achieve national prominence as major research universities. The fund consists of appropriations and transfers under the Texas Constitution and amounts provided by law, gifts, grants and interest. The Texas Constitution required that balances in the permanent higher education fund be transferred to the national research university fund on Jan. 1, 2010. Funds are allocated to eligible universities based on an equitable formula.

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Permanent Funds

August 31, 2013 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Other Nonmajor Permanent Funds	Totals
ASSETS				
Cash and Cash Equivalents	\$ 14,693	\$ 28,232	\$ 1,023	\$ 43,948
Short-Term Investments	3,343	15,158		18,501
Receivables:				
Accounts	2			2
Interest and Dividends	3	9		12
Due From Other Funds	35		549	584
Investments	<u>136,472</u>	<u>615,084</u>	<u>3,165</u>	<u>754,721</u>
Total Assets	<u>\$ 154,548</u>	<u>\$ 658,483</u>	<u>\$ 4,737</u>	<u>\$ 817,768</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Payables:				
Accounts	\$ 77	\$ 321	\$ 549	\$ 947
Due To Other Funds	173	28,109		28,282
Total Liabilities	<u>250</u>	<u>28,430</u>	<u>549</u>	<u>29,229</u>
Fund Balances:				
Nonspendable	143,978	630,053	3,836	777,867
Restricted			352	352
Committed	10,320			10,320
Total Fund Balances	<u>154,298</u>	<u>630,053</u>	<u>4,188</u>	<u>788,539</u>
Total Liabilities and Fund Balances	<u>\$ 154,548</u>	<u>\$ 658,483</u>	<u>\$ 4,737</u>	<u>\$ 817,768</u>

STATE OF TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Permanent Funds

For the Fiscal Year Ended August 31, 2013 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Other Nonmajor Permanent Funds	Totals
REVENUES				
Interest and Other Investment Income	\$ 10,853	\$ 46,394	\$ 2,451	\$ 59,698
Land Income			16	16
Total Revenues	<u>10,853</u>	<u>46,394</u>	<u>2,467</u>	<u>59,714</u>
EXPENDITURES				
Current:				
General Government	422	1,954		2,376
Education	121		2,197	2,318
Health and Human Services	197			197
Natural Resources and Recreation	1,011		209	1,220
Total Expenditures	<u>1,751</u>	<u>1,954</u>	<u>2,406</u>	<u>6,111</u>
Excess of Revenues Over Expenditures	<u>9,102</u>	<u>44,440</u>	<u>61</u>	<u>53,603</u>
OTHER FINANCING USES				
Transfer Out	(1,316)	(16,972)	(15)	(18,303)
Total Other Financing Uses	<u>(1,316)</u>	<u>(16,972)</u>	<u>(15)</u>	<u>(18,303)</u>
Net Change in Fund Balances	<u>7,786</u>	<u>27,468</u>	<u>46</u>	<u>35,300</u>
Fund Balances, September 1, 2012	<u>146,512</u>	<u>602,585</u>	<u>4,142</u>	<u>753,239</u>
Fund Balances, August 31, 2013	<u>\$ 154,298</u>	<u>\$ 630,053</u>	<u>\$ 4,188</u>	<u>\$ 788,539</u>

