The spreadsheets in this publication are available in accessible data form (Excel) for the sections below.

Management's Discussion and Analysis, pages 17-30
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/analysis.xlsx

Basic Financial Statements, pages 31-184
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/basic.xlsx

Required Supplementary Information other than MD&A, pages 185-204
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/supplemental.xlsx

Governmental Funds, pages 205-230
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/governmental.xlsx

Enterprise Funds, pages 231-260
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/enterprise.xlsx

Fiduciary Funds, pages 261-278
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/fiduciary.xlsx

Discretely Presented Component Units, pages 279-294
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/discretely.xlsx

Statistical Section, pages 295-321
comptroller.texas.gov/transparency/reports/comprehensive-annual-financial/2018/statistical.xlsx

Section Two (continued)

Other Supplementary Information Combining Financial Statements and Schedules

Section Two (continued)
Governmental Funds

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Governmental Funds

August 31, 2018 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
ASSETS					
Cash and Cash Equivalents	$ 691,706	$ 901,261	$1,128,844	$ 64,288	$ 2,786,099
Short-Term Investments	80,361			162,145	242,506
Receivables:					
Accounts	3,332	277	5,037		8,646
Taxes	77,726				77,726
Federal	1,092				1,092
Interest and Dividends	12,865	579		276	13,720
Other	1,232				1,232
Due From Other Funds	76,884		77,544	529	154,957
Inventories	379		5		384
Prepaid Items	10				10
Investments	1,573,713			1,355,013	2,928,726
Loans and Contracts	697,760				697,760
Restricted:					
Cash and Cash Equivalents	1,592				1,592
Loans and Contracts	1,097,291				1,097,291
Other Assets	96,970				96,970
Total Assets	$ 4,412,913	$ 902,117	$1,211,430	$ 1,582,251	$ 8,108,711
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	$ 21,916	$ 20,772	$ 52,830	$ 2,160	$ 97,678
Investment Trades				74	74
Payroll	5,578		75		5,653
Due To Other Funds	1,340		2,349	49,092	52,781
Interfund Payable	1,980		176		2,156
Unearned Revenues	160	3,922	483,626		487,708
Other Liabilities			3,268		3,268
Total Liabilities	30,974	24,694	542,324	51,326	649,318
Fund Balances:					
Nonspendable	389		5	905,971	906,365
Restricted	4,333,901	877,423	669,101	616,253	6,496,678
Committed	43,854			8,701	52,555
Assigned	3,795				3,795
Unassigned					
Total Fund Balances	4,381,939	877,423	669,106	1,530,925	7,459,393
Total Liabilities and Fund Balances	$ 4,412,913	$ 902,117	$1,211,430	$ 1,582,251	$ 8,108,711

STATE OF TEXAS

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

For the Fiscal Year Ended August 31, 2018 (Amounts in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Funds
REVENUES					
Taxes	$ 2,541,513	$	$	$	$ 2,541,513
Federal	2,009	50,422			52,431
Licenses, Fees and Permits	407,231	455,257			862,488
Interest and Other Investment Income	203,023	16,235	14,888	116,717	350,863
Land Income	5,413			28	5,441
Settlement of Claims	1				1
Sales of Goods and Services	531		315,584		316,115
Other	20,261	6,436	323	104	27,124
Total Revenues	3,179,982	528,350	330,795	116,849	4,155,976
EXPENDITURES					
Current:					
General Government	253,969	506	17,432	4,846	276,753
Education	1,060,208			14,560	1,074,768
Employee Benefits	24,589				24,589
Health and Human Services	15		7,946	608	8,569
Public Safety and Corrections	57,850		1,687		59,537
Transportation	139,303		29		139,332
Natural Resources and Recreation	18,596		1,980	2,227	22,803
Regulatory Services	136				136
Capital Outlay	4,468		886,544		891,012
Debt Service:					
Principal	13	626,462			626,475
Interest	319	689,061	812		690,192
Other Financing Fees	727	253	120		1,100
Total Expenditures	1,560,193	1,316,282	916,550	22,241	3,815,266
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,619,789	(787,932)	(585,755)	94,608	340,710
OTHER FINANCING SOURCES (USES)					
Transfer In	1,461,075	951,441	174,429	2,608	2,589,553
Transfer Out	(3,337,534)	(178,412)	(406,042)	(32,029)	(3,954,017)
Distributions from Permanent Fund Principal				(11,010)	(11,010)
Bonds and Notes Issued	156,254		72,150		228,404
Bonds Issued for Refunding		5	25,150		25,155
Premiums on Bonds Issued	14,894		1,040		15,934
Payment to Escrow for Refunding		(302)	(24,948)		(25,250)
Total Other Financing Sources (Uses)	(1,705,311)	772,732	(158,221)	(40,431)	(1,131,231)
Net Change in Fund Balances	(85,522)	(15,200)	(743,976)	54,177	(790,521)
Fund Balances, September 1, 2017	4,467,560	892,623	1,365,740	1,477,935	8,203,858
Restatements	(99)		47,342	(1,187)	46,056
Fund Balances, September 1, 2017, as Restated	4,467,461	892,623	1,413,082	1,476,748	8,249,914
Fund Balances, August 31, 2018	$ 4,381,939	$ 877,423	$ 669,106	$ 1,530,925	$ 7,459,393

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 Motor Vehicles Fund** receives revenues from motor vehicle registrations, title certificates, special vehicle permits, specialty license plates and other transportation-related permits. The funds are used for operations, administration and enforcement.

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 **Judicial Fund** receives revenues from judicial fees, penalty fees and court filing fees to support the judicial branch of the state, including child support, court management and basic legal services for the indigent.

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 Texas 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, 2018 (Amounts in Thousands)

	Property Tax Relief Fund	Texas Motor Vehicles Fund	Water Development Funds	Judicial Fund	Available School Fund	Other Nonmajor Special Revenue Funds*	Totals
ASSETS							
Cash and Cash Equivalents	$	$ 99,180	$ 260,497	$ 15,299	$ 21,004	$ 295,726	$ 691,706
Short-Term Investments			80,259			102	80,361
Receivables:							
Accounts		2,596	82			654	3,332
Taxes					77,726		77,726
Federal						1,092	1,092
Interest and Dividends	132		2,939		252	9,542	12,865
Other						1,232	1,232
Due From Other Funds			12	281	75,682	909	76,884
Inventories		141				238	379
Prepaid Items						10	10
Investments			1,571,542			2,171	1,573,713
Loans and Contracts			679,230			18,530	697,760
Restricted:							
Cash and Cash Equivalents						1,592	1,592
Loans and Contracts						1,097,291	1,097,291
Other Assets						96,970	96,970
Total Assets	$ 132	$ 101,917	$ 2,594,561	$ 15,580	$ 174,664	$ 1,526,059	$ 4,412,913
LIABILITIES AND FUND BALANCES							
Liabilities:							
Payables:							
Accounts	$	$ 7,943	$ 1,031	$ 288	$	$ 12,654	$ 21,916
Payroll		4,800	13	4		761	5,578
Due To Other Funds			554	281		505	1,340
Interfund Payable			1,980				1,980
Unearned Revenues						160	160
Total Liabilities	0	12,743	3,578	573	0	14,080	30,974
Fund Balances:							
Nonspendable		141				248	389
Restricted	132	89,033	2,590,983	(10)	174,664	1,479,099	4,333,901
Committed				15,017		28,837	43,854
Assigned						3,795	3,795
Total Fund Balances	132	89,174	2,590,983	15,007	174,664	1,511,979	4,381,939
Total Liabilities and Fund Balances	$ 132	$ 101,917	$ 2,594,561	$ 15,580	$ 174,664	$ 1,526,059	$ 4,412,913

* 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, 2018 (Amounts in Thousands)

	Property Tax Relief Fund	Texas Motor Vehicles Fund	Water Development Funds	Judicial Fund	Available School Fund	Other Nonmajor Special Revenue Funds*	Totals
REVENUES							
Taxes	$ 1,639,344	$	$	$	$ 902,169	$	$ 2,541,513
Federal		3	100			1,906	2,009
Licenses, Fees and Permits		169,166		83,842		154,223	407,231
Interest and Other Investment Income	1,793	1,161	125,760		2,351	71,958	203,023
Land Income						5,413	5,413
Settlement of Claims		1					1
Sales of Goods and Services		254	267			10	531
Other		49	72	8		20,132	20,261
Total Revenues	1,641,137	170,634	126,199	83,850	904,520	253,642	3,179,982
EXPENDITURES							
Current:							
General Government				105,680		148,289	253,969
Education					1,026,093	34,115	1,060,208
Employee Benefits						24,589	24,589
Health and Human Services						15	15
Public Safety and Corrections						57,850	57,850
Transportation		124,188				15,115	139,303
Natural Resources and Recreation			10,219			8,377	18,596
Regulatory Services						136	136
Capital Outlay		478	56			3,934	4,468
Debt Service:							
Principal						13	13
Interest			117			202	319
Other Financing Fees						727	727
Total Expenditures	0	124,666	10,392	105,680	1,026,093	293,362	1,560,193
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,641,137	45,968	115,807	(21,830)	(121,573)	(39,720)	1,619,789
OTHER FINANCING SOURCES (USES)							
Transfer In			2,804	2,499	1,235,835	219,937	1,461,075
Transfer Out	(1,641,074)		(283,323)		(1,120,698)	(292,439)	(3,337,534)
Bonds and Notes Issued			534			155,720	156,254
Premiums on Bonds Issued						14,894	14,894
Total Other Financing Sources (Uses)	(1,641,074)	0	(279,985)	2,499	115,137	98,112	(1,705,311)
Net Change in Fund Balances	63	45,968	(164,178)	(19,331)	(6,436)	58,392	(85,522)
Fund Balances, September 1, 2017	69	43,206	2,755,161	34,338	181,100	1,453,686	4,467,560
Restatements						(99)	(99)
Fund Balances, September 1, 2017, as Restated	69	43,206	2,755,161	34,338	181,100	1,453,587	4,467,461
Fund Balances, August 31, 2018	$ 132	$ 89,174	$ 2,590,983	$ 15,007	$ 174,664	$ 1,511,979	$ 4,381,939

* 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, 2018 (Amounts in Thousands)

	Property Tax Relief Fund				Texas Motor Vehicles Fund			
	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance
	Original	Final			Original	Final		
REVENUES								
Taxes	$ 1,590,919	$ 1,590,919	$ 1,639,344	$ 48,425	$	$	$	$
Federal							2	2
Licenses, Fees and Permits					174,548	178,969	169,167	(9,802)
Interest and Other Investment Income	913	913	1,730	817	290	290	1,161	871
Settlement of Claims					996	996	1	(995)
Sales of Goods and Services					258	290	1,241	951
Other						18	49	31
Total Revenues	1,591,832	1,591,832	1,641,074	49,242	176,092	180,563	171,621	(8,942)
EXPENDITURES								
General Government								
Education								
Employee Benefits								
Transportation					157,137	177,768	124,285	53,483
Health and Human Services								
Natural Resources and Recreation								
Regulatory Services								
Total Expenditures	0	0	0	0	157,137	177,768	124,285	53,483
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,591,832	1,591,832	1,641,074	49,242	18,955	2,795	47,336	44,541
OTHER FINANCING SOURCES (USES)								
Transfer In								
Transfer Out	(1,591,832)	(1,591,832)	(1,641,074)	(49,242)				
Sale of Capital Assets								
Available Beginning Balances					51,982	51,982	51,982	
Total Other Financing Sources (Uses)	(1,591,832)	(1,591,832)	(1,641,074)	(49,242)	51,982	51,982	51,982	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ 0	$ 0	$ 0	$ 0	$ 70,937	$ 54,777	$ 99,318	$ 44,541

Continued on the following page

STATE OF TEXAS

Budgetary Comparison Schedule
Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended August 31, 2018 (Amounts in Thousands)

	Water Development Funds				Judicial Fund			
	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance
	Original	Final			Original	Final		
REVENUES								
Taxes	$	$	$	$	$	$	$	$
Federal	175	175	100	(75)				
Licenses, Fees and Permits					85,097	85,097	83,841	(1,256)
Interest and Other Investment Income	16,677	16,677	125,386	108,709				
Settlement of Claims								
Sales of Goods and Services			207	207				
Other	100	100	72	(28)			8	8
Total Revenues	16,952	16,952	125,765	108,813	85,097	85,097	83,849	(1,248)
EXPENDITURES								
General Government					87,736	120,713	105,392	15,321
Education								
Employee Benefits								
Transportation								
Health and Human Services								
Natural Resources and Recreation	5,375	5,529	10,056	(4,527)				
Regulatory Services								
Total Expenditures	5,375	5,529	10,056	(4,527)	87,736	120,713	105,392	15,321
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,577	11,423	115,709	104,286	(2,639)	(35,616)	(21,543)	14,073
OTHER FINANCING SOURCES (USES)								
Transfer In			2,803	2,803			2,499	2,499
Transfer Out			(283,323)	(283,323)				
Sale of Capital Assets								
Available Beginning Balances	284,552	284,552	284,552		34,342	34,342	34,342	
Total Other Financing Sources (Uses)	284,552	284,552	4,032	(280,520)	34,342	34,342	36,841	2,499
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ 296,129	$ 295,975	$ 119,741	$(176,234)	$ 31,703	$ (1,274)	$ 15,298	$ 16,572

Concluded on the following page

STATE OF TEXAS

Budgetary Comparison Schedule
Nonmajor Special Revenue Funds (concluded)

For the Fiscal Year Ended August 31, 2018 (Amounts in Thousands)

	Available School Fund				Other Nonmajor Special Revenue Funds			
	Budgetary Amounts		Actual Amounts Budgetary Basis	Final To Actual Variance	Budgetary Amounts		Actual Amounts Budgetary Basis *	Final To Actual Variance
	Original	Final			Original	Final		
REVENUES								
Taxes	$ 895,412	$ 895,412	$ 901,479	$ 6,067	$	$	$	$
Federal					527	527	1,118	591
Licenses, Fees and Permits					6,195	6,195	4,091	(2,104)
Interest and Other Investment Income	2,018	2,018	2,308	290	1,771	1,771	1,221	(550)
Settlement of Claims								
Sales of Goods and Services							(2)	(2)
Other						90	517	427
Total Revenues	897,430	897,430	903,787	6,357	8,493	8,583	6,945	(1,638)
EXPENDITURES								
General Government					433,037	32,877	4,683	28,194
Education	1,177,006	1,177,006	1,026,093	150,913			(5)	5
Employee Benefits					560,760	3,196	24,501	(21,305)
Transportation							14,397	(14,397)
Health and Human Services					13,622	13,622	14	13,608
Natural Resources and Recreation					4,708	17,481	2,000	15,481
Regulatory Services						90	5	85
Total Expenditures	1,177,006	1,177,006	1,026,093	150,913	1,012,127	67,266	45,595	21,671
Excess (Deficiency) of Revenues Over (Under) Expenditures	(279,576)	(279,576)	(122,306)	157,270	(1,003,634)	(58,683)	(38,650)	20,033
OTHER FINANCING SOURCES (USES)								
Transfer In	1,236,000	1,236,000	1,235,835	(165)			179,864	179,864
Transfer Out			(1,120,698)	(1,120,698)			(107,637)	(107,637)
Sale of Capital Assets							1	1
Available Beginning Balances	29,122	29,122	29,122		309,594	309,594	309,594	
Total Other Financing Sources (Uses)	1,265,122	1,265,122	144,259	(1,120,863)	309,594	309,594	381,822	72,228
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ 985,546	$ 985,546	$ 21,953	$ (963,593)	$ (694,040)	$250,911	$343,172	$ 92,261

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, 2018 (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	$118,806	$568,275	$ 50	$ 5,049	$209,043	$ 38	$901,261
Receivables:							
Accounts	277						277
Interest and Dividends	579						579
Total Assets	$119,662	$568,275	$ 50	$ 5,049	$209,043	$ 38	$902,117
LIABILITIES AND FUND BALANCES							
Liabilities:							
Payables:							
Accounts	$	$ 20,752	$ 20	$	$	$	$ 20,772
Unearned Revenues		1,818			2,104		3,922
Total Liabilities	0	22,570	20	0	2,104	0	24,694
Fund Balances:							
Restricted	119,662	545,705	30	5,049	206,939	38	877,423
Total Fund Balances	119,662	545,705	30	5,049	206,939	38	877,423
Total Liabilities and Fund Balances	$119,662	$568,275	$ 50	$ 5,049	$209,043	$ 38	$902,117

STATE OF TEXAS

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

For the Fiscal Year Ended August 31, 2018 (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	$ 15	$ 21,757	$ 3,412	$	$ 25,238	$	$ 50,422
Licenses, Fees and Permits		455,257					455,257
Interest and Other Investment Income	6,138	8,135	49	84	1,783	46	16,235
Other		70				6,366	6,436
Total Revenues	6,153	485,219	3,461	84	27,021	6,412	528,350
EXPENDITURES							
Current:							
General Government			165	341			506
Debt Service:							
Principal	60,447	68,410	187,980	7,600	215,675	86,350	626,462
Interest	54,121	288,986	96,238	2,407	206,227	41,082	689,061
Other Financing Fees		253					253
Total Expenditures	114,568	357,649	284,383	10,348	421,902	127,432	1,316,282
Excess (Deficiency) of Revenues Over (Under) Expenditures	(108,415)	127,570	(280,922)	(10,264)	(394,881)	(121,020)	(787,932)
OTHER FINANCING SOURCES (USES)							
Transfer In	136,907		280,701	10,216	402,542	121,075	951,441
Transfer Out	(26,900)	(151,424)				(88)	(178,412)
Bonds Issued for Refunding			4			1	5
Payment to Escrow for Refunding			(302)				(302)
Total Other Financing Sources (Uses)	110,007	(151,424)	280,403	10,216	402,542	120,988	772,732
Net Change in Fund Balances	1,592	(23,854)	(519)	(48)	7,661	(32)	(15,200)
Fund Balances, September 1, 2017	118,070	569,559	549	5,097	199,278	70	892,623
Fund Balances, August 31, 2018	$ 119,662	$ 545,705	$ 30	$ 5,049	$ 206,939	$ 38	$ 877,423

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 Juvenile Justice Department Project Funds** are used to pay for minor construction and repairs of the former 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, 2018 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Juvenile Justice Department Project Funds	Texas Health Agencies Project Funds
ASSETS					
Cash and Cash Equivalents	$ 2,269	$ 4,757	$ 192,579	$ 838	$ 3,069
Accounts Receivable			5,037		
Due From Other Funds			53,535		19,160
Inventories	5				
Total Assets	$ 2,274	$ 4,757	$ 251,151	$ 838	$ 22,229
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	$ 8	$ 89	$ 7,660	$ 10	$ 4,183
Payroll	75				
Due To Other Funds			2,271		
Interfund Payable	5				171
Unearned Revenues					
Other Liabilities			3,268		
Total Liabilities	88	89	13,199	10	4,354
Fund Balances:					
Nonspendable	5				
Restricted	2,181	4,668	237,952	828	17,875
Unassigned					
Total Fund Balances	2,186	4,668	237,952	828	17,875
Total Liabilities and Fund Balances	$ 2,274	$ 4,757	$ 251,151	$ 838	$ 22,229

Concluded on the following page

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Capital Projects Funds (concluded)

August 31, 2018 (Amounts in Thousands)

	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
ASSETS						
Cash and Cash Equivalents	$ 5,556	$ 917,825	$ 1,778	$	$ 173	$ 1,128,844
Accounts Receivable						5,037
Due From Other Funds	78	4,400	371			77,544
Inventories						5
Total Assets	$ 5,634	$ 922,225	$ 2,149	$ 0	$ 173	$ 1,211,430
LIABILITIES AND FUND BALANCES						
Liabilities:						
Payables:						
Accounts	$ 78	$ 40,193	$ 609	$	$	$ 52,830
Payroll						75
Due To Other Funds	78					2,349
Interfund Payable						176
Unearned Revenues		483,626				483,626
Other Liabilities						3,268
Total Liabilities	156	523,819	609	0	0	542,324
Fund Balances:						
Nonspendable						5
Restricted	5,478	398,406	1,540		173	669,101
Unassigned						
Total Fund Balances	5,478	398,406	1,540	0	173	669,106
Total Liabilities and Fund Balances	$ 5,634	$ 922,225	$ 2,149	$ 0	$ 173	$ 1,211,430

STATE OF TEXAS

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

For the Fiscal Year Ended August 31, 2018 (Amounts in Thousands)

	Texas Public Finance Authority Administration Project Funds	Texas Parks and Wildlife Department Project Funds	Texas Facilities Commission Project Funds	Texas Juvenile Justice Project Funds	Texas Health Agencies Project Funds
REVENUES					
Interest and Other Investment Income	$ 42	$ 57	$ 182	$ 12	$ 38
Sales of Goods and Services			7,655		
Other Revenues			323		
Total Revenues	42	57	8,160	12	38
EXPENDITURES					
Current:					
General Government	1,063		15,045		
Health and Human Services					7,946
Public Safety and Corrections				627	
Transportation					
Natural Resources and Recreation		1,980			
Capital Outlay		6,049	90,542	325	
Debt Service:					
Interest	753				4
Other Financing Fees	100				
Total Expenditures	1,916	8,029	105,587	952	7,950
Deficiency of Revenues Under Expenditures	(1,874)	(7,972)	(97,427)	(940)	(7,912)
OTHER FINANCING SOURCES (USES)					
Transfer In	451		22,490		64
Transfer Out	(5,086)		(77,685)		(15,333)
Bonds and Notes Issued	5,400	10,750	46,000	1,000	6,000
Bond Issued for Refunding	21,066				
Premium on Bonds Issued	842				
Payment to Escrow for Refunding	(20,853)				
Total Other Financing Sources (Uses)	1,820	10,750	(9,195)	1,000	(9,269)
Net Change in Fund Balances	(54)	2,778	(106,622)	60	(17,181)
Fund Balances, September 1, 2017	2,240	(9,438)	308,560	768	35,056
Restatements		11,328	36,014		
Fund Balances, September 1, 2017, as Restated	2,240	1,890	344,574	768	35,056
Fund Balances, August 31, 2018	$ 2,186	$ 4,668	$ 237,952	$ 828	$ 17,875

STATE OF TEXAS

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

For the Fiscal Year Ended August 31, 2018 (Amounts in Thousands)

	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
REVENUES						
Interest and Other Investment Income	$ 95	$ 9,778	$ 53	$ 4,628	$ 3	$ 14,888
Sales of Goods and Services		307,929				315,584
Other Revenues						323
Total Revenues	95	317,707	53	4,628	3	330,795
EXPENDITURES						
Current:						
General Government			1,754		(430)	17,432
Health and Human Services						7,946
Public Safety and Corrections	597				463	1,687
Transportation				29		29
Natural Resources and Recreation						1,980
Capital Outlay	4,676	286,090	2,009	496,845	8	886,544
Debt Service:						
Interest			55			812
Other Financing Fees			20			120
Total Expenditures	5,273	286,090	3,838	496,874	41	916,550
Deficiency of Revenues Under Expenditures	(5,178)	31,617	(3,785)	(492,246)	(38)	(585,755)
OTHER FINANCING SOURCES (USES)						
Transfer In				151,424		174,429
Transfer Out		(307,929)	(9)			(406,042)
Bonds and Notes Issued	3,000					72,150
Bond Issued for Refunding			4,084			25,150
Premium on Bonds Issued			198			1,040
Payment to Escrow for Refunding			(4,095)			(24,948)
Total Other Financing Sources (Uses)	3,000	(307,929)	178	151,424	0	(158,221)
Net Change in Fund Balances	(2,178)	(276,312)	(3,607)	(340,822)	(38)	(743,976)
Fund Balances, September 1, 2017	7,656	674,718	5,147	340,822	211	1,365,740
Restatements						47,342
Fund Balances, September 1, 2017, as Restated	7,656	674,718	5,147	340,822	211	1,413,082
Fund Balances, August 31, 2018	$ 5,478	$ 398,406	$ 1,540	$ 0	$ 173	$ 669,106

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.

The **Permanent Fund Supporting Military and Veterans Exemptions** (Perm Fund Supporting MIL/VET Exempt) was established by the Legislature to receive gifts, grants and investment returns for distributions to higher education institutions to offset the cost of the exemptions to certain veterans and/or dependents. Distributions are determined by the Legislative Budget Board based on each institution's respective share of the aggregate cost to all institutions of the exemptions. The Texas Treasury Safekeeping Trust Company determines the amount available for distribution from the fund.

STATE OF TEXAS

Combining Balance Sheet – Nonmajor Permanent Funds

August 31, 2018 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Perm Fund Supporting MIL/VET Exempt	Other Nonmajor Permanent Funds	Totals
ASSETS					
Cash and Cash Equivalents	$ 12,419	$ 48,428	$ 2,430	$ 1,011	$ 64,288
Short-Term Investments	4,975	45,795	15,445	95,930	162,145
Receivables:					
Investment Trades					
Interest and Dividends	26	75	32	143	276
Due From Other Funds				529	529
Investments	152,780	692,424	251,518	258,291	1,355,013
Total Assets	$ 170,200	$ 786,722	$ 269,425	$355,904	$ 1,582,251
LIABILITIES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	$ 938	$ 375	$ 136	$ 711	$ 2,160
Investment Trades	8	36	13	17	74
Due To Other Funds	462	48,427	203		49,092
Total Liabilities	1,408	48,838	352	728	51,326
Fund Balances:					
Nonspendable	158,428	737,882	1,600	8,061	905,971
Restricted	1,663	2	267,473	347,115	616,253
Committed	8,701				8,701
Total Fund Balances	168,792	737,884	269,073	355,176	1,530,925
Total Liabilities and Fund Balances	$ 170,200	$ 786,722	$ 269,425	$355,904	$ 1,582,251

STATE OF TEXAS

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

For the Fiscal Year Ended August 31, 2018 (Amounts in Thousands)

	Permanent Health Fund for Higher Education	National Research University Fund	Perm Fund Supporting MIL/VET Exempt	Other Nonmajor Permanent Funds	Totals
REVENUES					
Interest and Other Investment Income	$ 11,852	$ 53,181	$ 18,341	$ 33,343	$ 116,717
Land Income				28	28
Other		1	103		104
Total Revenues	11,852	53,182	18,444	33,371	116,849
EXPENDITURES					
Current:					
General Government	428	2,000	1,450	968	4,846
Education	1,364			13,196	14,560
Health and Human Services	608				608
Natural Resources and Recreation	2,082			145	2,227
Total Expenditures	4,482	2,000	1,450	14,309	22,241
Excess of Revenues Over Expenditures	7,370	51,182	16,994	19,062	94,608
OTHER FINANCING USES					
Transfer In	350		2,258		2,608
Transfer Out	(1,280)	(22,774)	(7,947)	(28)	(32,029)
Distributions from Permanent Fund Principal				(11,010)	(11,010)
Total Other Financing Uses	(930)	(22,774)	(5,689)	(11,038)	(40,431)
Net Change in Fund Balances	6,440	28,408	11,305	8,024	54,177
Fund Balances, September 1, 2017	163,539	709,476	257,768	347,152	1,477,935
Restatements	(1,187)				(1,187)
Fund Balances, September 1, 2017, as Restated	162,352	709,476	257,768	347,152	1,476,748
Fund Balances, August 31, 2018	$ 168,792	$ 737,884	$ 269,073	$ 355,176	$ 1,530,925