

*Comprehensive  
Annual  
Financial  
Report*



*City of Austin,  
Texas*

*For the year ended  
September 30, 1999*

*Prepared by:  
Financial Services Department*

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## **City Council**

**Kirk Watson**

*Mayor*

**Jackie Goodman**

*Mayor Pro Tem*

*Councilmembers*

**Daryl Slusher**

**Beverly Griffith**

**Gus Garcia**

**William Spelman**

**Willie C. Lewis**

**Jesus Garza**

*City Manager*

**CITY OF AUSTIN, TEXAS  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Year Ended September 30, 1999**

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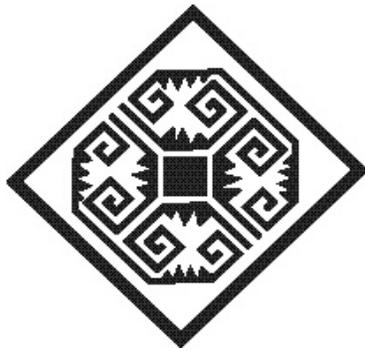
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## **INTRODUCTION**

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# City of Austin

Founded by Congress, Republic of Texas, 1839

Municipal Building, Eighth at Colorado, P.O. Box 1088, Austin, Texas 78767

March 17, 2000

Honorable Mayor and Councilmembers  
City of Austin, Texas

We are pleased to submit to you the 1999 Comprehensive Annual Financial Report of the City of Austin, Texas. The report was prepared by the Controller's Office of the Financial Services Department. The combined financial statements and related notes have been jointly audited by the independent firms of Certified Public Accountants, KPMG LLP, and Martinez, Mendoza and Garcia LLP, whose report is included herein. This audit satisfies Article VII, Section 16 of the City Charter, which requires an annual audit of all accounts of the City by an independent Certified Public Accountant. Additionally, the Federal awards received by the City directly from Federal agencies or passed through by the State of Texas or other governmental entities during 1999 are being audited under the provisions of the Single Audit Act of 1996, as amended. This report (the "Single Audit Report") will be available under separate cover.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures, rests with the City. We believe the data, as presented, are accurate in all material respects and are presented in a manner which fairly sets forth the financial position and results of operations of the City. Furthermore, we believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

These financial statements have been prepared in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The City received a **Certificate of Achievement for Excellence in Financial Reporting** from the Government Finance Officers Association of the United States and Canada (GFOA) for its 1998 Comprehensive Annual Financial Report (CAFR). A Certificate of Achievement is valid for a period of one year only. City management believes that this 1999 CAFR conforms to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for their review.

This CAFR consists of three parts. The introductory section includes an organization chart and this transmittal letter, which highlights significant aspects of financial operations during the year and particular financial issues faced by the City. The financial section includes the independent auditors' report, combined financial statements and related notes, and supplemental financial data. The statistical section includes several exhibits and tables of unaudited data depicting the financial history of the City, as well as demographic and other miscellaneous statistics.

## Reporting Entity

The City of Austin, chartered in 1839, has a Council-Manager form of government with six Councilmembers and the Mayor. A charter amendment approved in January 1985 changed the terms of office from two-year terms that expire concurrently to three-year staggered terms. The City Manager, appointed by the City Council, is responsible to them for the management of all City employees and the administration of all City affairs.

This report includes financial statements of the funds and account groups required to account for those activities, organizations and functions that relate to the City and are controlled by or dependent upon the City's governing body, the City Council. Criteria used by the City for including activities in preparing its financial statements are in conformity with Statement

No. 14 of the Governmental Accounting Standards Board, *The Financial Reporting Entity*. On the basis of these criteria, the following activities and organizations are included in the City's 1999 financial statements: municipal services including police and fire, sanitation, parks and recreation, libraries, public health and social services, planning and zoning, infrastructure and watershed maintenance, electric and water and wastewater utilities, airport facilities, convention facilities, and general administrative services; the Austin Housing Finance Corporation, whose activities are reported in the Housing Assistance Fund, a special revenue fund; and the Austin Industrial Development Corporation, whose activities are included in the Austin Industrial Development Corporation Fund, a special revenue fund.

## **Year In Review**

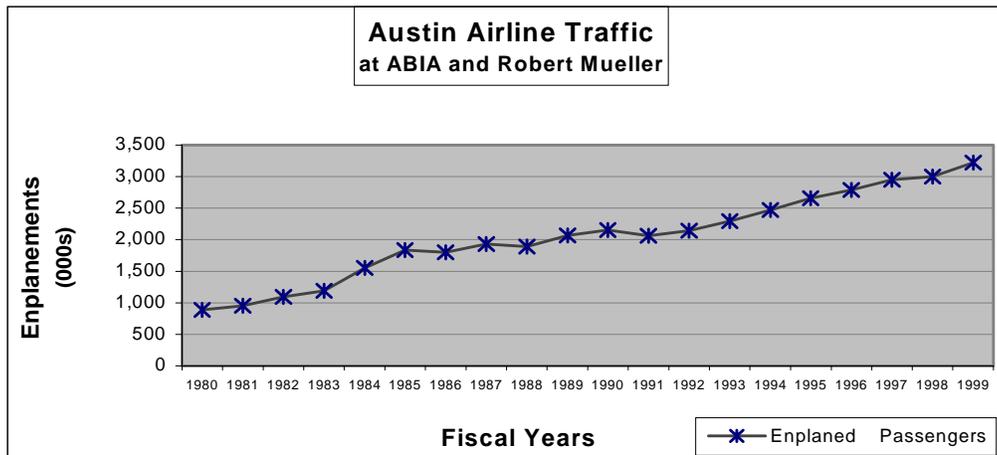
In fiscal year 1999, City leaders focused on four major areas: sustainable community; affordability; youth, family and neighborhood vitality; and public safety. As part of the sustainable community efforts, the City continued its Smart Growth initiative begun in 1998. Smart Growth is a nationwide movement that addresses problems of both cities and suburban areas through strategies that encourage more infill development, more concentrated development, and more redevelopment. The City's initiative begins a long-term planning effort for accomplishing three major goals: managing how and where the City grows, protecting the quality of life, and expanding the tax base so that current taxpayers benefit.

In line with Smart Growth goals, the City Council approved in April 1999 entering into negotiations with Computer Sciences Corporation (CSC), the third largest software company in the world, to bring the company's financial services division headquarters downtown. The plan would lead to the development of several blocks in the heart of downtown. Plans call for CSC to occupy three blocks with six-story office buildings with retail shops on the first floor of at least two of the buildings. The City will construct a city hall with a public plaza, a view of Town Lake, and access to Second Street. The development will attempt to create a pedestrian-oriented atmosphere, with wide, shaded sidewalks leading past large and small shops, cafes, and restaurants. This project is one of the largest efforts by the City to revitalize downtown and will convert an area of mostly empty warehouses and vacant lots to an important business center. The groundwork for this project was accomplished in 1999 to make this move downtown possible; actual construction gets underway in 2000.

In one of the best examples of long-term planning and preservation that the City has embarked on, the City entered into an historic fifty-year assured water supply agreement with the Lower Colorado River Authority. The agreement, with an option to extend another fifty years, is vital for the City's future. The \$100 million contract reserves an additional 75,000 acre-feet of water for Austin and allows the City to take water from the Highland Lakes, rather than relying exclusively on available river water. The City held public hearings on the agreement at City Council meetings and throughout the City in 1999; the agreement was signed October 7, 1999 in the new fiscal year.

The year also marked the completion of the largest capital project ever managed by the City, the Austin-Bergstrom International Airport (ABIA), built on the site of a former U.S. Air Force Base (Bergstrom AFB). The \$585.1 million project was completed within budget and on time. The air traffic control tower opened in January 1999 and the airport opened for passenger service May 23, 1999. ABIA has 25 gates, expandable to 55, and a parallel runway system capable of handling any aircraft in the world. The combination of expansion capacity, architecturally-inspiring design, environmental friendliness, and local flavor and flair have made Austin's new airport the model for U. S. Air Force base conversions. The passenger terminal is named for Barbara Jordan, the U. S. Congresswoman, orator and civil rights leader who resided in Austin until her death. In celebration of the opening of ABIA, the City commissioned a painting by the well-known southwestern artist, Amado M. Peña, Jr. This painting is replicated with the artist's permission on the cover of this report.

In 1999, in a year split between the new airport and the old one, the number of commercial passengers flying through Austin shows an increase of 10% compared to 1998. The new airport is served by these airlines: American, America-West, Continental, Delta, Northwest, Southwest, TWA, United, and Austin Express. Direct service is available to all major U.S. destinations.



Source: City of Austin Aviation Department

The transfer of all civilian aviation functions to ABIA from Austin's Robert Mueller Municipal Airport (RMMA) is an historic event; it opens up 719 acres of land situated less than three miles from the downtown core. The size of the space, roughly equal to the size of downtown, and its central location make the area attractive for development. Under a million-dollar agreement in 1998 with the Federal Aviation Administration (FAA) and the airlines for the redevelopment of Mueller Airport, the City has the right to retain proceeds from the sale or lease of the Mueller Airport land, which could provide funding for future City operations. In 1997 and 1998, a multidisciplinary team of consultants worked with citizens, the City, and the State of Texas to create a master plan for the site, including the proposed sale of part of the site to the State of Texas. The plan is currently being revised and is expected to be completed in May 2000. A preliminary version of the plan includes a 12-acre lake, with promenade and walking trails; 320,000 square feet of retail, entertainment and restaurant space in a town center; single-family homes and townhouses; apartments, condominiums and stacked flats; a school, greenbelts and parks; and two million square feet for possible high-tech offices and manufacturing. Until a final plan is approved, some space has met a new need, with movie production companies using airport hangar space as temporary sound stages for filming.

The City also completed two other smart growth efforts in 1999: the acquisition of almost 15,000 acres of land in the environmentally sensitive area of the Edwards Aquifer and passage of a November 1998 bond package. Land acquisition in sensitive areas is an approach used by Austin and other major cities to provide for effective watershed control. The November bond package laid the groundwork for moving forward on major infrastructure and quality of life projects. A significant component of the election was the authorization of a new Civic Center and parking garage, funded by a five percent rental car tax. The voters also approved the lease of Palmer Auditorium to a private entity that will raise money for renovation of the facility into a Performing Arts Center. In addition, the election authorized over \$300 million in revenue bonds to improve and upgrade the City's water and wastewater system and for transportation, parks, libraries, museums and public safety improvements. In September 1999, the City held a groundbreaking for the expansion of the Austin Convention Center.

In the area of affordability, Austin enjoys strong bond ratings, with an increase in Fitch's rating from AA to AA+ for general obligation bonds; Moody's general obligation rating is Aa2, and Standards & Poors is AA. Fitch stated that the upgrade was a reflection of "sustained economic growth and diversification, solid financial position, and manageable debt profile and capital plan". The ratings for the City's Utility System revenue bonds are A and A2, by Fitch and Moody's, respectively. Standard & Poors ratings are A for prior lien bonds and A- for subordinate lien bonds.

During the year, the City's budget process focused on being accountable to the community for the money spent and the results achieved through those expenditures. In addition to focusing on performance measurement, City management began a major effort to improve business planning for City departments. The result is departmental business plans that focus on results to be achieved in the next two to five years and that outline the way those results can be measured. The plans are the basis for the budget for fiscal year 2000.

The City's focus on the area of youth, family and neighborhood vitality resulted in several accomplishments. The City inaugurated Plaza Saltillo in time for the annual Diez y Seis de Septiembre celebration, or Mexico's Independence Day. Plaza Saltillo is a Mexican-inspired plaza and open-air marketplace named after Austin's Sister City in Mexico. The plaza is anticipated to serve as a catalyst for economic revitalization in East Austin. Additionally, the Millennium Youth Entertainment Complex opened in June. This facility is a 50,000 square foot indoor family entertainment center featuring a 154-seat movie theater, 16 bowling lanes, roller skating rink, video arcade area, a children's soft-play area and food court. In addition to these grand openings, significant work was completed on the creation of the first ever Community Court in Texas. The Community Court is designed to address public nuisance crimes, especially in the downtown area. The Court opened its doors on October 1, 1999.

Another City of Austin goal is to encourage children, particularly those who do not have access to computers at home, to improve their technical skills. To accomplish this, the City and contributors committed to funding a project to create 10 youth computer centers in East and South Austin branch libraries, as well as at the Central Library. The centers will be designed to help ensure that a broader number of Austin children have access to the Internet as a tool for learning.

In the area of public safety, the City saw several improvements during 1999. Early estimates of crime statistics indicate that crime in Austin is continuing to decline. Fiscal year 1998 saw a 16 percent decrease in crime, and violent crimes decreased 15 percent in 1999. In September 1999, the Police department reached fully authorized sworn strength, with cadet classes rated first in Texas on state-required licensing tests. In addition, the City increased the authorized sworn strength by 48 officers. The police department also continued to reorganize to improve and enhance neighborhood-based policing efforts. The neighborhood approach utilizes several area commands and empowers commanders with the resources to address crime in their areas. The City opened both a new fire station in January 1999, and a joint Fire Department/EMS station in August 1999, replacing a temporary station in service since 1997. Further efforts to improve public safety include converting EMS to an all-Advanced Life Support response system. This change is intended to reduce response time, to decrease 9-1-1 processing time, and to increase the level of care provided to citizens.

Austin's vision statement to be "the most livable community in the country" exemplifies the City's commitment to excellence. Progress towards the City's goal is reflected in the recent *Governing* magazine article on the best-managed cities in the nation. The article presented a Syracuse University study, the Government Performance Project, which graded 35 cities with the largest revenue in the U.S. Austin is ranked as No. 2 in the nation for how well it runs its operations.

The electric utility industry is changing at an unprecedented pace, which is expected to continue. Legislation for electric industry restructuring (also known as "deregulation" and "retail access") has been passed in twenty-one states and is being considered in other states. To date, no two states have implemented restructuring in the same way.

On June 18, 1999, an electric utility restructuring bill opening the Texas electric market for retail competition was signed into law. Senate Bill 7 (SB7) was effective on September 1, 1999. Generation will be unregulated and retail competition will begin January 1, 2002 for investor owned utilities. Municipalities have the option to offer retail competition or "opt in" after January 1, 2002. Transmission and distribution will remain regulated. Major provisions of the Texas restructuring bill include:

Investor Owned Utilities (IOUs)

- IOU rates in effect on September 1, 1999 were frozen until 2002.
- IOUs must enter competition January 1, 2002. However, this date may be delayed by the Public Utility Commission of Texas (PUCT) if it determines conditions for competition are not met.
- As of January 1, 2002, IOUs must reduce their rates six percent for residential and small commercial customers in their service areas.
- IOUs must unbundle into a power generation company, a retail electric provider and a "wires" (transmission and distribution) company
- No single power generation company may own and control more than 20% of the generation capacity in the Electric Reliability Council of Texas (ERCOT) region.
- IOUs must sell 15% of their generation through a capacity auction to other competitors.

#### Municipally Owned Utilities (MOUs)

- Municipalities have the option to offer retail competition or “opt in” after January 1, 2002. Such option may be exercised through adoption of a resolution by their governing body. If the governing body takes no action, the MOU will remain out of retail competition. A governing body’s decision to enter the deregulated market is irrevocable.
- Municipalities may determine their own stranded cost estimates and recovery periods.
- Municipalities are not subject to the unbundling provisions and rate decreases imposed upon the investor-owned utilities. In addition, a municipal utility does not have to sell its generation assets.
- Securitization is allowed by the legislation.

Under SB7, a System Benefit Fund will be established for consumer education programs, low-income customer programs and loss of tax revenue by school districts resulting from a devaluation of generation assets in the competitive market. A system benefit fee will be added to the utility bills of IOU customers to provide funding for the System Benefit Fund. MOUs are not required to bill their customers this system benefit fee until six months prior to the MOU “opt-in” date, if the MOU governing body elects to “opt-in.” The System Benefit Fund will expire September 2007.

With increasing competition in the electric utility industry due to regulatory and market changes, the City continues its initiatives at both the policy level and departmental level to strengthen its electric utility’s competitive position. In December 1996, the City Council approved financial targets for the Electric Utility Department to achieve over the next six years. In September 1999, these targets were updated and extended through 2003 and are outlined below:

- complete an annual competitive pricing rate analysis to evaluate its rate structure for all customer classes, using the Electric Reliability Council of Texas average retail price as a standard;
- complete an annual review of operations and competitive position;
- direct all excess electric utility cash to a debt management fund to achieve a debt-to-capital ratio of 62% by the year 2003 and allow use of the fund to improve the competitive position of the electric utility;
- continue to reduce operating expenses per kWh;
- decrease the transfer to the General Fund as necessary to achieve competitive pricing establishing a range between 6.6% and 9.1% of total revenue;
- adjust conservation spending for the electric utility as necessary to achieve competitive pricing using the Electric Reliability Council of Texas average retail price as a standard - cost effective conservation programs are targeted as the first priority in meeting new load growth requirements; and
- establishes a renewable energy sources goal of five percent of the energy mix coming from renewable sources by December 31, 2004.

The utility’s competitive position has been improved through reduced costs and improved customer service through the initial joint work of a management consulting firm and electric utility management, which was completed in 1998, as well as the ongoing efforts of electric utility management. The electric utility is meeting these long-range financial targets. The electric utility adopted a DBA (doing business as designation) during 1998 in order to establish a positive, consumer-focused brand and name recognition before competition occurs. Its new name is “Austin Energy.”

In 1998, the City adopted Governmental Accounting Standards Board Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as mandated by the GASB. The statement requires the City to report its investments at fair value (market value) rather than at amortized cost. The change in fair value for investments held throughout the year must then be recognized in the City’s annual operating statements. At the time, City management believed the accounting methods the statement prescribes could be misleading because they introduce the potential for unwarranted volatility in the City’s operating statements. This concern is borne out in the comparison of 1998 and 1999 earnings. In 1998, the City recognized an additional \$452,669 in revenue in its General Fund; for 1999, the General Fund amount is a loss of \$753,000. These amounts represent neither an increase nor a decrease in available financial resources for the City because the City normally holds General Fund investments to maturity, thereby incurring neither an economic nor an accounting loss. Therefore, management omits these amounts in determining the funds available for appropriation.

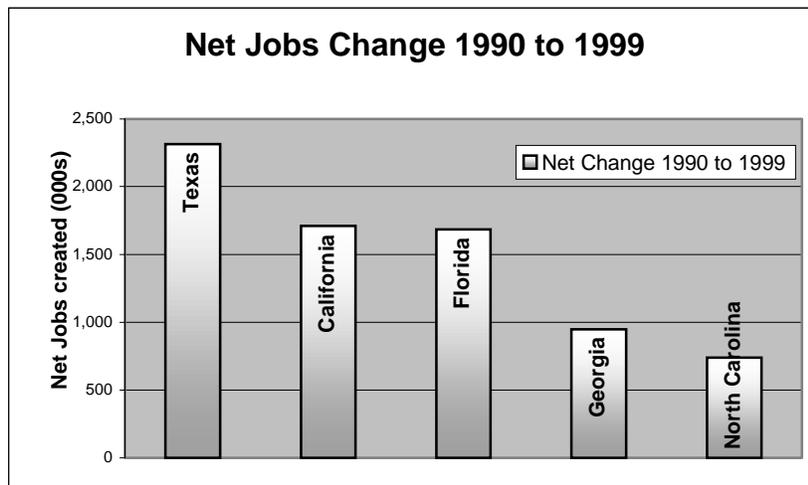
Subsequent to year-end, the City of Austin experienced no Year 2000 issues at the rollover to the new year.

## Economic Outlook

In 1999, the U.S. economy continued the longest period of economic recovery in peacetime history. This was the fourth year in a row that productivity grew at a nearly 4% pace: the real gross domestic product (GDP) increased by 4.1% and unemployment fell to 4.2%, the lowest rate in 29 years. Concurrently, the inflation rate during 1999 remained relatively unchanged. Strong consumer spending accounted for most of the growth in spending last year. In addition, privately owned housing starts were 3% above 1998.

The year also saw the creation of over 2 million new U.S. jobs and an increase in average real weekly earnings of .6%. The growth in employment rates also includes increases in employment among male high school dropouts, single women with children and immigrants. The national economy is expected to remain strong in 2000, with continued growth in GDP and new jobs.

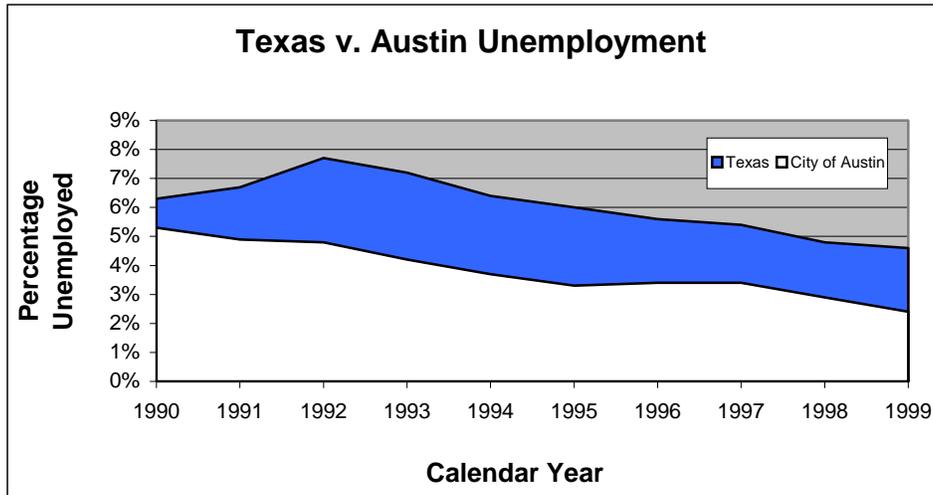
Economic growth in Texas in 1999 correlated with the growth in the national economy, with the gross state product (GSP) increasing by a projected 4.6%. The unemployment rate in Texas continued to decline, dropping to 4.6% in 1999. Texas leads all states in job growth for the decade and for the year – it added 215,000 jobs in 1999.



Source: Texas Department of Economic Development

During the first three quarters of 1999, Texas exports increased .37% over the prior year, with more than 57% of 1999 exports going to NAFTA partners. The outlook for the Texas economy is good: GSP is expected to continue to increase at a moderate rate of approximately 3.6% for the next several years.

The Austin economy in 1999 continued to perform well, fueled by the technology industry. Austin's high-tech employment represents over 14% of total non-agricultural employment. The Austin area continues to add high-tech startups and new jobs, contributing to an increase in employment of 32,000. Austin's unemployment rate remains lower than the state or national levels.



Source: Texas Department of Economic Development

Austin also experienced one of the busiest years of this decade for new construction. Compared to 1998, the value of residential development permits rose 14% (through November). During the same time period, the value of commercial permits fell 20%, in contrast to a 12% increase in the number of permits issued. Austin's office space market increased by 9% in 1999, the largest increase in several years. A record 2.3 million square feet of office space was built in 1999, with 2.1 million square feet leased during the year. The high-tech industry accounted for much of the demand for new space. As long as Austin can continue to meet the demand for highly skilled workers, the outlook for the local economy remains strong.

#### Life in Austin

Austin is a unique city known for its beauty, its dynamic style, and its diverse community. Located in the heart of the Texas Hill Country, the Austin area is blessed with panoramic views, an abundance of rivers and lakes, and a climate that is conducive to outdoor activity.

Austin is a great place to enjoy the outdoors. With Austin's winter temperatures rarely dipping below freezing and often reaching into the 70's and 80's and with long summers, the city, county, and state parks and recreation facilities are busy year-round.

<b><u>Austin Weather</u></b>	
Mean temperature	69
Mean low temperature	58
Mean high temperature	78
Clear days	116
Average rainfall	32
Average days of sunshine	300

Austin's Parks and Recreation Department (PARD) is acknowledged as one of the finest in the country. In 1999, PARD was a finalist for the national Gold Medal Award given by the National Recreation and Park Association as one of the best parks and recreation departments in the nation. Also, the Texas Recreation and Parks Society presented to Austin PARD the Gold Medal Award for Excellence. The city has a number of public outdoor recreational facilities, including 23 greenbelts, 88 athletic fields, 77 neighborhood parks, 5 golf courses, 106 tennis courts, a 3.1 mile veloway for bicyclists and in-line skaters, 44 miles of hike and bike trails and 70 miles of striped bike lanes, one youth entertainment complex, and 47 swimming pools, including renowned Barton Springs, where as many as 300,000 people a year enjoy its constant 68 degree spring-fed water. Austin's weather and geography are conducive to bicycling. Riders come from across the nation to train here, including Austin resident Lance Armstrong, the current Tour de France winner.

Austin is home to a number of outdoor events and festivals, including the Motorola Marathon, Capitol 10,000 Race, the Annual Texas Hill Country Wine and Food Festival, the Pecan Street Arts Festival, the Annual Spam-O-Rama where hundreds of devotees of SPAM converge for cooking and sculpting contests, and the nightly flights of the world's largest urban bat colony. A favorite holiday event is the Trail of Lights, a festive, mile-long display of 30 lighted scenes of the holiday season.

In addition to outdoor recreational opportunities, Austinites can choose from a wide variety of indoor recreational activities. Austin has long been recognized as the "live music capital of the world," with more than 100 live music venues nightly offering a complete range of musical styles. The annual South by Southwest (SXSW) music and film festivals attract professionals and fans from across the country. Austin also has a number of museums and art galleries to choose from and has a wide variety of restaurants and bars offering all types of food and drink, especially in the popular Sixth Street area and the developing Warehouse District.

With its seven institutions of higher learning, education is a significant aspect of life in the Austin area. Access to these institutions, especially the University of Texas at Austin (UT), has attracted many of the high-technology industries that now drive most of the growth in the city's economy. For example, *Success* magazine ranked the UT Graduate School of Business first among the nation's best programs for entrepreneurship. With this program, UT supports high-tech start-ups through the Austin Technology Incubator. The University's academic programs and professional schools rank high among the top programs and schools in the country. *U.S. News & World Report* ranks UT in the top thirteen national public universities with six graduate schools and 37 graduate programs in the top ten nationally. The *Public Accounting Report* ranks UT's graduate accounting program first nationally.

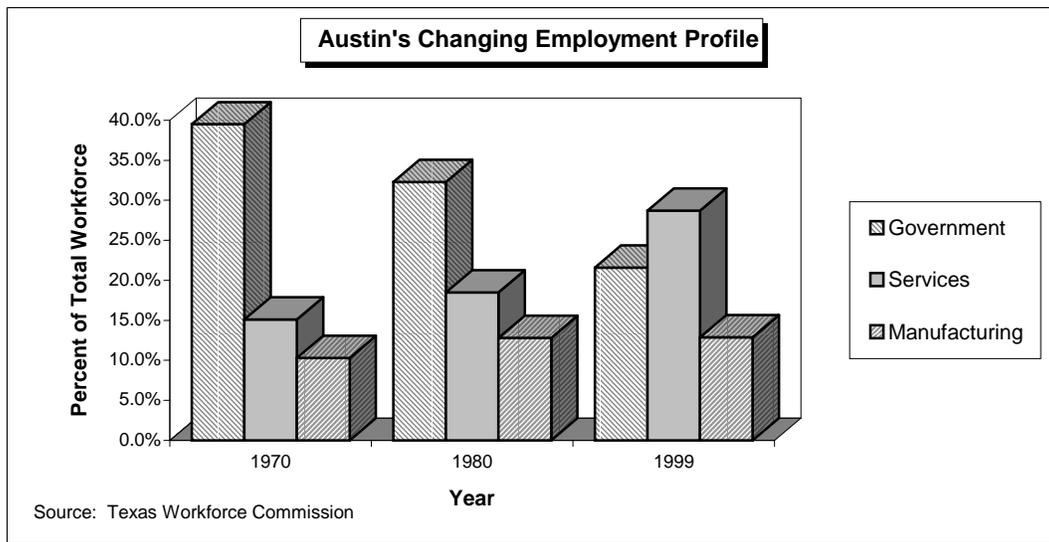
Among U.S. cities with a population over 250,000, Austin is one of the most highly educated cities, with 35% of its adults having 16 or more years of schooling. The city may also have the most computer-literate populace in the country. *Yahoo Magazine* rated Austin as the second-most wired city in the nation and The Benchmark Company noted that 68% of Austin households have computers and 77% of these computer households use email. *MONEY* magazine selected Austin as the number two place in the country to live.

## **Industry and Business**

In 1999, the Austin metropolitan area continued to receive national recognition for its dynamic economy and its quality of life. *FORTUNE* magazine ranks Austin third in "The Best City for Business" category. Dun & Bradstreet's *Business Start-Ups* magazine ranked the Austin area as the top metropolitan area for high-tech small businesses.

As the capital of Texas and the home of the University of Texas, Austin has long been considered a government and university town. However, Austin is also one of the premier high-tech communities in the country. During 1999, Austin experienced nine initial public offerings (IPOs), with a combined market capitalization of \$12 billion. Approximately 30 venture capital firms are in Austin; the largest firm has over \$3.6 billion of capital under management. Venture capital funding in 1999 far out-stripped the 1998 level. About 70 percent of all new startups in town are software or internet companies and most venture capital goes to these types of companies. Austin has approximately 1,800 technology companies of all kinds employing 100,000+ people, with a number of other associated professional service and low-tech firms. These companies make up a key segment of Austin's growing employment base. A frequently-used measure of innovation is the number of patents issued in a city; the Austin area ranks second after San Jose in patents issued per capita. While government employment is still a stabilizing force in the Austin economy, it now accounts for a much lower percentage of the make-up of Austin's total employment. As the

comparison below shows, since 1970, government employment has decreased substantially relative to the other large employment sectors in the Austin area.



The outlook for Austin's high-technology industry remains very promising and the city's ability to attract new businesses and individuals remains strong, as Austin is a unique place that offers an abundance of recreational and cultural activities and excellent municipal services. The area's large university student population of more than 100,000, half of them at the University of Texas, help keep the city intellectually active and provide a valuable resource to companies locating to the area.

With all the features Austin has to offer, the City enjoys a strong tourism industry, which has a significant impact on the Austin economy. There are more than 13,000 hotel rooms available in the Austin area, and Austin hotels experienced a 63% occupancy rate. The City's existing convention and meeting facilities include Palmer Auditorium, the City Coliseum and Austin Convention Center, with the Center's expansion to open in 2002. Other facilities available in Austin include the Erwin Center at the University of Texas and the Texas Exposition and Heritage Center.

### The Accounting System and Budgetary Control

The Financial Services Department is responsible for providing all centralized City financial services including financial accounting and reporting, payroll and accounts payable disbursement functions, cash and investment management, debt management, budgeting, purchasing, contract administration, information systems, regulatory affairs, and special financial and policy analyses for City management. The Director of Financial Services, appointed by the City Manager, supervises the department's operations.

The City employs a computerized financial accounting system that includes a system of internal accounting controls. These controls have been designed and are continually being re-evaluated to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

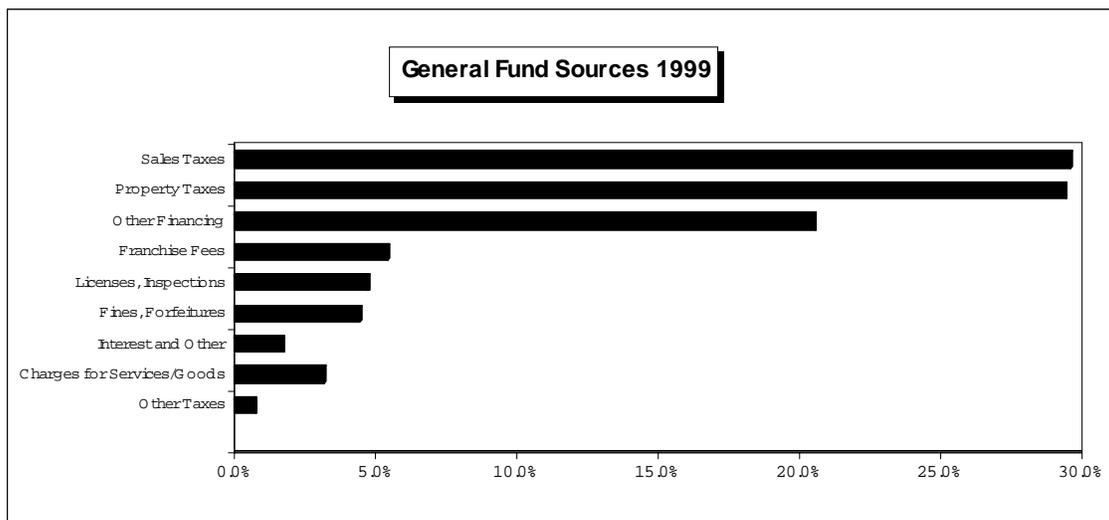
The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework and are believed to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Accounting records for governmental fund types are maintained on a modified accrual basis. Revenues are recorded when available and measurable and expenditures are recorded when services or goods are received and the liabilities are incurred. Accounting records for proprietary fund types and similar trust funds are maintained on the accrual basis.

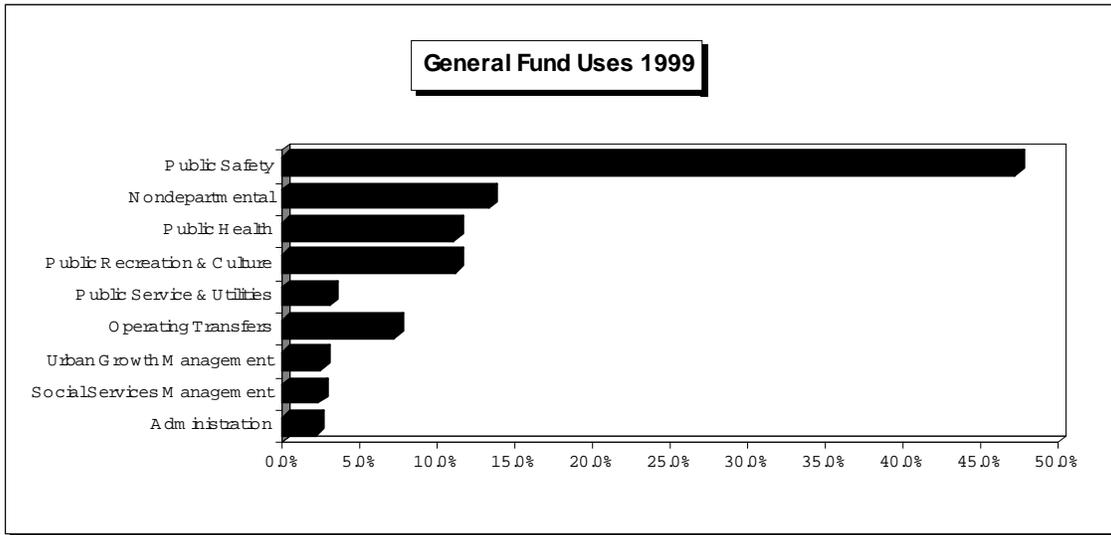
The annual operating budget, or financial plan, is proposed by the City Manager and enacted by the City Council after public discussion. Subsequent intradepartmental budget transfers must be approved by the City Manager. Interdepartmental transfers and any increase or decrease in total appropriations must be approved by the City Council. Management control for the operating budget is maintained at the departmental level.

### General Fund

The City's General Fund is used to account for expenditures for traditional governmental services as well as all financial resources other than those required to be accounted for in other funds. Sources of revenue for this fund are widely diversified and include property tax, sales tax, transfers from the City-owned utility system, and other sources as shown below:



General Fund expenditures were, as follows:



Below is a summary of General Fund sources and uses of funds for 1999 and 1998:

<b>General Fund Sources and Uses</b>				
(Dollars in Millions)				
	1999	1998	Increase	
	\$	\$	\$	%
<b>SOURCES OF FUNDS</b>				
Property taxes	106.23	90.78	15.45	17
Sales taxes	106.84	97.58	9.26	9
Other taxes	2.81	2.60	0.21	8
Franchise fees	19.67	16.86	2.81	17
Fines, forfeitures, and penalties	16.21	14.49	1.72	12
Licenses, permits, and inspections	17.25	15.54	1.71	11
Charges for services, goods	11.53	10.26	1.27	12
Interest and other	6.36	13.07	(6.71)	(51)
Transfer and other sources	74.20	72.72	1.48	2
<b>Total</b>	<b>361.11</b>	<b>333.90</b>	<b>27.21</b>	<b>8</b>
<b>USES OF FUNDS</b>				
Administration	7.85	6.70	1.15	17
Urban growth management	9.13	8.38	0.75	9
Public safety	173.96	162.73	11.23	7
Public services and utilities	11.10	10.13	0.97	10
Public health	40.68	37.06	3.62	10
Public recreation and culture	40.93	35.86	5.07	14
Social services management	8.63	8.20	0.43	5
Nondepartmental expenditures	49.14	41.13	8.01	19
Operating transfers out	26.59	9.85	16.74	170
<b>Total</b>	<b>368.01</b>	<b>320.04</b>	<b>47.97</b>	<b>15</b>
Increase(decrease) in fund balance	(6.90)	13.86	(20.76)	(150)
Total fund balance, beginning of year	49.29	35.43	13.86	39
<b>Total fund balance, end of year</b>	<b>42.39</b>	<b>49.29</b>	<b>(6.90)</b>	<b>(14)</b>
Exclusive of transfers to/from emergency and contingency reserves.				

For the year ended September 30, 1999, revenues on a budget basis were \$10.8 million more than amended budget. This amount is the net of revenues in excess of and below budget. Amounts in excess of budget were taxes (\$3.4 million), franchise fees (\$3.4 million), fines, forfeitures and penalties (\$2.9 million), licenses, permits and inspections (\$3.2 million); revenues less than budget were charges for goods/services (\$1.5 million) and interest and other (\$.6 million). Actual expenditures on a budget basis were \$2.3 million lower than amended budget, with significant savings achieved by the Health and Human Services Department (\$1.1 million) and the Public services and utilities function (\$1 million). Two areas in the General Fund exceeded appropriations: Municipal Court department (\$43,917) and the non-departmental area (\$194,857). Overall, the General Fund stayed within the amended budget, maintained emergency reserves of \$16.4 million and contingency reserves of \$823, 000 and achieved an undesignated fund balance equal to 4.6% of total expenditures.

### Special Revenue Funds

The special revenue funds include the Federal grant funds, State grant funds, other special revenue grant funds and other special revenue funds, which include the Hotel-Motel Occupancy Tax Fund and the Housing Assistance Fund. Collectively, these funds expended \$98.66 million during 1999.

<b>Special Revenue Funds</b>	
Federal grants	\$39,288,862
State grants	7,288,339
Other special revenue grants	469,114
Other special revenue funds	48,172,947
Housing Assistance Fund	<u>3,441,562</u>
<b>Total Expenditures</b>	<b>\$98,660,824</b>

The grant programs have an important effect on the Austin community by allowing the City to operate community centers, provide services to the elderly, provide health services to women and children, and provide assistance in construction of airport improvements.

In 1999, the Hotel-Motel Occupancy Tax Fund transferred \$2.8 million to the Parks and Recreation Department Cultural Projects Fund for cultural arts programs, \$17.6 million to the Convention Center Tax Fund, and \$4.2 million to the Tourism and Promotion Fund for promotion of the tourism industry.

### General Obligation Debt Administration

The City maintains a separate fund, the General Obligation Debt Service Fund, to administer debt associated with its general obligation bonds, certificates of obligation, contractual obligations, and other tax-supported debt. A separate ad valorem tax is levied and collected to provide funds to retire such debt issued for general government capital projects (debt service on general obligation debt issued for proprietary fund capital projects is paid from related proprietary fund revenues). For 1999, this tax was \$.1877 per \$100 assessed valuation.

The fund balance designated for debt service at September 30, 1999, was \$7.87 million or 12% of 1999 budget-basis debt service expenditures. At September 30, 1999, the City had \$517.6 million in tax-supported general obligation bonds, certificates of obligation, contractual obligations, and other tax-supported debt outstanding (not including amounts supported by proprietary funds). Authorized but unissued general obligation bonds at September 30, 1999, totaled \$400.2 million.

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita for 1999 and 1998 are shown below.

	1999	1998
Net bonded debt	\$509,759,139	\$500,027,010
Ratio of debt to assessed value	1.57%	1.82%
Debt per capita	\$823.47	\$822.12
Assessed valuation (000's)	\$32,458,350	\$27,493,059
Debt service tax rate per \$100 assessed valuation	\$0.1877	\$0.2097

The City's outstanding general obligation debt is rated Aa2 by Moody's, AA+ by Fitch and AA by Standard & Poor's.

In addition to the General Obligation Debt Service Fund, the City maintains a separate U.S. Housing and Urban Development (HUD) Section 108 Loan Fund.

### Capital Projects Funds

The City maintains capital projects funds to account for general government capital improvements, which are funded primarily by general obligation bond proceeds. When projects are completed, they are recorded as additions to the General Fixed Asset Account Group. Capital projects for proprietary funds that use general obligation bonds as a funding source (primarily the Airport and Solid Waste Services) are accounted for within the enterprise or internal service funds rather than within the capital projects funds.

During 1999, a total of \$79.97 million was expended in the capital projects funds, primarily for street, traffic signal and drainage improvements; parks improvements; fire facilities; and land purchases. At September 30, 1999, total fund balance was \$106.8 million consisting of a reserve for encumbrances of \$24.4 million and an unreserved balance of \$82.4 million.

### Utilities

The City owns and operates its electric, water, and wastewater systems and issues revenue bonds for the majority of its capital expenditures for its electric, water, and wastewater facilities. Moody's rates the City's outstanding prior lien Combined Utility Systems Revenue Bonds and subordinate lien bonds A2 and Fitch rates them A. Standard & Poor's rates the prior lien bonds A and the subordinate lien bonds A-.

At September 30, 1999, authorized but unissued revenue bonds totaled \$562 million for electric projects, \$535.6 million for water projects, and \$394.7 million for wastewater projects. Activity relating to revenue bonds is summarized in the following table (in thousands of dollars):

Description (Net of discount and inclusive of premium)	Subordinate Lien Bonds	Prior Lien Bonds	Total
Balance payable, October 1, 1998	\$134,980	2,221,109	2,356,089
Debt issued	255,690	--	255,690
Debt repaid, defeased, or refunded	(32,710)	(217,720)	(250,430)
Amortization of bond discount and premium	5,982	1,748	7,730
Balance payable, September 30, 1990	<u>\$363,942</u>	<u>2,005,137</u>	<u>2,369,079</u>

The Electric Fund and the Water and Wastewater Fund transferred \$57.99 million and \$16.2 million, respectively, to the General Fund in 1999.

#### **Electric Fund**

Electric operating revenues for 1999 were \$682 million, an increase of 2% over the prior year. Operating expenses before depreciation for 1999 were \$342.9 million, an increase of 3% from the prior year.

#### **Water and Wastewater Fund**

The City owns and operates three water treatment plants with an average daily consumption of 113 million gallons per day (mgd), and four wastewater treatment plants with an average daily volume of 94 mgd. The City also owns and operates its own distribution and collection systems.

Total Water and Wastewater operating revenues for 1999 were \$214 million, an increase of 6% over the prior year. Operating expenses before depreciation for 1999 were \$87 million, an increase of 7% over the prior year.

The City has certain contractual commitments with several municipal utility districts (MUDs) for the construction of certain additions, improvements, and extensions of the City's water and wastewater delivery systems. These MUDs are authorized to issue contract revenue bonds to finance the construction of such improvements. The City will become the owner of these improvements when they are completed or if the City annexes the MUDs. Upon completion or annexation the City will make debt service payments on the MUDs' portion of the bonds. This arrangement will enable the City to expand its system in a manner that prevents the proliferation of stand-alone utilities, which would ultimately need to be integrated into a regional system upon annexation.

The City has annexed MUDs that have issued and outstanding \$86.2 million City of Austin, Texas, Contract Revenue Bonds as of September 30, 1999. North Austin MUD No. 1 and North Austin Growth Corridor MUD No. 1, that are not annexed, had issued and outstanding \$15.6 million City of Austin, Texas, Contract Revenue Bonds as of September 30, 1999. The total City of Austin, Texas, Contract Revenue Bonds outstanding at September 30, 1999 is \$101.4 million.

#### **Airport Fund**

The Airport Fund accounts involve the operation of the Austin-Bergstrom International Airport (ABIA) and closure of Robert Mueller Municipal Airport. The ABIA is self-sustaining, providing for operating expenses including depreciation, an amount equivalent to the airport's interest on debt, payment for support services from other City departments, and funding of capital improvement projects. Operating revenues for the year ended September 30, 1999, were \$54.6 million. After deducting operating expenses of \$44.8 million, the airport had operating income of \$9.8 million and net income of \$9.9 million. Effective

November 1, 1993, the Airport Fund began to charge each enplaned passenger a \$3 passenger facility charge, as allowed by the Federal Aviation Administration. The Airport Fund's 1999 operating revenues included passenger facility charges of \$8.9 million, which are dedicated to debt service payments for the Austin-Bergstrom International Airport.

### **Cash Management**

Cash balances of all City funds are invested in consideration of five factors: safety, term, liquidity, market exposure, and rate of return. Cash balances of most funds, except the debt service and revenue bond retirement reserve, are pooled for investment purposes. These investments are made in accordance with the Texas City Depository Act and the Public Funds Investment Act of 1995, and the City of Austin Investment Policy, and are restricted primarily to obligations of the United States, the State of Texas, the County, the City, certificates of deposit insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, local government investment pools, bankers' acceptances, prime commercial paper, money market mutual funds, share certificates issued by the National Credit Union Share Insurance Fund, and fully collateralized direct repurchase agreements meeting the requirements of the above-mentioned statutes.

During 1999, the City's cash resources were primarily invested in U.S. Treasury and Agency issues. The average yield on pooled investments during the year was 5.39%.

### **Risk Management**

The City is exposed to employee-related risks for health benefits and workers' compensation, as well as to various risks of loss related to torts, including medical malpractice; theft of, damage to, or destruction of assets; errors and omissions; and natural disasters. The City continues to be self-insured for liabilities for most health benefits, third-party claims, and workers' compensation. The City purchases commercial insurance for coverage for property loss or damage, commercial crime, fidelity bond, and airport operations. In addition, the City purchases a broad range of insurance coverage for contractors working at selected capital improvement project sites. The City does not participate in a risk pool.

The City uses internal service funds to account for risks related to health benefits, third-party liability, and workers' compensation, as well as for resources for these risks. Liabilities are reported when it is probable that a loss has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities for the Employee Benefits Fund are calculated considering recent claim settlement trends; liabilities for the Liability Reserve and Workers' Compensation funds are calculated based on outstanding claims.

### **Acknowledgments**

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of a highly qualified staff. The City of Austin has such a staff in the Controller's Office of the Financial Services Department. We would like to express our appreciation to all the staff of the Controller's Office who assisted in and contributed to the preparation of this report.

Other departments and offices of the City have also contributed directly or indirectly to the preparation of this report. In particular, the Budget Office of the Financial Services Department and the Office of the City Auditor have been instrumental in ensuring that good financial management practices are maintained, and their cooperation and continued assistance is appreciated. We also acknowledge the efforts of the City departments in following good financial management practices and in providing information and assistance during the preparation of the report.

We acknowledge the thorough, professional, and timely manner in which the audit was conducted by our independent auditors, KPMG LLP and Martinez, Mendoza and Garcia LLP.

Finally, we acknowledge the Mayor and Councilmembers who have consistently supported the City's goal of excellence in all aspects of financial management. Their support is greatly appreciated.



Jesus Garza  
City Manager



John Stephens, CPA  
Director of Financial Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Austin,  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 1998

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Austin, Texas for its Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 1998.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. City management believes that this 1999 CAFR conforms to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for their review.

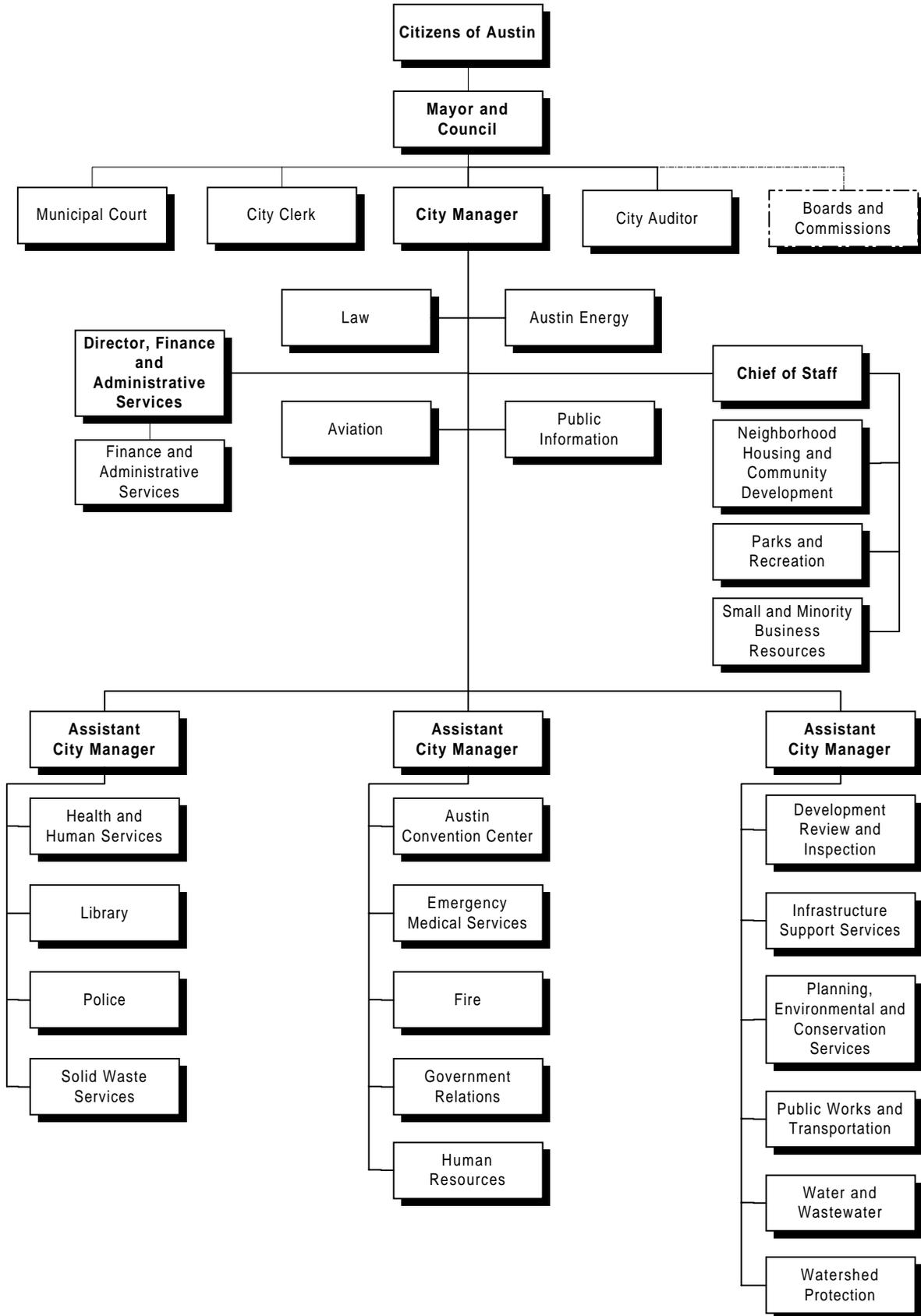


*Cary Brubaker*  
President

*Jeffrey L. Essler*  
Executive Director

# City of Austin, Texas

## ORGANIZATIONAL CHART





## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and  
Members of the City Council,  
City of Austin, Texas:

We have audited the general purpose financial statements of the City of Austin, Texas ("City") as of and for the year ended September 30, 1999, as listed in the accompanying table of contents under "General Purpose Financial Statements" and the following individual fund supporting financial statements included in Exhibit F-1, Exhibit F-2, and Exhibit F-3: Electric Fund Balance Sheet, Electric Fund Statement of Revenues, Expenses, and Changes in Retained Earnings, Electric Fund Statement of Cash Flows, Water and Wastewater Fund Balance Sheet, Water and Wastewater Fund Statement of Revenues, Expenses, and Changes in Retained Earnings, Water and Wastewater Fund Statement of Cash Flows, Airport Fund Balance Sheet, Airport Fund Statement of Revenues, Expenses, and Changes in Retained Earnings, and Airport Fund Statement of Cash Flows. These general purpose financial statements and individual fund supporting financial statements listed above are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements and individual fund supporting financial statements listed above based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and individual fund supporting financial statements listed above are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and individual fund supporting financial statements listed above. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and the presentation of the individual fund supporting financial statements listed above. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Austin, Texas as of September 30, 1999, and the results of its operations and cash flows of its proprietary fund types and similar trust funds for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the individual fund supporting financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds as of September 30, 1999, and the results of operations and the cash flows of such funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the individual fund supporting financial statements referred to in the first paragraph. The accompanying combining, individual fund and individual account group financial statements and schedules, other than those referred to in the first paragraph, and schedules of general obligation bonds authorized and unissued and revenue bonds authorized, deauthorized, and unissued, as listed under "Supplemental Information" in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Austin, Texas. Such information, other than those individual fund supporting financial statements referred to in the first paragraph, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. The schedules listed under "Statistical Section" in the accompanying table of contents were not audited by us, and, accordingly, we express no opinion on them.

KPMG LLP

*Martín Mendonza + García, LLP*

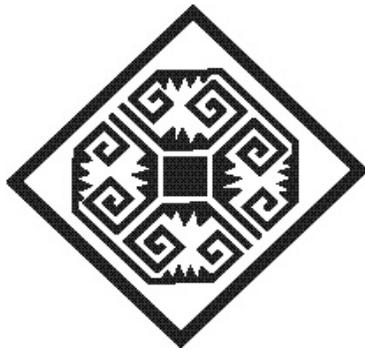
Austin, Texas  
February 18, 2000

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## **COMBINED FUNDS**

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**ALL FUND TYPES AND ACCOUNT GROUPS  
 COMBINED BALANCE SHEET  
 September 30, 1999  
 With comparative totals for September 30, 1998**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
Current assets:				
Cash	\$ 85,523	5,300	--	--
Pooled investments and cash	37,561,650	48,462,665	--	115,535,763
Investments, at fair value	--	759,132	7,790,649	--
Working capital advances	--	--	--	--
Cash and investments held by trustee	--	--	--	--
Receivables, net of allowances:				
Property taxes	4,300,904	--	3,118,879	--
Accounts and other receivables	24,526,901	7,298,542	--	1,109,877
Receivables from other governments	--	14,990,409	--	--
Due from other funds	--	14,473,235	--	8,950,171
Inventories, at cost	1,113,719	--	--	--
Real property held for resale	--	1,318,700	--	--
Other assets	78,529	771,337	--	1,050,165
<b>Total current assets</b>	<b>67,667,226</b>	<b>88,079,320</b>	<b>10,909,528</b>	<b>126,645,976</b>
Restricted assets:				
Revenue bond current debt service account	--	--	--	--
Revenue bond future debt service account	--	--	--	--
Revenue bond retirement reserve account	--	--	--	--
Tax and revenue bond debt service account	--	--	--	--
Construction account	--	--	--	--
Construction account due from other funds	--	--	--	--
Construction account advances to other funds	--	--	--	--
Decommissioning account	--	--	--	--
Capital improvement account	--	--	--	--
Operating reserve account	--	--	--	--
Hotel occupancy tax account	--	--	--	--
Renewal and replacement account	--	--	--	--
Investments and cash held by trustee	--	--	--	--
Nuclear fuel inventory acquisition account	--	--	--	--
Mueller disposition account	--	--	--	--
Customer and escrow deposits	--	--	--	--
Other restricted accounts	--	--	--	--
<b>Total restricted assets</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Fixed assets, at cost:				
Property, plant and equipment	--	--	--	--
Less accumulated depreciation	--	--	--	--
<b>Net property, plant and equipment</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Investment in municipal utility districts	--	--	--	--
Advances to other funds	--	--	--	--
Other long-term assets	--	--	--	--
Deferred costs and expenses, net of amortization	--	--	--	--
Other debits:				
Amount available in debt service funds	--	--	--	--
Amount to be provided for accrued compensated absences	--	--	--	--
Amount to be provided for retirement of long-term debt	--	--	--	--
<b>Total assets</b>	<b>\$ 67,667,226</b>	<b>88,079,320</b>	<b>10,909,528</b>	<b>126,645,976</b>

The accompanying notes are an integral part of the financial statements.

**CITY OF AUSTIN, TEXAS**  
**Exhibit A-1**

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1999	1998
40,600	22,475	--	--	--	153,898	152,927
132,213,100	47,005,798	8,241,401	--	--	389,020,377	340,078,393
--	--	--	--	--	8,549,781	9,947,650
3,081,418	--	--	--	--	3,081,418	3,867,194
--	268,564	--	--	--	268,564	234,786
--	--	--	--	--	7,419,783	6,818,518
119,242,619	581,812	--	--	--	152,759,751	134,424,569
--	--	5,627	--	--	14,996,036	15,975,886
45,988	--	--	--	--	23,469,394	21,892,359
49,953,529	1,819,348	--	--	--	52,886,596	45,468,311
--	--	--	--	--	1,318,700	1,065,241
11,614,720	1,711	--	--	--	13,516,462	19,182,673
316,191,974	49,699,708	8,247,028	--	--	667,440,760	599,108,507
115,018,400	--	--	--	--	115,018,400	104,832,101
205,440,280	--	--	--	--	205,440,280	156,547,474
167,412,168	--	--	--	--	167,412,168	175,635,855
--	--	--	--	--	--	100,265
390,321,664	3,602,295	--	--	--	393,923,959	346,799,195
384,424	--	--	--	--	384,424	384,424
653,146	--	--	--	--	653,146	1,037,571
53,655,752	--	--	--	--	53,655,752	49,332,878
14,950,917	--	--	--	--	14,950,917	17,706,677
17,509,286	--	--	--	--	17,509,286	12,255,351
1,989,916	--	--	--	--	1,989,916	1,466,403
11,197,233	--	--	--	--	11,197,233	5,842,437
24,657,907	--	--	--	--	24,657,907	24,745,878
31,366,762	--	--	--	--	31,366,762	31,424,932
22,507	--	--	--	--	22,507	608,543
15,879,334	--	--	--	--	15,879,334	14,426,120
11,079,341	--	--	--	--	11,079,341	2,360,770
1,061,539,037	3,602,295	--	--	--	1,065,141,332	945,506,874
5,672,689,526	57,440,876	--	599,381,342	--	6,329,511,744	5,868,006,024
(1,650,864,797)	(23,311,692)	--	--	--	(1,674,176,489)	(1,527,312,375)
4,021,824,729	34,129,184	--	599,381,342	--	4,655,335,255	4,340,693,649
2,431,398	--	--	--	--	2,431,398	2,746,428
--	--	--	--	--	--	19,101
1,450,616	--	--	--	--	1,450,616	532,854
632,572,463	31,619	--	--	--	632,604,082	586,455,800
--	--	--	--	7,869,714	7,869,714	7,269,980
--	--	--	--	43,555,353	43,555,353	42,658,185
--	--	--	--	519,978,303	519,978,303	500,027,010
6,036,010,217	87,462,806	8,247,028	599,381,342	571,403,370	7,595,806,813	7,025,018,388

(continued)

**ALL FUND TYPES AND ACCOUNT GROUPS  
COMBINED BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
Current liabilities:				
Accounts payable	\$ 4,552,024	4,716,021	--	8,564,220
Accrued payroll	12,312,527	898,645	--	--
Accrued compensated absences	2,083,912	186,944	--	--
Claims payable	--	--	--	--
Construction contracts payable	--	--	--	--
Contract revenue bonds payable	--	--	--	--
Due to other governments	--	--	--	--
Due to other funds	--	14,473,235	--	8,877,286
Interest payable on other debt	--	--	--	--
General obligation bonds payable and other tax supported debt	--	--	--	--
Water improvement district bonds payable	--	--	--	--
Capital lease obligations payable	--	--	--	--
Other liabilities	6,324,991	39,742,315	3,039,814	2,426,946
<b>Total current liabilities</b>	<b>25,273,454</b>	<b>60,017,160</b>	<b>3,039,814</b>	<b>19,868,452</b>
Liabilities payable from restricted assets:				
Accounts and retainage payable	--	--	--	--
Due to other funds	--	--	--	--
Accrued interest payable	--	--	--	--
General obligation bonds and other tax supported debt payable	--	--	--	--
Revenue bonds payable within one year	--	--	--	--
Decommissioning expense payable	--	--	--	--
Nuclear fuel expense payable	--	--	--	--
Other liabilities	--	--	--	--
<b>Total liabilities payable from restricted assets</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Long-term obligations, net of current portion:				
Accrued compensated absences	--	--	--	--
Claims payable	--	--	--	--
Construction contracts payable	--	--	--	--
Contract revenue bonds payable, net of discount	--	--	--	--
Advances from other funds	--	--	--	--
Loans payable	--	--	--	--
Capital appreciation bond interest payable	--	--	--	--
Commercial paper notes payable	--	--	--	--
Revenue notes payable	--	--	--	--
General obligation bonds payable and other tax supported debt, net of discount and inclusive of premium	--	--	--	--
Revenue bonds payable, net of discount and inclusive of premium	--	--	--	--
Water improvement district bonds payable	--	--	--	--
Capital lease obligations payable	--	--	--	--
Decommissioning assessment payable	--	--	--	--
Accrued landfill closure and postclosure costs	--	--	--	--
Deferred revenue and other credits	--	--	--	--
<b>Total liabilities</b>	<b>\$ 25,273,454</b>	<b>60,017,160</b>	<b>3,039,814</b>	<b>19,868,452</b>

The accompanying notes are an integral part of the financial statements.

**CITY OF AUSTIN, TEXAS**  
**Exhibit A-1**  
**(Continued)**

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long- Term Debt	1999	1998
41,519,489	5,155,609	72,741	--	--	64,580,104	42,763,163
9,025,047	3,462,917	--	--	--	25,699,136	21,653,298
11,878,802	4,590,566	--	--	--	18,740,224	18,476,341
--	10,979,227	--	--	--	10,979,227	13,071,737
109,776	--	--	--	--	109,776	204,041
6,245,000	--	--	--	--	6,245,000	5,695,000
493,009	--	1,459,792	--	--	1,952,801	2,553,434
30,825	399,587	72,885	--	--	23,853,818	21,090,651
4,120,244	116,905	--	--	--	4,237,149	5,692,090
2,664,569	1,521,534	--	--	--	4,186,103	4,204,430
307,000	--	--	--	--	307,000	332,000
1,965,001	--	--	--	--	1,965,001	1,848,919
10,102,907	491,165	2,910,886	--	--	65,039,024	55,758,004
88,461,669	26,717,510	4,516,304	--	--	227,894,363	193,343,108
38,345,426	--	--	--	--	38,345,426	39,469,941
--	--	--	--	--	--	1,186,132
67,868,043	--	--	--	--	67,868,043	59,296,239
3,576,237	--	--	--	--	3,576,237	4,194,973
99,460,312	--	--	--	--	99,460,312	101,808,872
53,655,752	--	--	--	--	53,655,752	48,827,308
31,366,762	--	--	--	--	31,366,762	31,424,932
24,364,975	--	--	--	--	24,364,975	23,032,303
318,637,507	--	--	--	--	318,637,507	309,240,700
6,130,910	1,745,806	--	--	43,555,353	51,432,069	50,298,296
--	8,693,100	--	--	--	8,693,100	6,629,290
2,018,023	--	--	--	--	2,018,023	2,018,023
95,149,775	--	--	--	--	95,149,775	101,359,940
30,825	622,321	--	--	--	653,146	1,056,672
--	--	--	--	10,219,164	10,219,164	--
109,775,116	--	--	--	--	109,775,116	98,328,153
333,147,181	--	--	--	--	333,147,181	294,412,023
28,000,000	--	--	--	--	28,000,000	28,000,000
66,269,779	7,175,497	--	--	517,628,853	591,074,129	570,342,464
2,856,361,074	--	--	--	--	2,856,361,074	2,707,378,996
789,000	--	--	--	--	789,000	1,076,000
19,634,999	--	--	--	--	19,634,999	21,599,999
2,255,362	--	--	--	--	2,255,362	2,791,495
6,467,381	--	--	--	--	6,467,381	6,224,517
5,874,230	--	--	--	--	5,874,230	6,833,287
3,939,002,831	44,954,234	4,516,304	--	571,403,370	4,668,075,619	4,400,932,963

(continued)

**ALL FUND TYPES AND ACCOUNT GROUPS  
 COMBINED BALANCE SHEET  
 September 30, 1999  
 With comparative totals for September 30, 1998**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Continued</b>				
Equity and other credits:				
Contributions from municipality	\$ --	--	--	--
Contributions from State and Federal governments	--	--	--	--
Contributions in aid of construction	--	--	--	--
Contributions from the private sector	--	--	--	--
Investment in general fixed assets	--	--	--	--
Retained earnings:				
Reserved for renewal and replacement	--	--	--	--
Reserved for passenger facility charge	--	--	--	--
Unreserved	--	--	--	--
Fund balances:				
Reserved for encumbrances	7,172,887	4,945,721	--	24,370,546
Reserved for inventories and prepaid items	1,192,248	--	--	--
Reserved for notes receivable	--	4,251,828	--	--
Reserved for real property held for resale	--	1,318,700	--	--
Reserved for nonexpendable trust	--	--	--	--
Unreserved:				
Designated for emergency reserve	16,427,669	--	--	--
Designated for contingency reserve	823,127	--	--	--
Designated for future use	--	17,913,537	--	--
Designated for debt service	--	--	7,869,714	--
Designated for purposes of trust	--	--	--	--
Undesignated	16,777,841	(367,626)	--	82,406,978
<b>Total equity and other credits</b>	<b>42,393,772</b>	<b>28,062,160</b>	<b>7,869,714</b>	<b>106,777,524</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 67,667,226</b>	<b>88,079,320</b>	<b>10,909,528</b>	<b>126,645,976</b>

The accompanying notes are an integral part of the financial statements.

**CITY OF AUSTIN, TEXAS**  
**Exhibit A-1**  
**(Continued)**

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1999	1998
55,850,644	39,703,676	--	--	--	95,554,320	85,065,559
161,926,221	--	--	--	--	161,926,221	142,919,642
386,775,077	--	--	--	--	386,775,077	352,178,607
4,175,344	--	--	--	--	4,175,344	4,175,344
--	--	--	599,381,342	--	599,381,342	544,122,002
10,808,822	--	--	--	--	10,808,822	5,842,437
7,734,879	--	--	--	--	7,734,879	116,638
1,469,736,399	2,804,896	--	--	--	1,472,541,295	1,295,220,571
--	--	--	--	--	36,489,154	45,689,146
--	--	--	--	--	1,192,248	1,180,762
--	--	--	--	--	4,251,828	3,421,204
--	--	--	--	--	1,318,700	1,065,241
--	--	76,374	--	--	76,374	76,374
--	--	--	--	--	16,427,669	14,838,623
--	--	--	--	--	823,127	164,110
--	--	--	--	--	17,913,537	17,445,371
--	--	--	--	--	7,869,714	7,269,980
--	--	3,654,350	--	--	3,654,350	3,518,868
--	--	--	--	--	98,817,193	99,774,946
2,097,007,386	42,508,572	3,730,724	599,381,342	--	2,927,731,194	2,624,085,425
6,036,010,217	87,462,806	8,247,028	599,381,342	571,403,370	7,595,806,813	7,025,018,388

**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 Year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>REVENUES</b>			
Taxes	\$ 215,885,594	27,681,233	61,110,663
Franchise fees	19,671,043	--	--
Fines, forfeitures and penalties	16,205,548	2,913,042	--
Licenses, permits and inspections	17,252,024	--	--
Charges for services/goods	11,533,686	27,246,653	--
Intergovernmental revenues	--	47,046,315	--
Property owners' participation and contributions	--	--	--
Contributions to trusts	--	--	--
Interest and other	6,361,863	4,867,939	2,650,911
<b>Total revenues</b>	<b>286,909,758</b>	<b>109,755,182</b>	<b>63,761,574</b>
<b>EXPENDITURES</b>			
Current, including capital outlay in the General Fund of \$4,690,224			
Administration	7,849,862	48,172,947	--
Urban growth management	9,129,217	--	--
Public safety	173,962,836	--	--
Public services and utilities	11,098,958	--	--
Public health	40,677,762	--	--
Public recreation and culture	40,929,063	--	--
Social services management	8,627,050	--	--
Nondepartmental expenditures	49,142,610	--	--
Special projects	--	50,487,877	--
Capital outlay for construction	--	--	--
Debt service:			
Principal retirement	--	--	24,035,716
Interest, commissions and other	--	--	42,250,601
<b>Total expenditures</b>	<b>341,417,358</b>	<b>98,660,824</b>	<b>66,286,317</b>
Excess (deficiency) of revenues over expenditures	(54,507,600)	11,094,358	(2,524,743)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of refunding bonds	--	--	--
Payment to escrow agent	--	--	--
Proceeds from issuance of general obligation bonds and other tax supported debt	--	--	--
Operating transfers in	74,204,480	19,904,286	3,124,477
Operating transfers out	(26,592,055)	(29,585,870)	--
<b>Total other financing sources (uses)</b>	<b>47,612,425</b>	<b>(9,681,584)</b>	<b>3,124,477</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(6,895,175)	1,412,774	599,734
Fund balances at beginning of year	49,288,947	25,702,818	7,269,980
Residual equity transfer in	--	946,568	--
<b>Fund balances at end of year</b>	<b>\$ 42,393,772</b>	<b>28,062,160</b>	<b>7,869,714</b>

The accompanying notes are an integral part of the financial statements.

**CITY OF AUSTIN, TEXAS**  
**Exhibit A-2**

Capital Projects	Fiduciary Fund Type	Totals (Memorandum Only)	
	Expendable Trust	1999	1998
--	--	304,677,490	268,180,688
--	--	19,671,043	16,861,639
--	--	19,118,590	17,102,535
--	--	17,252,024	15,540,712
--	--	38,780,339	47,675,239
7,381,511	--	54,427,826	57,631,450
2,162,768	--	2,162,768	963,557
--	181,787	181,787	364,574
8,001,456	140,206	22,022,375	30,608,920
17,545,735	321,993	478,294,242	454,929,314
--	--	56,022,809	53,070,744
--	--	9,129,217	8,380,122
--	19,900	173,982,736	162,769,492
--	14,110	11,113,068	10,178,503
--	5,203	40,682,965	37,075,226
--	147,298	41,076,361	36,151,770
--	--	8,627,050	8,204,845
--	--	49,142,610	41,130,459
--	--	50,487,877	48,909,943
79,970,838	--	79,970,838	54,683,419
--	--	24,035,716	22,570,196
--	--	42,250,601	40,751,170
79,970,838	186,511	586,521,848	523,875,889
(62,425,103)	135,482	(108,227,606)	(68,946,575)
--	--	--	103,705,974
--	--	--	(103,705,974)
39,245,000	--	39,245,000	35,229,000
32,807,262	--	130,040,505	117,048,438
(11,437,273)	--	(67,615,198)	(54,710,285)
60,614,989	--	101,670,307	97,567,153
(1,810,114)	135,482	(6,557,299)	28,620,578
108,587,638	3,518,868	194,368,251	165,747,673
--	--	946,568	--
106,777,524	3,654,350	188,757,520	194,368,251

**GENERAL FUND, SPECIAL REVENUE FUNDS AND DEBT SERVICE FUND  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL-BUDGET BASIS  
Year ended September 30, 1999**

	General Fund			Annually Budgeted Special Revenue Funds		
	Actual- Budget Basis	Budget	Variance -- Favorable (Unfavorable)	Actual- Budget Basis	Budget	Variance -- Favorable (Unfavorable)
<b>REVENUES</b>						
Taxes	\$ 215,885,594	212,489,763	3,395,831	--	--	--
Franchise fees	19,671,043	16,314,191	3,356,852	--	--	--
Fines, forfeitures and penalties	16,205,548	13,333,296	2,872,252	--	--	--
Licenses, permits and inspections	17,252,024	14,026,012	3,226,012	--	--	--
Charges for services/goods	11,533,686	12,984,913	(1,451,227)	--	--	--
Interest and other	6,361,863	6,957,810	(595,947)	54,341,816	54,547,803	(205,987)
<b>Total revenues</b>	<b>286,909,758</b>	<b>276,105,985</b>	<b>10,803,773</b>	<b>54,341,816</b>	<b>54,547,803</b>	<b>(205,987)</b>
<b>EXPENDITURES</b>						
Administration	7,863,049	7,819,132	(43,917)	45,673,027	48,413,556	2,740,529
Urban growth management	8,972,646	9,190,265	217,619	--	--	--
Public safety	172,250,810	173,263,457	1,012,647	--	--	--
Public services and utilities	10,895,628	11,106,298	210,670	--	--	--
Public health	40,795,856	41,880,650	1,084,794	--	--	--
Public recreation and culture	40,275,130	40,275,625	495	--	--	--
Social services management	9,084,438	9,087,548	3,110	--	--	--
Nondepartmental expenditures	7,266,565	7,071,708	(194,857)	--	--	--
Principal redemption	--	--	--	--	--	--
Interest and other	--	--	--	--	--	--
Fees and commissions	--	--	--	--	--	--
<b>Total expenditures</b>	<b>297,404,122</b>	<b>299,694,683</b>	<b>2,290,561</b>	<b>45,673,027</b>	<b>48,413,556</b>	<b>2,740,529</b>
Excess (deficiency) of revenues over expenditures	(10,494,364)	(23,588,698)	13,094,334	8,668,789	6,134,247	2,534,542
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	74,204,480	74,704,479	(499,999)	19,089,286	19,434,039	(344,753)
Operating transfers out	(70,378,262)	(70,977,287)	599,025	(29,653,005)	(29,362,199)	(290,806)
<b>Total other financing sources (uses)</b>	<b>3,826,218</b>	<b>3,727,192</b>	<b>99,026</b>	<b>(10,563,719)</b>	<b>(9,928,160)</b>	<b>(635,559)</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(6,668,146)	(19,861,506)	13,193,360	(1,894,930)	(3,793,913)	1,898,983
Fund balances at beginning of year	47,260,969	25,046,853	22,214,116	10,227,519	10,227,519	--
Residual equity transfers in	--	--	--	946,568	--	946,568
<b>Fund balances at end of year</b>	<b>\$ 40,592,823</b>	<b>5,185,347</b>	<b>35,407,476</b>	<b>9,279,157</b>	<b>6,433,606</b>	<b>2,845,551</b>

The accompanying notes are an integral part of the financial statements.

**CITY OF AUSTIN, TEXAS**  
**Exhibit A-3**

Debt Service Fund			Totals (Memorandum Only)		
Actual- Budget Basis	Budget	Variance -- Favorable (Unfavorable)	Actual- Budget Basis	Budget	Variance -- Favorable (Unfavorable)
61,110,663	60,891,419	219,244	276,996,257	273,381,182	3,615,075
--	--	--	19,671,043	16,314,191	3,356,852
--	--	--	16,205,548	13,333,296	2,872,252
--	--	--	17,252,024	14,026,012	3,226,012
--	--	--	11,533,686	12,984,913	(1,451,227)
2,650,911	3,139,994	(489,083)	63,354,590	64,645,607	(1,291,017)
63,761,574	64,031,413	(269,839)	405,013,148	394,685,201	10,327,947
--	--	--	53,536,076	56,232,688	2,696,612
--	--	--	8,972,646	9,190,265	217,619
--	--	--	172,250,810	173,263,457	1,012,647
--	--	--	10,895,628	11,106,298	210,670
--	--	--	40,795,856	41,880,650	1,084,794
--	--	--	40,275,130	40,275,625	495
--	--	--	9,084,438	9,087,548	3,110
--	--	--	7,266,565	7,071,708	(194,857)
30,744,613	30,802,819	58,206	30,744,613	30,802,819	58,206
45,052,931	46,411,761	1,358,830	45,052,931	46,411,761	1,358,830
9,564	10,000	436	9,564	10,000	436
75,807,108	77,224,580	1,417,472	418,884,257	425,332,819	6,448,562
(12,045,534)	(13,193,167)	1,147,633	(13,871,109)	(30,647,618)	16,776,509
12,645,268	13,244,437	(599,169)	105,939,034	107,382,955	(1,443,921)
--	--	--	(100,031,267)	(100,339,486)	308,219
12,645,268	13,244,437	(599,169)	5,907,767	7,043,469	(1,135,702)
599,734	51,270	548,464	(7,963,342)	(23,604,149)	15,640,807
7,269,980	7,532,542	(262,562)	64,758,468	42,806,914	21,951,554
--	--	--	946,568	--	946,568
7,869,714	7,583,812	285,902	57,741,694	19,202,765	38,538,929

**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
 RETAINED EARNINGS/FUND BALANCES  
 Year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

	<b>Proprietary Fund Types</b>	
	<b>Enterprise</b>	<b>Internal Service</b>
<b>REVENUES</b>		
Electric services	\$ 682,087,588	--
Water and wastewater services	214,042,787	--
User fees and rentals	150,555,862	--
Billings to departments	--	132,745,737
Employee contributions	--	15,426,960
Operating revenues from other governments	15,837,556	--
Other operating revenues	--	3,207,926
Operating revenues	<u>1,062,523,793</u>	<u>151,380,623</u>
<b>EXPENSES</b>		
Electric operations	342,914,020	--
Water and wastewater operations	87,011,629	--
Other enterprise operations	110,775,915	--
Internal service operations	--	145,410,566
Depreciation	151,399,557	2,027,606
Total operating expenses	<u>692,101,121</u>	<u>147,438,172</u>
<b>Operating income (loss) before nonoperating revenues (expenses) and operating transfers</b>	<u>370,422,672</u>	<u>3,942,451</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest and other revenues	44,448,200	522,956
Interest on revenue bonds and other debt	(211,260,728)	(441,622)
Interest capitalized during construction	18,601,484	--
Amortization of bond issue costs	(1,337,185)	(3,520)
Other nonoperating expense	(11,259,504)	(233,980)
Total nonoperating revenues (expenses)	<u>(160,807,733)</u>	<u>(156,166)</u>
Costs to be recovered in future years	39,701,954	--
Income (loss) before operating transfers	<u>249,316,893</u>	<u>3,786,285</u>
Operating transfers:		
Operating transfers in	18,872,385	--
Operating transfers out	(81,232,692)	(65,000)
<b>Net income (loss)</b>	<u>186,956,586</u>	<u>3,721,285</u>
Add depreciation transferred to contributions	2,904,185	--
Net increase in retained earnings/fund balances	<u>189,860,771</u>	<u>3,721,285</u>
Retained earnings/fund balances at beginning of year	1,302,096,035	(916,389)
Residual equity transfers out	(3,676,706)	--
<b>Retained earnings/fund balances at end of year</b>	<u><u>\$ 1,488,280,100</u></u>	<u><u>2,804,896</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF AUSTIN, TEXAS  
Exhibit A-4

Fiduciary Fund Type	Totals (Memorandum Only)	
	1999	1998
Nonexpendable Trust		
--	682,087,588	668,371,051
--	214,042,787	201,791,794
--	150,555,862	126,190,892
--	132,745,737	135,107,376
--	15,426,960	13,864,121
--	15,837,556	9,075,130
--	3,207,926	2,909,283
--	1,213,904,416	1,157,309,647
--	342,914,020	332,985,598
--	87,011,629	80,952,915
--	110,775,915	92,853,875
--	145,410,566	141,200,585
--	153,427,163	149,232,315
--	839,539,293	797,225,288
--	374,365,123	360,084,359
--	44,971,156	86,769,567
--	(211,702,350)	(225,081,178)
--	18,601,484	10,976,299
--	(1,340,705)	(1,089,046)
--	(11,493,484)	(13,883,127)
--	(160,963,899)	(142,307,485)
--	39,701,954	18,774,460
--	253,103,178	236,551,334
--	18,872,385	18,268,624
--	(81,297,692)	(80,606,777)
--	190,677,871	174,213,181
--	2,904,185	6,989,092
--	193,582,056	181,202,273
76,374	1,301,256,020	1,120,053,747
--	(3,676,706)	--
76,374	1,491,161,370	1,301,256,020

**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
 COMBINED STATEMENT OF CASH FLOWS  
 Year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
 Exhibit A-5**

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise	Internal Service	Nonexpendable Trust (1)	(Memorandum Only)	
				1999	1998
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers	\$ 1,038,451,695	150,725,782	--	1,189,177,477	1,131,128,777
Cash payments to suppliers for goods and services	(325,783,269)	(47,822,994)	--	(373,606,263)	(418,558,797)
Cash payments to employees for services	(165,567,960)	(64,942,304)	--	(230,510,264)	(203,896,171)
Cash payments to claimants/beneficiaries	--	(29,952,116)	--	(29,952,116)	(26,205,411)
Cash received from other governments	15,065,464	--	--	15,065,464	7,108,832
Taxes collected and remitted to other governments	(15,493,225)	--	--	(15,493,225)	(14,482,333)
<b>Net cash provided by operating activities</b>	<b>546,672,705</b>	<b>8,008,368</b>	<b>--</b>	<b>554,681,073</b>	<b>475,094,897</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Operating transfers in	18,872,385	--	--	18,872,385	18,268,624
Operating transfers out	(81,232,692)	(65,000)	--	(81,297,692)	(80,606,777)
Residual equity transfers out	(3,676,706)	--	--	(3,676,706)	--
Interest paid on revenue notes and other debt	(214,826)	--	--	(214,826)	(150,611)
Decrease in deferred assets	1,471,681	--	--	1,471,681	316,085
Contributions from private sector	--	--	--	--	400,000
Loans to other funds	--	--	--	--	(452,832)
Loans from other funds	--	--	--	--	444,049
Loan repayments (to) from other funds	57,580	--	--	57,580	45,939
Contributions from municipality	--	--	--	--	165,939
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(64,722,578)</b>	<b>(65,000)</b>	<b>--</b>	<b>(64,787,578)</b>	<b>(61,569,584)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Proceeds from long-term debt issues	298,253,871	3,055,000	--	301,308,871	103,660,000
Principal paid on long-term debt	(117,233,111)	(1,462,271)	--	(118,695,382)	(110,167,650)
Proceeds from the sale of fixed assets	118,266	--	--	118,266	646,685
Purchased interest received	1,239,217	--	--	1,239,217	9,491
Interest paid on revenue bonds and other debt	(185,117,739)	(437,584)	--	(185,555,323)	(190,949,304)
Acquisition and construction of capital assets	(374,705,375)	(9,226,069)	--	(383,931,444)	(325,812,054)
Contributions from municipality	722	7,200,000	--	7,200,722	7,246,983
Contributions from State and Federal governments	22,621,652	--	--	22,621,652	23,532,213
Contributions in aid of construction	31,433,414	--	--	31,433,414	29,308,543
Bond discounts, premiums, and issuance costs	1,066,057	(9,583)	--	1,056,474	8,126,919
Bonds issued for advanced refundings of debt	251,759,512	--	--	251,759,512	309,351,591
Cash paid for bond refundings/defeasances	(277,375,826)	--	--	(277,375,826)	(340,312,964)
Proceeds from municipal utility district reserves	--	--	--	--	18,205,377
Cash paid for nuclear fuel inventory	(11,218,838)	--	--	(11,218,838)	(4,937,020)
<b>Net cash used by capital and related financing activities</b>	<b>\$ (359,158,178)</b>	<b>(880,507)</b>	<b>--</b>	<b>(360,038,685)</b>	<b>(472,091,190)</b>

(continued)

- (1) Nonexpendable trust fund cash and cash equivalents of \$76,374 are reported on the balance sheet with all trust and agency funds' pooled investments and cash of \$7,381,704 at October 1, 1998 and \$8,241,401 at September 30, 1999.
- (2) Cash and cash equivalents includes \$278,113,315 and \$632,122 in enterprise and internal service funds' restricted accounts, respectively at October 1, 1998 and \$449,418,667 and \$3,602,295 in enterprise and internal service funds' restricted accounts, respectively at September 30, 1999.

The accompanying notes are an integral part of the financial statements.

**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
 COMBINED STATEMENT OF CASH FLOWS  
 Year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
 Exhibit A-5  
 (Continued)**

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise	Internal Service	Nonexpendable Trust (1)	(Memorandum Only)	
				1999	1998
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Purchase of investment securities	\$ (1,045,826,116)	--	--	(1,045,826,116)	(1,487,708,756)
Proceeds from sale and maturities of investment securities	1,076,492,695	--	--	1,076,492,695	1,515,008,283
Interest on investments	57,480,393	443,862	--	57,924,255	58,355,766
Reverse repurchase agreement income	3,887,698	79,094	--	3,966,792	13,720,642
Reverse repurchase agreement expense	(3,584,034)	(73,973)	--	(3,658,007)	(13,346,681)
<b>Net cash provided by investing activities</b>	<b>88,450,636</b>	<b>448,983</b>	<b>--</b>	<b>88,899,619</b>	<b>86,029,254</b>
Net increase in cash and cash equivalents	211,242,585	7,511,844	--	218,754,429	27,463,377
Cash and cash equivalents, October 1, 1998 (2)	370,429,782	43,387,288	76,374	413,893,444	386,430,067
<b>Cash and cash equivalents, September 30, 1999 (2)</b>	<b>581,672,367</b>	<b>50,899,132</b>	<b>76,374</b>	<b>632,647,873</b>	<b>413,893,444</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Operating income	370,422,672	3,942,451	--	374,365,123	360,084,359
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	151,399,557	2,027,606	--	153,427,163	149,232,315
Allowance for uncollectible accounts	(1,029,597)	--	--	(1,029,597)	(4,525,367)
Amortization	11,633,240	--	--	11,633,240	12,788,895
Change in assets and liabilities:					
Decrease in working capital advances	785,776	--	--	785,776	75,065
Increase in accounts receivable	(14,151,045)	(269,799)	--	(14,420,844)	(13,602,036)
Decrease in receivable from other governments	30,234	--	--	30,234	39,661
Decrease in due from other funds	59,437	98,940	--	158,377	98,987
Increase in inventory	(7,361,866)	(92,417)	--	(7,454,283)	(6,889,284)
Decrease in prepaid expenses and deferred costs	1,717,497	48,797	--	1,766,294	3,753,894
Decrease in other regulatory assets	295,342	--	--	295,342	317,067
Increase (decrease) in accounts payable	18,520,027	2,299,123	--	20,819,150	(21,277,179)
Increase in accrued payroll and compensated absences	2,201,922	860,978	--	3,062,900	1,534,803
Decrease in deferred revenue	(902,202)	(483,982)	--	(1,386,184)	(3,474,652)
Decrease in decommissioning assessment payable	(524,104)	--	--	(524,104)	--
(Increase) decrease in unrecovered fuel revenue	2,594,276	--	--	2,594,276	(6,289,042)
Increase (decrease) in accrued landfill closure costs	242,864	--	--	242,864	(2,415,863)
Decrease in claims payable	--	(28,700)	--	(28,700)	(3,845,109)
Decrease in due to other governments	(590,012)	--	--	(590,012)	(1,029,031)
Decrease in due to other funds	--	(89,133)	--	(89,133)	(389,155)
Decrease in advance from other funds	--	(347,369)	--	(347,369)	(273,037)
Increase in other liabilities	11,284,365	41,873	--	11,326,238	11,968,752
Increase (decrease) in customer deposits	44,322	--	--	44,322	(789,146)
<b>Total adjustments</b>	<b>176,250,033</b>	<b>4,065,917</b>	<b>--</b>	<b>180,315,950</b>	<b>115,010,538</b>
<b>Net cash provided by operating activities</b>	<b>\$ 546,672,705</b>	<b>8,008,368</b>	<b>--</b>	<b>554,681,073</b>	<b>475,094,897</b>

(continued)

The accompanying notes are an integral part of the financial statements.

**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
 COMBINED STATEMENT OF CASH FLOWS  
 Year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
 Exhibit A-5  
 (Continued)**

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Nonexpendable Trust (1)	1999	1998
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>					
Increase in deferred assets/expenses	\$ 32,837,454	4,804	--	32,842,258	28,120,041
Unamortized bond discounts, premiums, and issue costs on advance refundings	(5,140,112)	--	--	(5,140,112)	(2,746,775)
(Increase) decrease in capital appreciation bond interest payable	(11,456,168)	--	--	(11,456,168)	20,811,869
Fixed assets contributed from other funds	--	426,708	--	426,708	1,723,396
Increase in contributed facilities	23,644,591	--	--	23,644,591	24,522,078
Net increase (decrease) on fair value of investment	(12,858,194)	--	--	(12,858,194)	8,637,970
Amortization of bond discounts, premiums, and issue costs	(3,714,723)	(149)	--	(3,714,872)	(6,327,221)
Amortization of deferred loss on refundings	(606,823)	(3,370)	--	(610,193)	(600,160)
Loss on disposal of assets	(9,999,114)	(160,008)	--	(10,159,122)	(536,446)
Costs to be recovered in future years	39,701,954	--	--	39,701,954	18,774,460
Loss on extinguishment of debt	(17,278,873)	--	--	(17,278,873)	(17,275,264)
Due to other funds for fixed assets	(5,312)	--	--	(5,312)	(92,477)
Contributions from other funds	\$ 1,450,616	--	--	1,450,616	6,145,267

The accompanying notes are an integral part of the financial statements.

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## **1 -- REPORTING ENTITY**

The City of Austin, Texas (the City) is a municipal corporation incorporated under Article XI, Section 5 of the Constitution of the State of Texas (Home Rule Amendment). The City operates under a Council-Manager form of government, with a City Council composed of a Mayor and six Councilmembers, all of whom are elected at large for three-year staggered terms.

As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the City.

The City's major activities or functions include police and fire protection, emergency medical services, parks and libraries, public health and social services, planning and zoning, and general administrative services. In addition, the City owns and operates certain major enterprise activities, including an electric utility system, water and wastewater utility system, airport, convention center, and other enterprise activities. These activities are included in the accompanying financial statements.

### **Blended Component Units**

The Austin Housing Finance Corporation (AHFC) and Austin Industrial Development Corporation (AIDC) are legally separate entities from the City. AHFC and AIDC serve all the citizens of Austin and are governed by a board composed of the City Councilmembers. The activities are reported in the Housing Assistance Fund and Austin Industrial Development Corporation Fund, special revenue funds.

### **Related Organizations**

The City Council appoints certain members of the board of the Capital Metropolitan Transit Authority, but the City's accountability for this organization does not extend beyond making the appointments. In addition, City Councilmembers appoint themselves as members of the board of the ABIA (Austin-Bergstrom International Airport) Development Corporation; their function on this board is ministerial rather than substantive. The City has no financial accountability for these two entities.

The City retirement plans (described in Note 9) and the City of Austin Deferred Compensation Plan for City employees are not included in the City's reporting entity.

## **2 -- SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the City relating to the funds and account groups included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) in its publication GASB Statement 1 entitled *Authoritative Status of NCGA Pronouncements and AICPA Industry Auditing Guide*, and all subsequent GASB statements, interpretations, concept statements, and technical bulletins; the National Council on Governmental Accounting (NCGA) in the publication entitled *Governmental Accounting, Auditing, and Financial Reporting*, including NCGA Statements 1 through 7 and interpretations thereof; and by the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*. The following represent the more significant accounting and reporting policies and practices used by the City.

### **Audit**

The Charter of the City of Austin requires an annual audit by an independent certified public accountant.

### **Basis of Presentation**

The accounts of the City are organized and operated on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts that comprise its assets, liabilities, fund balances or retained earnings, revenues, and expenditures or expenses. The various funds are grouped by category and type in the financial statements. The City maintains the following fund types within three broad fund categories and the account groups:

2 -- SIGNIFICANT ACCOUNTING POLICIES, continued

**Governmental Funds**

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those, if any, which should be accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of financial position and changes in financial position rather than on determination of net income. The following governmental fund types are maintained by the City:

**General Fund** -- The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law, ordinance, or contractual agreement to other funds are accounted for in this fund.

**Special Revenue Funds** -- Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. There are four major groups of funds within the special revenue funds, in addition to the Housing Assistance Fund. Of these groups, three account for the activities related to grant programs and one accounts for activities for which expenditures are legally restricted. The groups are: Federal grant funds (both direct and indirect funds), State grant funds, other special revenue grant funds, and other special revenue funds.

**Debt Service Funds** -- The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, related costs and certain loans. The two debt service funds are as follows:

General Obligation Debt Service Fund  
HUD Section 108 Loan

**Capital Project Funds** -- Capital project funds are used to account for financial resources for the acquisition or construction of major capital facilities (other than those reported within proprietary funds and trust funds). Capital projects are funded primarily by general obligation debt, other tax supported debt, interest income, and other intergovernmental revenues.

In 1981, the City Council passed an ordinance that requires the establishment of a separate fund for each bond proposition approved in each bond election. These separate funds are grouped by year and by bond election date. There are eight major groups of funds within the capital projects funds that account for the activities related to various capital improvement projects as follows:

Prior to 1984: funds authorized prior to 1981;  
funds authorized August 29, 1981, for street and drainage, fire stations,  
traffic signals and emergency medical service projects;  
funds authorized September 11, 1982, for various purposes;  
funds authorized October 22, 1983, for Jollyville Road Improvements;  
1984: funds authorized September 8, 1984, for various purposes;  
1985: funds authorized January 19, 1985, for cultural arts;  
funds authorized July 26, 1985, for parks and recreation;  
funds authorized September 26, 1985, for art in public places;  
funds authorized December 14, 1985, for various purposes;  
1987: funds authorized September 3, 1987, for street improvements;  
1992: funds authorized August 10, 1992, for various purposes;  
1997: funds authorized May 3, 1997, for radio trunking;  
1998: funds authorized November 3, 1998, for various purposes; and  
Other: other funds established for various purposes.

**Proprietary Funds**

Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those found in the private sector. The measurement focus is on capital maintenance and on determination of net income, financial position, and changes in financial position.

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

**Enterprise Funds** -- Enterprise funds are used to account for operations: (1) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City's enterprise funds are the following:

<b>Fund</b>	<b>Accounts For</b>
Electric System	Activities of the City-owned electric utility
Water and Wastewater System	Activities of the City-owned water and wastewater utility
Hospital	Activities related to the lease of City-owned Brackenridge Hospital
Solid Waste Services	Solid waste collection and disposal activities
Airport	Operations of the Robert Mueller Municipal Airport and construction and operations of the Austin-Bergstrom International Airport
Convention Center	Operations of the Convention Center, Palmer Auditorium, and the City Coliseum
Drainage	Drainage management activities
Transportation	Street maintenance activities
Performance Contracting	Energy conservation products and service activities; fund closed to Electric fund in 1999
Golf	Public golf courses
Parks and Recreation	City-sponsored softball and recreation programs

**Internal Service Funds** -- Internal service funds are used to account for the financing of goods or services provided by one department or agency to other City departments or agencies or to other governmental units on a cost-reimbursement basis. The City maintains eight internal service funds as follows:

<b>Fund</b>	<b>Accounts For</b>
Fleet Maintenance Fund	Maintenance costs of City-owned vehicles and related revenues
Support Services Fund	Activities of the City's support service departments
Employee Benefits Fund	Activities related to the health, dental, and life insurance costs of City employees
Liability Reserve Fund	Coverage of the City's major claims liabilities
Workers' Compensation Fund	Workers' compensation costs
Radio Communication Fund	Radio communication services for City departments and area agencies
Infrastructure Support Services Fund	Activities for support services for the following four departments: Development, Review and Inspection Services; Planning, Environmental and Conservation Services; Public Works and Transportation; and Drainage Utility
Capital Projects Management Fund	Activities for management of the City's capital improvement projects

**Fiduciary Funds**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. Fiduciary funds include expendable and nonexpendable trust funds and agency funds.

**Expendable Trust Funds** -- Expendable trust funds are accounted for in essentially the same manner as governmental funds. The measurement focus is on determination of changes in financial position rather than on net income.

**Nonexpendable Trust Funds** -- These funds are accounted for in the same manner as proprietary funds, with the measurement focus on determination of net income and capital maintenance.

**Agency Funds** -- Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

**Account Groups**

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term liabilities. The following are the account groups maintained by the City:

*General Fixed Assets Account Group* -- This account group accounts for all fixed assets of the City other than those accounted for in the proprietary funds.

*General Long-Term Debt Account Group* -- This account group accounts for and provides control over all long-term liabilities other than those accounted for in the proprietary funds, including unmatured general obligation bonds.

**Basis of Accounting**

Basis of accounting refers to the time at which revenues and expenditures (governmental funds) or expenses (proprietary funds) are recognized in the accounts and reported in the financial statements.

Governmental funds, expendable trust funds, and agency funds are accounted for on the modified accrual basis of accounting. Under the modified accrual basis of accounting, certain revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, if measurable, are generally recognized on the accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include the unmatured principal and interest on general obligation long-term debt, which is recognized when due. This exception is in conformity with generally accepted governmental accounting principles. Agency funds use the modified accrual basis of accounting to recognize assets and liabilities.

Property tax revenues are recognized when they become available in accordance with GASB Interpretation No. 5, *Property Tax Revenue Recognition in Governmental Funds*. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (within 60 days). Tax collections expected to be received after the 60-day availability period are reported as deferred revenue. Sales taxes are also recognized when they become available in accordance with GASB Statement No. 22, *Accounting for Taxpayer-Assessed Tax Revenues in Governmental Funds*.

Mixed drink taxes and certain franchise fees are recorded when susceptible to accrual, i.e., both measurable and available. Money collected for licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) is recorded as revenue when received because it is generally not measurable until then.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual grant programs are used for guidance. For most of the City's grants, money must be expended for the specific purpose or project before any amounts will be paid to the City. For all grants, revenues are recognized based upon the expenditures recorded.

Investment earnings are recorded on the accrual basis in all funds; unrealized gains or losses on investments are also recognized in all funds.

Proprietary funds and nonexpendable trust funds use the accrual basis of accounting, under which revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recorded in the accounting period incurred, if measurable.

Revenues in the Electric Fund, Water and Wastewater Fund, Solid Waste Services Fund, Drainage Fund, and Transportation Fund are recognized as they are billed to customers on a cyclical basis. Electric rates include a fixed rate and a fuel recovery cost-adjustment factor that allows recovery of coal, gas, purchased power, and other fuel costs. Unbilled revenues are recorded if actual fuel costs differ from amounts billed to customers, and any over-collections or under-collections are applied to the cost-adjustment factor, which is revised annually.

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

Revenues for the airport fund are recognized as they are billed to customers. Effective November 1, 1993, the Airport Fund began to charge each enplaned passenger a \$3 passenger facility charge, as allowed by the Federal Aviation Administration. Airport Fund 1999 operating revenues included passenger facility charges of \$8,851,841. These funds were approved by the FAA for debt service payments for the Austin-Bergstrom International Airport.

Revenues for the Convention Center are recognized as they are billed to customers upon completion of events held at the Convention Center facilities.

**Rates**

The Texas Public Utility Commission has jurisdiction over electric utility transmission rates. The City Council has jurisdiction over all other electric utility rates and over all water and wastewater utility rates and other services. The Council's determination of water and wastewater utility rates and electric utility rates is based on the cost of operations and a debt service coverage approach.

**Budget**

In accordance with the City Charter, the City adheres to the following procedures in establishing its operating budgets:

- (1) At least thirty days prior to the beginning of the new fiscal year, the City Manager submits a proposed budget to the City Council. The budget represents the financial plan for the new fiscal year and includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted on the budget.
- (3) The budget is legally enacted by the City Council no later than the twenty-seventh day of the last month of the old fiscal year, through passage of an appropriation ordinance and tax levying ordinance.
- (4) The City Manager has the authority to transfer appropriation balances from one expenditure account to another within a single office, department, or agency of the City. The City Council must approve amendments to the budget and transfers of appropriations from one office, department, or agency to another. The budgetary data presented in these financial statements have been revised for amendments authorized during the year. A reconciliation of original to amended budget for the General Fund is presented in Note 3.
- (5) Formal budgetary control through the accounting system is employed as a management control device during the year for the General Fund, certain non-grant special revenue funds, debt service funds and proprietary funds. Management control for the operating budget is maintained at the office, department or agency level. Formal budgetary control through the accounting system is employed as a management control device in the special revenue grant funds and capital projects funds for the life of the related grants or projects.
- (6) Annual budgets are legally adopted for the General Fund, certain special revenue funds, debt service funds, certain trust funds, and proprietary funds. Budgets for the grant-related special revenue funds are established pursuant to the terms of the related grant awards. A comparison of budget to actual is presented in the financial statements for all governmental funds that adopt annual budgets. A comparison of budget to actual for other fund types is prepared for budget purposes, but is not legally required and is not presented in the financial statements.

Capital project fund appropriations are increased on an annual basis through the budgetary process. However, the budgets are not binding on an annual basis. Rather, budgets are long-range and are used for planning purposes. Accordingly, no comparison of budget to actual is presented in the financial statements for such funds.

- (7) The City Charter does not permit a deficiency of anticipated revenues over appropriations. If at any time during the fiscal year the City Manager determines that available revenues plus beginning fund balance will be less than total appropriations for the year, he or she shall reconsider the work programs of the departments and agencies and revise them to prevent deficit spending. Expenditures may not legally exceed budgeted activities at the departmental level.

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

(8) At the close of each fiscal year, any unencumbered appropriation balances (appropriation less current year expenditures and encumbrances) in the General Fund and certain special revenue funds lapse or revert to the undesignated fund balance. In the proprietary funds, unencumbered appropriations also lapse but do not revert to fund balance for accounting purposes because of the differences in methods of accounting. Unencumbered appropriation balances in the grant-related special revenue funds and capital projects funds do not lapse at year end.

Certain differences exist between the basis of accounting used for budgetary purposes (budget basis) and that used for reporting in accordance with generally accepted accounting principles (GAAP basis). These differences, as well as other information regarding budgetary control, are described in Note 3.

**Encumbrances**

Encumbrances represent commitments for unperformed (executory) contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded to reserve appropriations, is used in the governmental funds.

Encumbrances outstanding at year end are reported as reservations of fund balance and do not constitute GAAP-basis expenditures or liabilities, since the commitments will be honored during the subsequent year.

For budgetary purposes, unencumbered appropriations lapse at year end. Encumbrances outstanding at year end and the related appropriation are available for expenditure in subsequent years. For governmental funds, encumbrances constitute the equivalent of expenditures for budgetary purposes and accordingly, the accompanying financial statements present comparisons of actual results to the budgets for governmental funds on a budget-basis (see Note 3).

**Pooled Investments and Cash**

Cash balances of all City funds (except for certain funds shown in Note 6 as having non-pooled investments) are pooled and invested. Investments purchased with pooled cash, consisting primarily of U.S. government obligations and U.S. agency obligations, are stated at fair value. Interest earned on investments purchased with pooled cash is allocated monthly to each participating fund based upon the fund's average daily balance. Funds that incur a negative balance in pooled cash and investments are not allocated interest earnings nor charged interest expense.

**Investments**

The City adopted Governmental Accounting Standards Board (GASB) Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* (see Note 6) as of October 1, 1997. GASB Statement 31 requires certain investments to be reported at fair value. The fair value is based on quoted market prices. Realized gains or losses resulting from the sale of investments are determined by the specific cost of the securities sold. The City carries all of its investments at fair value as of September 30, 1999.

**Inventories**

Inventories are valued at cost, which is determined as follows:

<b>Fund</b>	<b>Inventory Valuation Method</b>
General Fund	Average cost (predominantly); some first-in, first-out
Electric Fund	
Fuel oil and coal	Last-in, first out
Other inventories	Average cost
All other funds	Average cost

Inventories for all funds use the consumption method and record expenditures when issued. Inventories reported in the General Fund are offset by a fund balance reserve, which indicates they do not represent "available spendable resources."

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

**Property, Plant and Equipment -- Proprietary Funds**

Property, plant and equipment owned by the proprietary funds are stated at historical cost. Maintenance and repairs are charged to operations as incurred, and improvements and betterments that extend the useful lives of fixed assets are capitalized. Interest paid on long-term debt in the enterprise funds is capitalized when it can be attributed to a specific project and when it materially exceeds the interest revenue generated by the bond proceeds issued to fund the project. Depreciation of plant and equipment classified by functional components is provided by the straight-line method over their estimated useful lives. Estimated useful lives are as follows:

Electric Fund and Water and Wastewater Fund:	
Plant	30-50 years
Improvements to grounds	30-50 years
Transmission and distribution system	12-50 years
Other machinery and equipment	7-30 years
Vehicles	7 years
Other Enterprise Funds and Internal Service Funds:	
Buildings and improvements	40 years
Improvements to grounds	15 years
Machinery and equipment	7-12 years
Vehicles	7 years

Depreciation of completed but unclassified fixed assets is provided by the straight-line method, using a composite rate.

The City is accelerating the depreciation of two generating stations that will be retired before the end of their estimated useful life. The increase to Electric Fund 1999 depreciation expense for this accelerated depreciation is \$560,093.

The City accelerated the depreciation of buildings and improvements at Robert Mueller Municipal Airport to reflect the 1999 closure of Mueller Airport and the opening of the Austin-Bergstrom International Airport. The increase to Airport Fund 1999 depreciation expense for this accelerated depreciation is approximately \$7 million. In addition, the City has recorded capitalized interest in the Airport Fund of \$18,601,484, related to construction of Austin-Bergstrom International Airport.

When the City retires or otherwise disposes of proprietary fund fixed assets (other than debt-financed assets of the utility funds), it recognizes a gain or loss on the disposal of the assets.

Federal, State or local grant funds that are restricted to purchasing property, plant, and equipment and contributions in aid of construction are recorded as equity contributions when received. Depreciation on contributed assets is recorded as an expense in the statement of operations and then transferred to the related contribution accounts. Contributions of funds from the municipality are recorded as equity contributions when received.

**General Fixed Assets**

General fixed assets have been acquired for general governmental purposes. Assets purchased or constructed are recorded as expenditures in the governmental funds and capitalized at historical cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded in the General Fixed Assets Account Group at estimated fair market value at the time received.

The City does not capitalize public domain general fixed assets (infrastructure) and, accordingly, no such assets are recorded in the General Fixed Assets Account Group. Infrastructure consists of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Such assets normally are immovable and are of value only to the City. Therefore, the responsibility for stewardship for capital expenditures is satisfied without recording these assets.

No depreciation has been provided on general fixed assets. No interest has been capitalized on general fixed assets.

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

**Long-Term Debt**

The debt service for general obligation bonds and other general obligation debt issued to fund general government capital projects is paid from tax revenues and interfund transfers. Such general obligation debt is recorded in the General Long-Term Debt Account Group.

The debt service for general obligation bonds and other general obligation debt issued to fund proprietary fund capital projects is normally paid from net revenues of the applicable proprietary fund, although such debt will be repaid from tax revenues if necessary. Such general obligation debt is shown as a specific liability of the applicable proprietary fund, which is appropriate under generally accepted accounting principles and in view of the expectation that the proprietary fund will provide resources to service the debt.

Revenue bonds that have been issued to fund capital projects of certain enterprise funds are to be repaid from net revenues of these funds. Such debt is recorded in the funds.

The City defers and amortizes gains or losses that its proprietary funds realize on refundings of debt and reports both the new debt liability and the related deferred amount on the funds' balance sheets. The City recognizes gains or losses on debt defeasance when funds from current operations are used.

**Compensated Absences**

All full-time employees accumulate vacation benefits in varying annual amounts up to a maximum allowable accumulation of six weeks. All full-time employees earn sick leave benefits at a rate of twelve days per year; these benefits may be accumulated without limit. Upon termination, an employee is reimbursed for all accumulated vacation days. If the terminating employee was employed prior to October 1, 1986 and leaves in good standing, reimbursement is also made for all accrued sick leave up to ninety days. Certain employees are also allowed to accumulate credit for compensatory time in lieu of overtime pay up to 120 hours. Compensatory time accrued by employees is taken into consideration when calculating accrued compensated absence liabilities. Compensated absence liabilities include employment-related taxes.

For governmental funds, the estimated current portion of the accrued vacation and sick pay liability is recorded as an expenditure and liability in the General Fund, or special revenue fund, with the non-current portion of the liability recorded in the General Long-Term Debt Account Group. The current portion is estimated based on amounts paid to terminating employees during the most recent fiscal year. Actual vacation and sick benefits paid during the year are recorded as expenditures in the governmental funds.

For proprietary funds, vacation and sick pay are recorded as an expense and related liability in the year earned. The current portion is estimated based on an analysis of the historical use of benefits by the employees.

**Risk Management**

The City is exposed to employee-related risks for health benefits and workers' compensation, as well as to various risks of loss related to torts, including medical malpractice; theft of, damage to, or destruction of assets; errors and omissions; and natural disasters. The City continues to be self-insured for liabilities for most health benefits, third-party and workers' compensation claims.

The City purchases commercial insurance for coverage for property loss or damage, commercial crime, fidelity bond, and airport operations. In addition, the City purchases a broad range of insurance coverage for contractors working at selected capital improvement project sites. The City does not participate in a risk pool. The City complies with GASB Statement 10, *Accounting and Reporting for Risk Financing and Related Insurance Issues* (see Note 21).

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

**Pension Plans**

It is the policy of the City to fund pension costs annually. Pension costs are composed of normal cost and, where applicable, amortization of unfunded actuarial accrued liability and of unfunded prior service cost (see Note 9).

**Federal and State Grants, Entitlements and Shared Revenues**

Grants, entitlements and shared revenues may be accounted for within any of the seven fund types. The purpose and requirements of each grant, entitlement, or shared revenue are analyzed to determine the proper fund type in which to record the related transactions. Grants, entitlements and shared revenues received for activities normally recorded in a particular fund type may be accounted for in that fund type, provided that applicable legal restrictions can be satisfied.

Revenues received for activities normally recorded in other governmental funds are accounted for within these special revenue fund groups: Federal grant funds, State grant funds, and other special revenue grant funds. Capital grants restricted for capital acquisitions or construction, other than those associated with proprietary type funds, are accounted for in the applicable capital projects funds. Revenues received for operating activities of proprietary funds or revenues that may be used for either operations or capital expenditures at the discretion of the City are recognized in the applicable proprietary fund. Grant money restricted for acquisition or construction of capital assets is recorded as contributed equity in the applicable proprietary fund.

**Intergovernmental Revenues, Receivables and Liabilities**

Intergovernmental revenues and related receivables arise primarily through funding received from Federal and State grants. These revenues and receivables are earned through expenditure of money for grant purposes. Intergovernmental liabilities arise primarily from funds held in an agency capacity for other local governmental units.

**Transactions Between Funds**

During the course of normal operations, the City has numerous transactions between funds. Short-term advances between funds are accounted for in the pooled investments and cash accounts. Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the governmental unit are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions between funds that constitute reimbursements for expenditures or expenses are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from the fund balance of governmental funds. Residual equity transfers to proprietary funds are treated as contributed capital, and such transfers from proprietary funds are reported as reductions of retained earnings or contributed capital as appropriate in the circumstances. All other legally authorized transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

**Comparative Data**

Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data, (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**Reclassifications and Restatements**

Certain comparative data have been reclassified or restated to present them in a manner consistent with the current year's financial statements.

**2 -- SIGNIFICANT ACCOUNTING POLICIES, continued**

**Total Columns on Combined Financial Statements**

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. No consolidating or other eliminations of interfund balances or transactions were made in arriving at the totals. Such data are not comparable to a consolidation.

**Deferred Items**

The City's utility systems are reported in accordance with Statement of Financial Accounting Standards No. 71, *Accounting for the Effects of Certain Types of Regulation*. Certain utility expenses that do not currently require funds are deferred to future periods in which they are intended to be recovered by rates. Likewise, certain credits to income are deferred to periods in which they are matched with related costs. These expenses or credits include changes in fair value in accordance with GASB Statement 31. Deferred expenses will be recovered in these future periods by setting rates sufficient to provide funds for the related debt service requirements. If rates being charged will not recover deferred expenses, the deferred expenses will be subject to write off.

Retail deregulation of electric rates in the future may affect the City's current accounting treatment of its electric utility revenues and expenses. Under a bill passed by the Texas Legislature in 1999, municipally owned utilities such as the City's utility system have the option of offering retail competition after January 1, 2002. City management has not made a decision to enter into retail competition, as allowed by State law, thus the effects of entering retail competition are uncertain and do not warrant a change in accounting policy.

**Statement of Cash Flows**

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be currency on hand, cash held by trustee, demand deposits with banks, and all amounts included in pooled investment and cash accounts.

**Landfill Closure and Postclosure Care Costs**

The City reports municipal solid waste landfill costs in accordance with GASB Statement 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*. The liability for landfill closure and postclosure costs is reported in the Solid Waste Services Fund, an enterprise fund.

**Governmental Accounting Standards Board (GASB) Statement 20**

In accordance with GASB Statement 20, the City is required to follow all Financial Accounting Standards Board (FASB) pronouncements issued prior to November 30, 1989, including FASB Statement 71, unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to follow FASB pronouncements issued subsequent to that date.

**3 -- BUDGET BASIS REPORTING**

**a -- General**

The City of Austin prepares its annual operating budget on a basis (budget basis) that differs from generally accepted accounting principles (GAAP basis). In order to provide a meaningful comparison of actual results with the budget, the Combined Statement of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual-Budget Basis for the General Fund, certain special revenue funds, and debt service funds present the actual and budget amounts in accordance with the City's budget basis.

**3 -- BUDGET BASIS REPORTING, continued**

**b -- Reconciliation of GAAP Basis and Budget Basis Amounts**

The primary differences between GAAP and budget reporting for the General Fund are the reporting of encumbrances, the recording of compensated absences on the accrual basis (GAAP), as opposed to the cash basis (budget), and the reporting of certain operating transfers. The differences for those special revenue funds that have a legally adopted annual budget are the reporting of encumbrances and the recording of payroll and compensated absences on the accrual basis (GAAP), as opposed to the cash basis (budget). General Fund accrued payroll is recorded at the department level on the accrual basis and in nondepartmental expenditures on the actual-budget basis. Adjustments necessary to convert the excess of revenues and other sources over expenditures and other uses on a GAAP basis to a budget basis for the General Fund and these special revenue funds are provided as follows:

	<u>General Fund</u>	<u>Special Revenue Funds (1)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses - GAAP basis	\$ (6,895,175)	1,412,774
Adjustment:		
Less: Excess revenues and other sources over expenditures and other uses for nonbudgeted funds - GAAP basis	--	(1,964,680)
Adjusted excess (deficiency) of revenues and other sources over expenditures and other uses - GAAP basis	(6,895,175)	(551,906)
Other adjustments:		
Increase (decrease) due to net compensated absences accrual	(517,603)	55,167
Decrease due to outstanding encumbrances established in 1999	(5,998,272)	(4,469,700)
Increase due to payments against prior year encumbrances	6,742,904	3,071,509
Excess (deficiency) of revenues and other sources over expenditures and other uses - budget basis	<u>\$ (6,668,146)</u>	<u>(1,894,930)</u>

(1) The special revenue funds that have legally adopted budgets are Aviation Asset Forfeiture; Balcones Canyonlands Conservation Plan; Child Safety; Disproportionate Share; Energy Conservation Rebates and Incentives; Environmental Remediation; Federally Qualified Health Center; Fee Waiver; Health and Human Services Travis County Reimbursed Fund; Hotel-Motel Occupancy Tax; Municipal Court Building Security; Neighborhood Housing and Conservation; One Texas Center; PARD Cultural Projects; Planning, Environmental and Conservation Services; Police Federal Seized Funds; Police Seized Money; Public Improvement District; Strategic Planning Investment; Telecommunity; and Tourism and Promotion.

Within the General Fund, the Municipal Court expenditures exceeded appropriations by \$43,917. In addition, the nondepartmental expenditures line reported expenditures in excess of appropriations of \$194,857. This area represents fund-wide costs not budgeted within individual departments.

The Municipal Court Building Security Fund and the Energy Conservation Rebates and Incentive Fund, budgeted special revenue funds, reported expenditures in excess of appropriations of \$1,878 and \$395,978, respectively. These funds did not report deficit fund balances.

Although the debt service funds are prepared on a budget basis, no differences exist between GAAP basis and budget basis fund balance for these funds except for the amount of enterprise-related and certain departmental-related debt payments (\$9,520,791) budgeted as operating transfers.

**3 -- BUDGET BASIS REPORTING, continued**

**c -- Budget Amendments**

The original budget of the General Fund was amended several times during 1999. The following table compares original to amended budgets:

	<b>Original Budget</b>	<b>Amendments Increase (Decrease)</b>	<b>Amended Budget</b>
<b>REVENUES</b>			
Taxes	\$ 212,483,666	6,097	212,489,763
Franchise fees	16,307,400	6,791	16,314,191
Fines, forfeitures and penalties	13,333,296	--	13,333,296
Licenses, permits and inspections	13,918,512	107,500	14,026,012
Charges for services/goods	11,992,881	992,032	12,984,913
Interest and other	5,824,876	1,132,934	6,957,810
Total revenues	<u>273,860,631</u>	<u>2,245,354</u>	<u>276,105,985</u>
<b>EXPENDITURES</b>			
Administration	7,819,132	--	7,819,132
Urban growth management	8,929,054	261,211	9,190,265
Public safety	171,841,558	1,421,899	173,263,457
Public services and utilities	11,091,767	14,531	11,106,298
Public health:			
Physician stipend/Charity care	10,495,146	--	10,495,146
Medical Assistance Program-			
hospital contracted services/patient services	5,439,657	409,243	5,848,900
Other public health	25,860,347	(323,743)	25,536,604
Public recreation and culture	39,738,219	537,406	40,275,625
Social services management	9,087,548	--	9,087,548
Nondepartmental expenditures	7,071,708	--	7,071,708
Total expenditures	<u>297,374,136</u>	<u>2,320,547</u>	<u>299,694,683</u>
<b>TRANSFERS</b>			
Operating transfers in	72,008,619	2,695,860	74,704,479
Operating transfers out	(66,428,509)	(4,548,778)	(70,977,287)
Total transfers	<u>5,580,110</u>	<u>(1,852,918)</u>	<u>3,727,192</u>
Deficiency of revenues and other sources over expenditures and other uses	<u>\$ (17,933,395)</u>	<u>(1,928,111)</u>	<u>(19,861,506)</u>

The amended budget is presented in the accompanying financial statements. The General Fund budget includes other requirements, which are presented here in the nondepartmental category. The amended budget for these nondepartmental requirements includes the following: tuition reimbursement (\$85,000), accrued payroll (\$1,701,200) and expenses for workers' compensation (\$2,285,508) and liability reserve (\$3,000,000).

**3 -- BUDGET BASIS REPORTING, continued**

There were budget amendments to the following special revenue funds during 1999:

	<u>Original Budget</u>	<u>Amendments Increase (Decrease)</u>	<u>Amended Budget</u>
<b>REVENUES</b>			
Planning, Environmental and Conservation Services	\$ 8,835,144	(7,481,032)	1,354,112
Public Improvement District	--	978,082	978,082
<b>EXPENDITURES</b>			
Planning, Environmental and Conservation Services	10,591,139	(7,127,135)	3,464,004
Public Improvement District	--	1,051,540	1,051,540
<b>OPERATING TRANSFERS IN</b>			
Planning, Environmental and Conservation Services	2,622,365	(65,817)	2,556,548
Public Improvement District	--	137,734	137,734
<b>OPERATING TRANSFERS OUT</b>			
Planning, Environmental and Conservation Services	1,229,603	(782,947)	446,656

During fiscal year 1999, the General Obligation Debt Service Fund had one budget amendment. The amendment increased other revenue and principal retirement by \$75,792.

**4 -- DEFICITS IN FUND BALANCE AND RETAINED EARNINGS**

At September 30, 1999, the funds below reported deficits in fund balance or fund equity. Management intends to recover these deficits through future operating revenues, transfers or future debt issues.

	<u>Deficit Fund Balance</u>		<u>Deficit Retained Earnings</u>
<b>Special Revenue Funds:</b>		<b>Enterprise Funds:</b>	
Austin Transportation Study	\$ 48,011	Parks and Recreation	\$ 209,117
Fiscal Surety--Land Development	267,475	<b>Internal Service Funds:</b>	
<b>Capital Projects Funds:</b>		Employee Benefits Fund	6,599,358
Library	90,804	Liability Reserve Fund	683,032
Energy improvements--city facilities	70,646		
Parks/Old Bakery	256,288		
Police facilities	13,785		
Cultural arts and land	526,699		
Drainage and flood control	2,819,271		
Traffic signals	1,575,218		
Parks and recreation facilities	417,074		
Build Austin	877,301		
Central City Entertainment Center	39,822		
Watershed Protection	7,686,415		
Tanglewood park	64,197		
City Hall, plaza, parking garage	494,405		
Interest income fund	2,022,150		

**5 -- POOLED INVESTMENTS AND CASH**

The following summarizes the amounts of pooled investments and cash by fund type at September 30, 1999:

	<b>Pooled Investments and Cash</b>	
	<b>Unrestricted</b>	<b>Restricted</b>
General Fund	\$ 37,561,650	--
Special Revenue Funds	48,462,665	--
Capital Projects Funds	115,535,763	--
Enterprise Funds:		
Electric	45,208,827	99,216,087
Water and Wastewater	34,611,568	81,109,570
Hospital	24,971,787	7,500,000
Solid Waste Services	9,860,194	16,559,607
Airport	2,508,955	49,606,544
Convention Center	7,274,063	134,426,927
Other	7,777,706	27,640,793
Internal Service Funds	47,005,798	3,602,295
Fiduciary Funds	8,241,401	--
Subtotal pooled investments and cash	<u>389,020,377</u>	<u>419,661,823</u>
Total pooled investments and cash	<u>\$ 808,682,200</u>	

**6 -- INVESTMENTS AND DEPOSITS**

**INVESTMENTS**

Chapter 2256, Texas Government Code (The Public Funds Investment Act) and the City of Austin Investment Policy, authorize the City to invest in the following:

- (1) obligations of the U.S. Treasury or its agencies and instrumentalities;
- (2) direct obligations of the State of Texas;
- (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities;
- (4) obligations of states, agencies, counties, or cities rated A or better by a national investment rating firm;
- (5) certificates of deposit that are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or its successor, or secured by obligations described in (1) through (4) above, and having a market value of at least the principal amount of the certificates;
- (6) fully collateralized direct and reverse repurchase agreements. State statutes require that securities underlying repurchase agreements must have a market value of at least 100% of the repurchase agreement's cost. Money received by the City under the terms of a reverse security repurchase agreement may be used to acquire additional authorized securities, but the term of the authorized security acquired must mature not later than the expiration date stated in the reverse security repurchase agreement;
- (7) bankers acceptances accepted by a domestic bank maturing in 270 days or less from the date of its issuance and is rated at least A-1, P-1 by a national investment rating firm;
- (8) commercial paper with a stated maturity of 270 days or less from the date of its issuance and is either (a) rated not less than A-1, P-1 by at least two national investment rating firms, or (b) is rated at least A-1, P-1 by one national investment rating firm and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof;
- (9) SEC-regulated, no load money market mutual funds with a dollar weighted average portfolio maturity of 90 days or less, whose assets consist exclusively of securities described in (1) through (8) above and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share;
- (10) local government investment pools, such as the Texas Local Government Investment Pool, organized in accordance with Chapter 791, Texas Government Code (The Interlocal Cooperation Act), whose assets consist of the obligations described in (1) through (8) above. A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service; and

**6 -- INVESTMENTS AND DEPOSITS, continued**

(11) Share certificates issued by state or federal credit unions domiciled in Texas that are guaranteed or issued by the National Credit Union Share Insurance Fund or its successor, or secured by obligations described under (1) through (4) above having a market value of at least the principal amount of the certificates.

The City uses GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This statement requires that governmental entities should report investments at fair value on the balance sheet, and that all investment income, including changes in the fair value of investments, should be reported as revenue in the operating statement. The change in investment value is reported on the balance sheet in either pooled investments and cash for investment pool participants, or in investments, for those funds which hold their own investments; the revenue is reported on the income statement in interest income.

The City participates in the Texas Local Government Investment Pool (TexPool), which is an external investment pool. The State Comptroller of Public Accounts maintains oversight responsibility for TexPool. This responsibility includes the ability to influence operations, designation of management, and accountability for fiscal matters. Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. GASB Statement 31 allows 2a7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than market value to report net assets to compute share price. The fair value of the City's position in TexPool is the same as the value of TexPool shares.

State statutes permit the City to enter into certain reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. All sales of investments under reverse repurchase agreements are for fixed terms. In investing the proceeds of reverse repurchase agreements, the term to maturity of the investments is the same as the term of the reverse repurchase agreement. It is the City's policy to require a margin call at 1% or \$100,000, whichever is less, above the value of the underlying investments sold. The average amount of investments outstanding during the year was \$123 million. The maximum amount outstanding during 1999 was \$328 million. At year end, the City did not have any reverse repurchase agreements.

The City's investments (with exceptions noted above) are categorized below to give an indication of the level of risk (Category 1-lowest level of risk to Category 3-highest level of risk) assumed by the City at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City's agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the City's trust department or agent, but not in the City's name.

	Category			Fair Value
	1	2	3	
<u>Investments</u>				
Obligations of the U.S. government and its agencies	\$ 894,496,256	--	--	894,496,256
Commercial paper	59,970,000	--	--	59,970,000
	<u>954,466,256</u>	--	--	<u>954,466,256</u>
<u>Investments held by trustee</u>				
Obligations of the U.S. government and its agencies	51,927,202	--	--	51,927,202
	<u>1,006,393,458</u>	--	--	<u>1,006,393,458</u>
<u>Investments not categorized</u>				
Money market mutual funds				28,181
Texas Local Government Investment Pool (TexPool)				406,198,727
Total investments				<u>\$ 1,412,620,366</u>

**6 -- INVESTMENTS AND DEPOSITS, continued**

Investments owned by the various funds of the City at September 30, 1999, are as follows:

Description	Yields	Fair Value	Change in Fair Value
<b>NON-POOLED INVESTMENTS</b>			
Obligations of the U.S. government and its agencies	5.09% - 11.10%	\$ 379,980,511	(12,906,644)
Texas Local Government Investment Pool	5.33%	<u>227,233,357</u>	--
Total non-pooled investments		<u>607,213,868</u>	<u>(12,906,644)</u>
<b>POOLED INVESTMENTS</b>			
Money market mutual funds	5.00%	28,181	--
Obligations of the U.S. government and its agencies	5.18% - 5.59%	566,442,947	(6,836,281)
Commercial paper	5.30%	59,970,000	--
Texas Local Government Investment Pool	5.33%	<u>178,965,370</u>	--
Total pooled investments		<u>805,406,498</u>	<u>(6,836,281)</u>
<b>TOTAL ALL INVESTMENTS</b>		<u>\$ 1,412,620,366</u>	<u>(19,742,925)</u>

**DEPOSITS**

The September 30, 1999, carrying amount of deposits is as follows:

Cash		
Unrestricted	\$	153,898
Cash held by trustee		
Unrestricted		268,564
Restricted		24,657,907
Pooled cash		<u>3,631,540</u>
Total deposits	\$	<u>28,711,909</u>

All bank balances were either insured or collateralized with securities held by the City or by its agent in the City's name.

**7 -- PROPERTY TAXES**

The City's property tax is levied each October 1 on the assessed value listed as of January 1 for all real and personal property located in the City. The adjusted assessed value for the roll as of January 1, 1998, upon which the 1999 levy was based, was \$32,458,349,755.

Taxes are due by January 31 following the October 1 levy date. During the year ended September 30, 1999, 98.89% of the current tax levy (October 1, 1998) was collected. The statutory lien date is January 1.

The methods of property assessment and tax collection are determined by Texas statute. The statutes provide for a property tax code, county-wide appraisal districts, a State property tax board, and certain exemptions from taxation, such as intangible personal property, household goods, and family-owned automobiles.

The appraisal of property within the City is the responsibility of the Travis Central Appraisal District. The appraisal district is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City may require more frequent reviews of appraised values at its own expense. The Travis Central Appraisal District has chosen to review the value of property every two years. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

**7 -- PROPERTY TAXES, continued**

The City is authorized to set tax rates on property within the City limits. However, if the effective tax rate, excluding tax rates for bonds, certificates of obligation, and other contractual obligations, and adjusted for new improvements and revaluation, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate increase to no more than 8%.

Through a contractual arrangement, Travis County bills and collects property taxes for the City, as well as for several other governmental entities. The City is permitted by Article II, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. Under the City Charter, a limit on taxes levied for general governmental services, exclusive of payments of principal and interest on general obligation long-term debt, has been established at \$1.00 per \$100 assessed valuation. A practical limitation on taxes levied for debt service of \$1.50 per \$100 of assessed valuation is established by State Statute and City Charter limitations.

The tax rate to finance general governmental purposes, other than the payment of principal and interest on general obligation long-term debt, for the year ended September 30, 1999, was \$.3265 per \$100 assessed valuation. The City has a tax margin for general governmental purposes of \$.6735 per \$100 assessed valuation, and could levy approximately \$218,606,985 in additional taxes from the assessed valuation of \$32,458,349,755 before the legislative limit is reached.

**8 -- FIXED ASSETS**

Components of the City's fixed assets at September 30, 1999, are summarized as follows (in thousands of dollars):

	Electric Fund	Water & Wastewater Fund	Hospital Fund	Solid Waste Services Fund	Airport Fund	Convention Center Fund	Other Enterprise Funds	Internal Service Funds	General Fixed Assets	Total
Land and land rights	\$ 33,179	69,113	759	10,462	58,412	26,081	2,694	485	168,994	370,179
Buildings and improvements	547,068	1,212,511	74,017	1,152	84,263	80,575	11,039	3,530	174,723	2,188,878
Machinery and equipment	1,848,562	454,733	4	15,360	15,549	3,079	16,428	19,903	71,189	2,444,807
Completed assets not classified	159,026	118,990	7	12,945	480,993	3,801	8,651	28,226	--	812,639
Total plant in service	2,587,835	1,855,347	74,787	39,919	639,217	113,536	38,812	52,144	414,906	5,816,503
Less accumulated depreciation	(972,368)	(500,486)	(29,142)	(22,745)	(96,139)	(20,647)	(9,338)	(23,312)	--	(1,674,177)
Net property, plant and equipment in service	1,615,467	1,354,861	45,645	17,174	543,078	92,889	29,474	28,832	414,906	4,142,326
Construction in progress	52,799	124,984	--	9,792	59,135	4,580	19,323	5,297	184,475	460,385
Nuclear fuel, net of amortization	19,970	--	--	--	--	--	--	--	--	19,970
Plant held for future use	32,654	--	--	--	--	--	--	--	--	32,654
Total property, plant and equipment	\$ 1,720,890	1,479,845	45,645	26,966	602,213	97,469	48,797	34,129	599,381	4,655,335

The following table summarizes the changes in components of the General Fixed Assets Account Group for the year ended September 30, 1999:

	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Construction in Progress	Total
Balance, September 30, 1998	\$ 166,258,157	141,767,680	32,951,402	73,865,427	129,279,336	544,122,002
Additions	--	--	--	--	58,090,651	58,090,651
Retirements	--	(4,200)	--	(2,786,880)	(19,892)	(2,810,972)
Completed construction	2,735,817	--	8,296	1,161,484	(3,905,597)	--
Transfers from other funds	--	--	--	(1,050,946)	1,030,607	(20,339)
Balance, September 30, 1999	\$ 168,993,974	141,763,480	32,959,698	71,189,085	184,475,105	599,381,342

**8 -- FIXED ASSETS, continued**

The City does not capitalize public domain general fixed assets. This accounting policy affects only the General Fixed Asset Account Group. During 1999, the City did not capitalize completed infrastructure assets amounting to \$29,721,705.

Construction in progress includes various capital projects that are funded primarily by general obligation and revenue bonds. The General Fixed Asset Account Group includes as construction-in-progress certain completed capital projects in service at September 30, 1999, which have not been unitized or capitalized pending classification to the proper fixed asset in-service categories. In all other funds, completed construction unclassified is included in property, plant and equipment.

The City anticipates the need for numerous additional utility-related projects over the next several years. However, the City has no formal commitments to projects other than those currently under construction. Estimated unfunded future expenditures for capital projects will be funded from operations, issuance of additional general obligation or revenue bonds, or from alternative methods of financing.

**9 -- RETIREMENT PLANS**

**a -- Description**

The City participates in funding three contributory, defined benefit retirement plans: City of Austin Employees' Retirement and Pension Fund, City of Austin Police Officers' Retirement and Pension Fund, and Fire Fighters' Relief and Retirement Fund of Austin, Texas. An independent board of trustees administers each plan. These plans are City-wide single employer funded plans that cover substantially all full-time employees. The fiscal year of each pension fund ends December 31. The most recently available financial statements of the pension funds are for the year ended December 31, 1998. Membership in the plans at December 31, 1998 is as follows:

	City Employees	Police Officers	Fire Fighters	Total (Memorandum Only)
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	2,789	236	317	3,342
Current employees	6,311	1,159	840	8,310
Total	9,100	1,395	1,157	11,652

Each plan provides service retirement, death, disability and withdrawal benefits. State law governs benefit and contribution provisions. Amendments may be made by the Legislature of the State of Texas.

Financial reports that include financial statements and supplementary information for each plan are publicly available at the locations shown below.

Plan	Address	Telephone
Employees' Retirement and Pension Fund	418 E. Highland Mall Blvd. Austin, Texas 78752	(512)458-2551
Police Officers' Retirement and Pension Fund	P.O. Box 684808 Austin, Texas 78768-4808	(512)416-7672
Fire Fighters' Relief and Retirement Fund	3301 Northland Drive, Suite 215 Austin, Texas 78731	(512)454-9567

**9 -- RETIREMENT PLANS, continued**

**b – Funding Policy**

	<b>City of Austin Employees' Retirement and Pension Fund</b>	<b>City of Austin Police Officers' Retirement and Pension Fund</b>	<b>Fire Fighters' Relief and Retirement Fund</b>
Authority establishing contributions obligation	State Legislation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly	Biweekly
Employee's contribution (percent of earnings)	7.0%	9.0%	11.70 %
City's contribution (percent of earnings)	7.0% (1)	18.0%	20.05%

(1) The City contributes two-thirds of the cost of prior service benefit payments.

While the contribution requirements are not actuarially determined, state law requires that a qualified actuary approve each plan of benefits adopted. The actuary of each plan has certified that the contribution commitment by the participants and the City provide an adequate financing arrangement. Contributions for fiscal year ended September 30, 1999, are as follows (in thousands):

	<b>City Employees</b>	<b>Police Officers</b>	<b>Fire Fighters</b>	<b>Total (Memorandum Only)</b>
City	\$ 17,513	8,907	7,722	34,142
Employees	17,513	4,452	4,506	26,471
Total contributions	<u>\$ 35,026</u>	<u>13,359</u>	<u>12,228</u>	<u>60,613</u>

**c – Annual Pension Cost and Net Pension Obligation**

The City's annual pension cost of \$34,142,000 for fiscal year ended September 30, 1999, was equal to the City's required and actual contributions. Three-year trend information is as follows (in thousands):

	<b>City Employees</b>	<b>Police Officers</b>	<b>Fire Fighters</b>	<b>Total (Memorandum Only)</b>
City's Annual Pension Cost (APC):				
1997	\$ 15,287	6,850	6,270	28,407
1998	15,589	7,766	7,492	30,847
1999	17,513	8,907	7,722	34,142
Percentage of APC contributed:				
1997	100%	100%	100%	N/A
1998	100%	100%	100%	N/A
1999	100%	100%	100%	N/A
Net Pension Obligation:				
1997	\$ --	--	--	--
1998	--	--	--	--
1999	--	--	--	--

**9 -- RETIREMENT PLANS, continued**

Actuarial valuations of the plans are performed every two years. Actuarial updates are done in each year following the full valuation. The latest actuarial valuations were completed as of December 31, 1997. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

	<u>City Employees</u>	<u>Police Officers</u>	<u>Fire Fighters</u>
Actuarial Cost Method	Entry Age Actuarial Cost Method	Entry Age Actuarial Cost Method	Entry Age Actuarial Cost Method
Asset Valuation Basis	5-year smoothed market	5-year smoothed market	5-year smoothed market
Inflation Rate	4.25%	4%	5.5%
Projected Annual Salary Increases	4.75% to 14.75%	6.6% average	7%
Post retirement benefit increase	None	None	5% effective January 1, 1999 and 5% each January thereafter through 2004
Assumed Rate of Return on Investments	8%	8%	8%
Amortization method	Level percent of projected pay, open	Level percent of projected pay, open	Level percent of projected pay, open
Remaining Amortization Period	0 years	26.3 years	8.3 years

**d – Trend Information (Unaudited)**

Information pertaining to the latest actuarial valuations for each Plan is as follows (in thousands):

Valuation Date, December 31st	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (Excess)	Funded Ratio	Annual Covered Payroll	Percentage of Unfunded Actuarial Accrued Liability (Excess) to Covered Payroll
City Employees						
1993	\$ 579,100	541,200	(37,900)	107.0%	235,200	(16.1%)
1995	707,300	623,000	(84,300)	113.5%	221,000	(38.1%)
1997	856,423	832,140	(24,283)	102.9%	219,208	(11.1%)
Police Officers						
1993	97,093	106,127	9,034	91.5%	34,550	26.1%
1995	127,572	164,865	37,293	77.4%	36,211	103.0%
1997	168,602	222,703	54,101	75.7%	47,189	114.6%
Fire Fighters						
1993	\$ 175,612	193,343	17,731	90.8%	29,018	61.1%
1995	213,403	236,994	23,591	90.0%	32,496	72.6%
1997	268,241	279,472	11,231	96.0%	35,130	32.0%

**10 -- SELECTED REVENUES**

**a – Tobacco settlement revenues**

During 1999, the City of Austin participated in the Agreement Regarding Disposition of Tobacco Settlement Proceeds filed on July 24, 1998, in the case *The State of Texas v. The American Tobacco Co., et al.* Under the terms of the agreement, a political subdivision may receive a pro rata share of the annual distribution of settlement proceeds paid to the State of Texas. The total settlement amount for political subdivisions is approximately \$2.3 billion. Of this amount, \$450 million will be deposited into a lump sum account and distributed to local entities. The remainder of the settlement, approximately \$1.8 billion, will be deposited into a permanent account, and local entities will receive interest earnings from the investments of the account.

The first distribution payment from the lump sum account occurred in January 1999, with the distribution based on the population of each entity in the 1990 federal census. The total amount distributed to local entities was approximately \$300 million. The City received proceeds of approximately \$8.1 million for 1999; the proceeds are reported in the Hospital Operating Fund. Beginning in 2000, the annual distribution of settlement proceeds will be based on each entities' unreimbursed health care expenditures, as defined in the settlement agreement. The total distribution amount from the lump sum account is estimated to be \$100 million in 2000 and \$50 million in 2001. Income earned in the permanent account will also be included in the 2000 settlement amount, and will be the sole source of payments in subsequent years.

**b – Rental revenues**

Effective October 1, 1995, the City entered into a long-term lease arrangement with the Daughters of Charity Health Services of Austin to operate City-owned Brackenridge Hospital. This lease agreement qualifies as an operating lease for accounting purposes. Hospital Fund 1999 revenues included minimum lease payments of \$1,864,764.

The City has entered into certain lease agreements as lessor for concessions at the Airport. These lease agreements qualify as operating leases for accounting purposes. Airport Fund 1999 revenues included minimum concession guarantees of \$10,054,516.

The following is a schedule by year of minimum future rentals on noncancelable operating leases up to a term of ten years as of September 30, 1999.

<b>Fiscal Year Ended September 30</b>	<b>Hospital Fund</b>	<b>Airport Fund</b>
2000	\$ 1,864,764	6,734,381
2001	1,864,764	6,885,687
2002	1,864,764	6,875,946
2003	1,864,764	6,823,437
2004	1,864,764	6,196,222
Thereafter	39,160,044	20,926,468
Totals	<u>\$ 48,483,864</u>	<u>54,442,141</u>

**11 -- GENERAL LONG-TERM DEBT**

**a -- General Obligation Debt -- Capital Projects Funding**

Capital projects funds are used to account for the acquisition and construction of general fixed assets. Capital projects are funded primarily by the issuance of general obligation debt, other tax supported debt, interest income and intergovernmental revenues.

General obligation debt is collateralized by the full faith and credit of the City and is reported as an obligation of the General Long-Term Debt Account Group (GLTDAG), except as described below. The City intends to retire its general obligation debt, plus interest, from future ad valorem tax levies, and is required by ordinance to create from such tax revenues a sinking fund sufficient to pay the current interest due thereon and each installment of principal as it becomes due. General obligation debt issued to fund fixed assets of proprietary funds is reported as an obligation of these proprietary funds, although the funds are not obligated by the applicable bond indentures to repay any portion of principal and interest on outstanding general obligation debt. However, the City intends for the proprietary funds to meet the debt service requirements.

As described in Note 7, State Statute and the City Charter establish a practical limitation of \$1.50 per \$100 of assessed valuation on the debt service tax rate levied to service general obligation debt, including interest. The tax rate to finance the payment of principal and interest on general obligation long-term debt for the year ended September 30, 1999, was \$.1877 per \$100 assessed valuation. At September 30, 1999, allowable taxes related to debt service (assuming the rate of \$1.50 per \$100 assessed valuation) are approximately \$486,875,246, providing potential additional taxes for debt service of \$425,950,924 from the assessed valuation of \$32,458,349,755.

There are a number of limitations and restrictions contained in the various general obligation bond indentures. The City is in compliance with all limitations and restrictions.

**11 -- GENERAL LONG-TERM DEBT, continued**

The following table summarizes significant facts about general obligation bonds, certificates of obligation, contractual obligations, and tax notes outstanding at September 30, 1999, including those reported in certain proprietary funds:

			Amount Outstanding at September 30, 1999	Aggregate Interest Requirements at September 30, 1999	Interest Rates Of Debt Outstanding at September 30, 1999	Maturity Dates Of Serial Debt
	Date Issued	Original Issue	\$	\$	%	
Series 1985A	October, 1985	229,048,455	3,012,221 (2)	8,162,779 (1)	8.25	9/1/2000
Series 1990A&B	January, 1990	122,368,632	28,784,353 (3)	9,135,748 (1)	6.00 - 7.00	9/1/2000-2005
Series 1990C	November, 1990	25,000,000	1,060,000	70,490 (1)	6.65	9/1/2000
Series 1991A	November, 1991	25,000,000	2,810,000	412,031 (1)	5.88 - 8.88	9/1/2000-2002
Assumed MUD Debt	December, 1991	1,995,000	850,000	323,700 (7)	6.02 - 6.40	2/1/2000-2006
Series 1992	May, 1992	114,856,765	76,025,000 (5)	20,189,773 (1)	5.70 - 6.25	3/1/2000-2008
Series 1992	October, 1992	52,490,000	9,500,000	1,847,250 (1)	5.40 - 7.25	9/1/2000-2003
Series 1992	October, 1992	5,405,000	1,000,000	144,675 (1)	5.30 - 5.75	9/1/2000-2003
Series 1992	October, 1992	4,195,000	375,000	9,375 (4)	5.00	11/1/1999
Series 1993	February, 1993	71,600,000	64,180,000	23,104,733 (1)	4.90 - 5.75	9/1/2000-2009
Series 1993	October, 1993	25,000,000	21,185,000	8,181,531 (1)	4.13 - 5.50	9/1/2000-2013
Series 1993	October, 1993	6,435,000	5,455,000	2,106,404 (1)	4.13 - 5.50	9/1/2000-2013
Series 1993A	October, 1993	70,230,000	62,970,000	15,991,360 (1)	4.00 - 5.00	9/1/2000-2010
Series 1994	October, 1994	33,260,000	11,960,000	3,113,200 (1)	5.20 - 7.00	9/1/2000-2007
Series 1994	October, 1994	3,550,000	1,550,000	464,500 (1)	5.10 - 6.50	9/1/2000-2008
Series 1994	October, 1994	5,025,000	565,000	12,995 (4)	4.60	11/1/1999
Series 1995	October, 1995	30,250,000	22,140,000	12,259,025 (1)	4.80 - 7.75	9/1/2000-2013
Series 1995	October, 1995	8,660,000	6,620,000	2,984,055 (1)	4.75 - 6.00	9/1/2000-2013
Series 1995	October, 1995	8,205,000	2,690,000	115,171 (4)	4.20 - 4.25	11/1/1999-2000
Series 1996	October, 1996	30,550,000	13,825,000	7,467,738 (1)	4.50 - 6.00	9/1/2000-2011
Series 1996	October, 1996	11,755,000	8,000,000	971,858 (4)	4.50 - 4.80	11/1/1999-2003
Assumed MUD Debt	December, 1996	2,975,000	2,375,000	907,938 (7)	8.50 - 8.75	8/1/2000 - 2006
Taxable Series 1997	May, 1997	18,400,000	17,700,000	4,651,913 (1)	6.90 - 7.50	3/1/2000-2004
Series 1997	October, 1997	29,295,000	28,715,000	20,212,994 (1)	5.00 - 5.75	9/1/2000-2017
Series 1997	October, 1997	13,975,000	11,350,000	1,595,813 (4)	4.50	11/1/1999-2004
Series 1997	October, 1997	2,120,000	1,990,000	1,114,353 (1)	4.50 - 7.00	9/1/2000-2017
Assumed MUD Debt	December, 1997	33,680,000	30,675,000	23,110,357 (6)	4.40 - 10.50	11/15/1999-2021
Series 1998	January, 1998	110,300,000	110,090,000	61,581,153 (1)	3.70 - 5.25	9/1/2003-2016
Series 1998	October, 1998	13,430,000	13,430,000	9,164,370 (1)	4.40 - 7.13	9/1/2000-2018
Series 1998	October, 1998	22,770,000	22,150,000	12,303,038 (1)	4.10 - 7.00	9/1/2000-2018
Series 1998	October, 1998	14,975,000	14,270,000	2,261,672 (4)	3.90 - 4.50	11/1/1999-2005
Assumed MUD Debt	January, 1999	1,785,000	1,740,000	1,545,885 (1)	8.00 - 10.50	9/1/2000-2016

(1) Interest is paid semiannually on March 1 and September 1.

(2) Represents capital appreciation bonds.

(3) Includes \$14,158,632 of capital appreciation bonds, which have interest payable at maturity from 9/1/1997-2000.

(4) Interest is paid semiannually on May 1 and November 1.

(5) Includes \$13,281,765 of capital appreciation bonds, which have interest payable at maturity from 9/1/1997-1999.

(6) Interest is paid four times a year on March 1, May 15, September 1, and November 15.

(7) Interest is paid on February 1 and August 1.

**11 -- GENERAL LONG-TERM DEBT, continued**

In October 1998, the City issued Public Improvement Bonds, Series 1998, in the amount of \$13,430,000. Of the proceeds from the issue, \$6,743,000 will be used for street improvements, \$1,376,000 will be used for drainage and flood control, \$2,560,000 will be used for health, safety and welfare renovations, \$951,000 will be used for erosion and flood control, and \$1,800,000 will be used by various departments for communications equipment. These bonds will be amortized serially on September 1 of each year from 2001 to 2018. Certain of these bonds are callable beginning September 1, 2008. Interest is payable on March 1 and September 1 of each year, commencing March 1, 1999. Total interest requirements for these bonds, at rates ranging from 4.4% to 7.13%, aggregate \$9,831,518.

In October 1998, the City issued Public Property Finance Contractual Obligations, Series 1998, in the amount of \$14,975,000. Of the proceeds from the issue, \$1,520,000 will be used by Information Systems Department for communication equipment, \$250,000 will be used by the Solid Waste Services Department for capital equipment, \$3,505,000 will be used by the Water and Wastewater Department for capital equipment, and \$9,700,000 will be used by various departments for radio trunking. These contractual obligations will be amortized serially May 1 and November 1 of each year from 1999 to 2005. The contractual obligations are not subject to optional redemption prior to their maturity. Interest is payable on May 1 and November 1 of each year, commencing May 1, 1999. Total interest requirements for these contractual obligations, at rates ranging from 3.88% to 4.5%, aggregate \$2,675,897.

In October 1998, the City issued Certificates of Obligation, Series 1998, in the amount of \$22,770,000. Of the proceeds from the issue, \$10,500,000 will be used by the Public Works and Transportation Department for road construction and improvements, \$3,960,000 will be used by the Watershed Protection Department for drainage improvements, \$4,825,000 will be used by the Solid Waste Department for construction and improvement of solid waste disposal facilities, \$1,950,000 will be used by the Parks and Recreation Department for golf course improvements, and \$1,535,000 will be used by the Fleet Department for the purchase of real property located at 1006 Smith Road for vehicle maintenance purposes. These certificates of obligation will be amortized serially September 1 of each year from 1999 to 2018. Certain of these obligations are callable beginning September 1, 2008. Interest is payable on March 1 and September 1 of each year, commencing, March 1, 1999. Total interest requirements for these obligations, at rates ranging from 4.1% to 7.0%, aggregate \$13,443,633.

In January 1999, the City assumed debt related to the Municipal Utility Districts (MUDs) that were annexed, in the amount of \$1,785,000. \$697,580 of the assumed debt, which was issued to purchase infrastructure assets, is recorded in the General Long-Term Debt Account Group. The remaining assumed debt of \$1,087,420, which was issued to purchase water and wastewater facilities, is recorded in the Water and Wastewater Fund. Interest is payable on March 1 and September 1 of each year, commencing March 1, 1999. Total interest requirements for this debt at rates ranging from 8.0% to 10.5%, aggregate \$1,694,825.

**11 -- GENERAL LONG-TERM DEBT, continued**

The following is a summary of general obligation bonds, certificates of obligation, contractual obligation and tax note transactions of the City (including those of certain enterprise funds) for the year ended September 30, 1999 (in thousands of dollars):

	<b>General Obligation Bonds and Other Tax Supported Debt</b>	
	<b>General Long-Term Debt Account Group</b>	<b>Proprietary Funds</b>
<b>Balance payable--September 30, 1998</b>	\$ 507,297	43,713
Debt issued:		
Drainage and flood control improvements	2,500	1,460
Parks and recreation golf course improvements	--	1,950
Street improvements	6,743	--
Fleet/radio communications building	--	1,536
Erosion and flood control	2,327	--
Transportation Department for equipment	10,500	--
Health Department safety and welfare renovations	2,560	--
Public safety	1,375	--
Radio trunking for various departments	7,410	425
Solid Waste Department for equipment	--	5,075
Information Systems Office equipment	--	3,810
Water and Wastewater Department equipment	--	3,505
Debt issued during the year	33,415	17,761
Debt retired during the year	(23,781)	(6,709)
Assumed MUD debt due to annexation	698	--
<b>Balance payable--September 30, 1999</b>	<b>\$ 517,629</b>	<b>54,765</b>

General obligation bonds authorized and unissued amount to \$400,205,000 at September 30, 1999. Bond ratings at September 30, 1999, were Aa2 (Moody's Investor Service, Inc.), AA (Standard & Poor's) and AA+ (Fitch).

**b -- Other Long-Term Debt**

In addition to general obligation bonds, certificates of obligation, contractual obligations, and tax notes, the General Long-Term Debt Account Group includes all liabilities of the City (other than those reported in the proprietary funds) which are not due in the current period. Compensated absences liability was \$42,658,185 in 1998 and increased \$897,168 to a balance of \$43,555,353 in 1999. During 1999, the City recognized loans of \$10,710,649, and retired \$491,485, for a balance of \$10,219,164 at September 30, 1999.

**12 -- ENTERPRISE FUNDS -- REVENUE BONDS AND OTHER LONG-TERM DEBT**

**a -- Combined Utility Systems Debt -- General**

The City's Electric Fund and Water and Wastewater Fund comprise the "Combined Utility Systems," which issue Combined Utility Systems revenue bonds to fund Electric Fund and Water and Wastewater Fund capital projects. Principal and interest on these bonds are payable solely from the combined net revenues of the Electric Fund and Water and Wastewater Fund. The following table summarizes Combined Utility Systems revenue bonds and other long-term financing transactions for the year ended September 30, 1999 (in thousands of dollars):

<b>Description</b> <b>(Net of discount and inclusive of premium)</b>	<b>Subordinate</b> <b>Lien Bonds</b>	<b>Prior Lien</b> <b>Bonds</b>	<b>Total</b>
Balance payable, October 1, 1998	\$ 134,980	2,221,109	2,356,089
Debt issued	255,690	--	255,690
Debt repaid, defeased, or refunded	(32,710)	(217,720)	(250,430)
Amortization of bond discount and premium	5,982	1,748	7,730
Balance payable, September 30, 1999	<u>\$ 363,942</u>	<u>2,005,137</u>	<u>2,369,079</u>

The total Combined Utility Systems revenue bond obligations at September 30, 1999, consist of \$2,023,568,409 prior lien bonds and \$357,804,512 subordinate lien bonds. Aggregate interest requirements for all prior lien and subordinate lien bonds are \$1,781,570,832 at September 30, 1999. Revenue bonds authorized and unissued amount to \$1,492,642,660 at that date. At September 30, 1999, Moody's Investors Service rated the prior lien and subordinate lien bonds A2, while Fitch rated them A. Standard and Poor's rated the prior lien A and the subordinate lien A-.

**b -- Combined Utility Systems Debt -- Revenue Bond Indenture Requirements**

The City is required by bond indentures to pledge the net revenues of the Combined Utility Systems for debt service, and is required to maintain debt service funds and bond reserve funds for all outstanding revenue bonds. The debt service funds, with assets of \$306,718,615 including accrued interest at September 30, 1999, are restricted within the utility systems and require that the net revenues of the systems, after operating and maintenance expenses are deducted, be irrevocably pledged by providing equal monthly installments that will accumulate to the semiannual principal and interest requirements as they become due.

The bond reserve fund for revenue bond retirement, with assets of \$160,534,152 of investments at fair value at September 30, 1999, is also restricted within the utility systems. The City is required to maintain a combined reserve fund for the benefit of the holders of prior lien bonds and subordinate lien bonds, which must contain cash and investments of not less than \$85,000,000 and which shall be increased upon the issuance of any additional bonds to the greater of such amount or the average annual principal and interest requirements on all prior lien bonds and subordinate lien bonds. Additional amounts required to be deposited in the reserve fund must be funded from bond proceeds or accumulated in the reserve fund in equal monthly installments within 60 months from the date of delivery of the additional bonds.

The City also covenants under the bond indentures that the custodian of the reserve fund shall be an official City depository and investment of the reserve fund shall be in direct or guaranteed obligations of the United States of America (USA), including obligations guaranteed by the USA, and certificates of deposit of any bank or trust company, the deposits of which are fully secured by a pledge or obligation of the USA or guaranteed by the USA. The revenue bond indentures also provide for a number of other limitations and restrictions. The City is in compliance with all significant limitations and restrictions contained in the revenue bond indentures.

**c -- Combined Utility Systems Debt -- Revenue Bond Refunding Issues**

The Combined Utility Systems have refunded various issues of revenue bonds, notes, and certificates of obligation through refunding revenue bonds. Principal and interest on these refunding bonds are payable solely from the combined net revenues of the City's Electric Fund and Water and Wastewater Fund.

**12 -- ENTERPRISE FUNDS -- REVENUE BONDS AND OTHER LONG-TERM DEBT, continued**

The prior lien bonds are subordinate only to the prior lien revenue bonds outstanding at the time of issuance, while the subordinate lien bonds are subordinate to prior lien revenue bonds and to subordinate lien revenue bonds outstanding at the time of issuance.

Some of these bonds are callable prior to maturity at the option of the City. The term bonds are subject to a mandatory redemption prior to the maturity dates as defined in the respective official statements.

The net proceeds of each of the refunding bond issuances were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service. As a result, the refunded bonds are considered to be legally defeased and the liability for the refunded bonds have been removed. The accounting gains and losses due to the advance refunding of debt have been deferred and are being amortized over the life of the refunding bonds by the straight-line method. However, a gain or loss on defeased bonds is recognized when funds from current operations are used.

In November 1998, the City issued \$245,314,512 of Combined Utility Systems Revenue Refunding Bonds to refund \$139,550,000 of previously issued Combined Utility Systems Revenue Bonds and \$100,000,000 of Combined Utility Systems Commercial Paper Notes, Series A.

The refunding of the Refunded Bonds will accomplish a restructuring of a portion of the debt attributable to the Electric, Water and Wastewater Systems in order to more closely match debt service with the service life of the assets. In fiscal year 1999, the refunding will convert a portion of the Commercial Paper Notes then currently outstanding to long-term debt.

The refunding resulted in a decrease in cash flow requirements to service the debt of \$8,208,656. An economic gain of \$7,132,475 was recognized on this transaction. An accounting loss of \$15,978,149 which will be deferred and amortized in accordance with Statement of Financial Accounting Standards No. 71, was recognized on the refunding. The following bonds were refunded in this transaction (in thousands of dollars):

<u>Series</u>	<u>Amount</u>
	\$
1994 Refunding	35,400
1995 Refunding	103,100
1996A Refunding	1,010
1996B Refunding	40

In September 1999, the City defeased \$15,267,139 of Combined Utility Systems revenue bonds, with a \$16,964,085 cash payment. \$16,929,085 was placed in an irrevocable escrow account and used to purchase U.S. government obligations to provide for all future debt service payments on the defeased bonds. The City is legally released from the obligation for the defeased debt. The following bonds were defeased in September 1999 (in thousands of dollars):

<u>Series</u>	<u>Amount</u>
	\$
1992 Refunding	515
1993 Refunding	850
1993A Refunding	5,632
1996 Refunding	260
1998 Refunding	2,840
1998A Refunding	5,170

**12 -- ENTERPRISE FUNDS -- REVENUE BONDS AND OTHER LONG-TERM DEBT, continued**

**d -- Combined Utility Systems Debt -- Bonds Issued and Outstanding**

The following schedule shows all original and refunding revenue bonds outstanding at September 30, 1999 (in thousands of dollars):

Series	Bonds Dated	Original Amount	Outstanding at
		Issued	September 30, 1999
		\$	\$
1982 Refunding	March 1982	598,000	95,045
1985	March 1985	225,000	3,790
1985A	November 1985	162,000	2,340
1986A	April 1986	325,000	6,730
1986C	November 1986	137,915	5,360
1986 Refunding	March 1986	545,145	34,970
1987	May 1987	65,000	3,175
1988AB Refunding	October 1988	369,901	12,403
1989	July 1989	65,800	4,145
1990	August 1990	6,395	4,630
1990AB Refunding	February 1990	236,009	41,301
1991A Refunding	June 1991	57,080	36,900
1992 Refunding	March 1992	265,806	243,876
1992A Refunding	May 1992	351,706	324,776
1993 Refunding	February 1993	203,166	175,221
1993A Refunding	June 1993	263,410	207,817
1994	May 1994	3,500	3,050
1994 Refunding	October 1994	142,559	107,159
1995 Refunding	June 1995	151,770	46,670
1996AB Refunding	September 1996	249,235	247,895
1997 Refunding	August 1997	227,215	224,030
1998 Refunding	August 1998	180,000	177,160
1998A Refunding	August 1998	123,020	117,850
1998 Refunding	November 1998	245,315	245,080
1998	November 1998	10,000	10,000
			<u>\$ 2,381,373</u>

**e -- Combined Utility Systems Debt -- Commercial Paper Notes**

The City is authorized pursuant to Ordinance No. 961121-A adopted by the City Council on November 21, 1996, to issue commercial paper notes, (the "notes"), in an aggregate principal amount not to exceed \$350,000,000 outstanding at any one time. Proceeds from the notes are used to provide interim financing for capital project costs for additions, improvements and extensions to the City's Electric System and the City's Water and Wastewater System and to refinance, renew, or refund maturing notes and other obligations of the systems.

The notes will be in denominations of \$100,000 or more and mature not more than 270 days from the date of issuance. Principal and interest on the notes are payable from the combined net revenues of the City's Electric Fund and Water and Wastewater Fund.

At September 30, 1999, the Electric Fund had outstanding commercial paper notes of \$187,479,181 (net of discount of \$154,819), and the Water and Wastewater Fund had \$145,668,000 of commercial paper notes outstanding. Interest rates on the notes range from 3.1% to 4.2%, and subsequent issues cannot exceed the maximum rate of 15%. The City intends to refinance maturing commercial paper notes by issuing additional commercial paper notes or by issuing long-term debt.

**12 -- ENTERPRISE FUNDS -- REVENUE BONDS AND OTHER LONG-TERM DEBT, continued**

**f -- Water and Wastewater Fund -- Refunds Payable on Construction Contracts**

Refunds payable on construction contracts of approximately \$2,127,799 at September 30, 1999, excluding accrued interest, represent contractual obligations of the Water and Wastewater Fund to refund a percentage of certain construction costs incurred by developers. The contracts vary as to terms and conditions. Most of the contracts provide for the City to pay interest at 3% per annum on the unpaid balance. Generally, the Water and Wastewater Fund has agreed to pay annually to the developers a sum equal to 75% of the amount of revenues realized (based on rates in existence at the contract date) from sales and service relating to the water and wastewater facilities constructed by these developers. Such payments are made in March of each year based upon the revenues for the previous calendar year; however, the total number of payments is limited, ranging primarily from 20 to 25 years, at which time the unpaid principal balance, if any, reverts to the Water and Wastewater Fund as a contribution in aid of construction.

**g -- Airport -- General**

The City's Airport Fund issues Airport System revenue bonds to fund Airport Fund capital projects. Principal and interest on these bonds are payable solely from the net revenues of the Airport Fund. The following table summarizes Airport System revenue bonds for the year ended September 30, 1999 (in thousands of dollars):

Description (Net of discount and loss on refunding)	Prior Lien Bonds
Balance payable, October 1, 1998	\$ 382,798
Amortization of bond discount and loss on refunding	615
Balance payable, September 30, 1999	<u>\$ 383,413</u>

The total Airport System obligations for prior lien bonds is \$394,245,000 at September 30, 1999. Aggregate interest requirements for all prior lien bonds are \$414,335,386 at September 30, 1999. Revenue bonds authorized and unissued amount to \$735,795,000 at that date.

**h -- Airport -- Revenue Bond Indenture Requirements**

The City is required by bond indentures to pledge the net revenues of the Airport System for debt service, and is required to maintain a debt service fund and bond reserve fund for all outstanding revenue bonds. The debt service fund, with assets of \$8,977,815 including accrued interest at September 30, 1999, is restricted within the Airport System and requires that the net revenues of the airport, after operating and maintenance expenses are deducted, be irrevocably pledged by providing equal monthly installments that will accumulate to the semiannual principal and interest requirements as they become due.

The City is also required to maintain a reserve fund for the benefit of the holders of prior lien bonds, which must contain cash and investments equal to the arithmetic average of the debt service requirements scheduled to occur in the then current and future fiscal years for all prior lien bonds then outstanding. The bond ordinance allows for the use of a debt service reserve fund surety bond in lieu of the cash deposit. The City holds a surety bond with a total benefit available of \$30,429,177. The City is in compliance with all significant limitations and restrictions contained in the revenue bond indentures available in the event a draw is necessary.

**i -- Airport Debt -- Revenue Bond Refunding Issues**

The Airport System previously refunded the Series 1989 revenue bonds through refunding revenue bonds. Principal and interest on these refunding bonds are payable solely from the net revenues of the Airport.

**12 -- ENTERPRISE FUNDS -- REVENUE BONDS AND OTHER LONG-TERM DEBT, continued**

**j -- Airport Debt -- Bonds Issued and Outstanding**

The following schedule shows all original and refunding revenue bonds outstanding at September 30, 1999 (in thousands of dollars):

Series	Bonds Dated	Original Amount Issued	Outstanding at September 30, 1999
		\$	\$
1989	September 1989	30,000	1,000
1995A	August 1995	362,205	362,205
1995B Refunding	August 1995	31,040	31,040
			<u>\$ 394,245</u>

**k -- Airport Debt -- Variable Rate Revenue Notes**

The City is authorized to issue Airport System variable rate revenue notes, pursuant to Ordinance No. 950817B, as amended and restated by Ordinance 980205A adopted by the City Council on February 5, 1998. At September 30, 1999, the Airport System had outstanding variable rate revenue notes of \$28,000,000. The debt service fund required by the bond ordinance held assets of \$439,715 including accrued interest at September 30, 1999 and was restricted within the Airport System. During fiscal year 1999, interest rates on the notes ranged from 2.25% to 3.95%, adjusted weekly, and subsequent rate changes cannot exceed the maximum rate of 15%. Principal and interest on the notes are payable from the net revenues of the Airport System.

**l -- Convention Center -- General**

The City's Convention Center Fund issues Convention Center revenue bonds and Hotel Occupancy Tax revenue bonds to fund Convention Center Fund capital projects. Principal and interest on these bonds are payable solely from pledged hotel occupancy tax revenues. In May 1998, the voters of the City of Austin approved and authorized an increase of 2% in the hotel occupancy tax. The total occupancy tax increased from 7% to 9%, effective August 1, 1998. The Convention Center's portion of the hotel occupancy bed tax revenue increased from 4.5% to 6.5%. The total debt amount approved by the voters of the City of Austin was \$135,000,000. This amount will be used to fund the expansion of the Austin Convention Center and to construct tunnel drainage improvements along Waller Creek. The following table summarizes the Convention Center Fund revenue bonds for the year ended September 30, 1999 (in thousands of dollars):

Description (Net of discount and loss on refunding)	Subordinate Lien Bonds	Prior Lien Bonds	Total
Balance payable, October 1, 1998	\$ 5,682	64,619	70,301
Debt issued	110,000	31,445	141,445
Debt refunded	(6,170)	--	(6,170)
Debt repaid	--	(1,960)	(1,960)
Amortization of bond discounts, premiums, and loss on refunding	(639)	353	(286)
Balance payable, September 30, 1999	<u>\$ 108,873</u>	<u>94,457</u>	<u>203,330</u>

Revenue bonds authorized and unissued amount to \$760,000 at September 30, 1999.

**m -- Convention Center -- Revenue Refunding Bond Issues and Indenture Requirements**

The City is required by bond indentures to pledge the hotel occupancy tax revenue for debt service, and is required to maintain a debt service fund and either a bond reserve fund or a debt service reserve fund surety bond. The Series 1993A debt service fund, with assets of \$2,942,104 at September 30, 1999, is restricted within the Convention Center and requires that the pledged hotel occupancy revenues of the Convention Center be irrevocably pledged by providing quarterly installments that will accumulate to the semiannual principal and interest requirements as they become due.

**12 -- ENTERPRISE FUNDS -- REVENUE BONDS AND OTHER LONG-TERM DEBT, continued**

In June 1999, the City issued \$6,445,000 of Taxable Refunding Revenue Bonds Series 1999 to refund \$6,170,000 of Refunding Revenue Bonds Series 1993B. The refunding allowed changes in certain debt covenant requirements necessary for the overall plan of financing for the Convention Center capital projects. The refunding bonds are secured and payable from a first lien on a portion of the hotel occupancy tax revenues derived by the City. The refunding resulted in an increase of cash flow requirements to service the debt of \$409,290. An economic loss of \$326,322 was recognized on this transaction. An accounting loss of \$562,639, which will be deferred and amortized in accordance to GASB Statement No. 23, was recognized on the refunding. The City maintains a debt service reserve fund for this issuance of debt.

Also in June 1999, the City issued \$25,000,000 of Convention Center/Waller Creek Venue Project Bonds Series 1999A. The Series 1999A debt was issued to construct tunnel drainage improvements along Waller Creek. It is secured and payable from a first lien pledge of the additional 2% portion of the hotel occupancy tax revenue derived by the City. The City established a debt service fund, with assets of \$437,507 at September 30, 1999, to service principal and interest payments. A debt service reserve fund surety bond has been purchased in lieu of a cash deposit.

In August 1999, the City issued \$110,000,000 of interim debt. The City simultaneously issued interim bonds of \$85,000,000 Hotel Occupancy Tax (HOT) Subordinate Lien Bonds Series 1999 and \$25,000,000 Convention Center/Waller Creek Venue Project Bonds Series 1999B, which were privately placed with a third party. The Interim HOT Subordinate Lien Series 1999 had a subordinate lien pledge on the 4.5% hotel occupancy tax revenues. The Interim Convention Center/Waller Creek Venue Project Bonds Series 1999B had a subordinate lien pledge on the additional 2% of hotel occupancy tax revenues. The purpose of the interim debt was to comply with a legal opinion of the State Attorney General's Office. State law, as interpreted by the Attorney General of Texas, will only allow the joint pledge of the 4.5% and 2% hotel occupancy tax if debt is issued and subsequently refunded.

In September 1999, the City issued \$110,000,000 of Hotel Occupancy Tax Subordinate Lien Revenue Refunding Bonds Series 1999 to refund the Interim Subordinate Lien Bonds above. The interim bonds were redeemed at par; therefore, no accounting loss resulted from the refunding transaction. Interest expense recognized from the interim bonds was \$769,428. The Refunding Bonds Series 1999 are secured and payable from a subordinate lien on the joint 4.5% and 2% hotel occupancy tax revenues. No operating revenues of the Convention Center are pledged. The City has established a debt service fund, with assets of \$940,626 at September 30, 1999, to service principal and interest payments. The City maintains a debt service reserve fund surety bond for this issuance of debt.

The Series 1993A bond reserve fund for revenue bond retirement, with assets of \$6,874,269 at September 30, 1999, is restricted within the Convention Center Fund. The City is required to maintain a reserve fund for the benefit of the holders of the Series 1993A Prior Lien Bonds and the Taxable Refunding Revenue Bonds Series 1999. The requirements of the reserve fund are that cash and investments must equal the lesser of 10% of the principal amount or the maximum annual debt service requirement scheduled to occur in the current and each future fiscal year for all bonds outstanding. The City is in compliance with all significant limitations and restrictions contained in the revenue bond indentures.

**n -- Convention Center Debt -- Bonds Issued and Outstanding**

The following schedule shows all original and refunding revenue bonds outstanding at September 30, 1999 (in thousands of dollars):

Series	Bonds Dated	Original Amount Issued	Outstanding at September 30, 1999
		\$	\$
1993A	December 1993	75,955	72,110
1999 Refunding	June 1999	6,445	6,445
1999A	June 1999	25,000	25,000
1999	September 1999	110,000	110,000
			<u>\$ 213,555</u>

**13 -- CONDUIT DEBT**

**a -- Austin Housing Finance Corporation**

From time to time, the City has issued housing revenue bonds through the Austin Housing Finance Corporation (AHFC) to provide financial assistance to other entities for the acquisition and construction of housing facilities for low and moderate-income Austin residents. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. As of September 30, 1999, ten series of AHFC housing finance bonds had been issued. The aggregate principal amount payable of these bonds could not be determined; however, their original issue amounts totaled \$203.8 million.

In fiscal year 1999, no AHFC bonds were issued. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**b -- Austin Industrial Development Corporation**

From time to time, the City has issued industrial revenue bonds through the Austin Industrial Development Corporation (AIDC) to provide financial assistance to other entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. As of September 30, 1999, 24 series of AIDC industrial revenue bonds had been issued. The aggregate principal amount payable of these bonds could not be determined; however, their original issue amounts totaled \$106.4 million.

No AIDC bonds were issued in fiscal year 1999. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**c -- Austin-Bergstrom International Airport Development Corporation**

To provide for the construction of certain facilities at the Austin-Bergstrom International Airport (ABIA), the City has issued industrial revenue bonds through the ABIA Development Corporation. The bonds are special limited obligations of the City, payable solely from and secured by a pledge of rentals to be received from lease agreements between the City and certain entities operating at the Airport. Two series of industrial revenue bonds were issued in 1998; the original issue and aggregate principal amounts payable at September 30, 1999 totaled \$19.2 million.

In December 1998, the ABIA Development Corporation issued \$8.5 million of tax exempt debt and \$300,000 of taxable debt to finance a portion of the cost of an airport cargo warehouse, operations area, and ground service maintenance facility. In August 1999, the Corporation also issued \$4.4 million tax exempt debt to finance a portion of the cost of an airport cargo warehouse. These bonds are special limited obligations of the City, payable solely from and secured by a pledge of rentals to be received from lease agreements between the City and certain entities operating at the Airport.

These bonds do not constitute a debt or pledge of the Airport System revenues nor of the faith and credit of the City and accordingly have not been reported in the accompanying financial statements.

**13 -- CONDUIT DEBT, continued**

**d -- Austin-Bergstrom Landhost Enterprises, Inc.**

In February 1999, the City issued \$38,785,000 senior revenue bonds and \$3.73 million subordinate revenue bonds through the Austin-Bergstrom Landhost Enterprises, Inc. for a full-service hotel facility at the airport. The bonds are special limited obligations of the City, payable solely from and secured by a pledge of revenues generated by the hotel.

These bonds do not constitute a debt or pledge of the Airport System revenues, nor of the faith and credit of the City, and accordingly have not been reported in the accompanying financial statements.

**e -- Rental Car Facility Trust Indenture**

To provide for the costs of design, acquisition, construction and equipping of rental car facilities at the Austin-Bergstrom International Airport, the City issued rental car special facilities revenue bonds in 1998 under a trust indenture, by and between the City and Chase Bank of Texas, National Association, Austin, Texas. The bonds are limited special obligations of the City, payable solely from and secured by a pledge of the Trust Estate, including revenues to be received from parking garage rentals, supplemental facilities fees, contract facility charges paid by concessionaires to the trustee and investment earnings from amounts held by the trustee. As of September 30, 1999, one series of rental car special facilities bonds had been issued. The principal amount payable of these bonds and their original issue amount totaled \$21.05 million. The bonds do not constitute a debt or pledge of the Airport System revenues nor of the faith and credit of the City and accordingly have not been reported in the accompanying financial statements.

**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**(Continued)**

**14 -- DEBT SERVICE REQUIREMENTS**

The following is a schedule of General Obligation Bonds and Other Tax Supported Debt requirements for the General Long-Term Debt Account Group (in thousands):

Fiscal Year Ended September 30	General Obligation Bonds (1)			Public Property Finance Contractual Obligations			Certificates of Obligation		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2000	21,716	37,423	59,139	7,720	1,534	9,254	1,680	1,955	3,635
2001	34,914	24,619	59,533	6,295	1,207	7,502	1,785	1,853	3,638
2002	37,777	22,940	60,717	5,785	943	6,728	1,865	1,745	3,610
2003	37,030	20,799	57,829	6,240	680	6,920	1,990	1,632	3,622
2004	39,481	18,631	58,112	5,715	400	6,115	1,820	1,512	3,332
Thereafter	307,761	83,230	390,991	5,495	203	5,698	29,625	10,420	40,045
	<u>478,679</u>	<u>207,642</u>	<u>686,321</u>	<u>37,250</u>	<u>4,967</u>	<u>42,217</u>	<u>38,765</u>	<u>19,117</u>	<u>57,882</u>
Fiscal Year Ended September 30	Tax Notes			Total					
	Principal	Interest	Total	Principal	Interest	Total			
2000	1,000	1,202	2,202	32,116	42,114	74,230			
2001	1,300	1,117	2,417	44,294	28,796	73,090			
2002	1,500	1,017	2,517	46,927	26,645	73,572			
2003	1,900	900	2,800	47,160	24,011	71,171			
2004	12,000	417	12,417	59,016	20,960	79,976			
Thereafter	--	--	--	342,881	93,853	436,734			
	<u>17,700</u>	<u>4,653</u>	<u>22,353</u>	<u>572,394</u>	<u>236,379</u>	<u>808,773</u>			
				Less: Amounts reported in Enterprise Funds	(46,016)	(17,334)	(63,350)		
				Amounts reported in Internal Service Funds	(8,749)	(2,248)	(10,997)		
				Total requirements reported in other funds	(54,765)	(19,582)	(74,347)		
				General Long-Term Debt Account Group requirements at September 30, 1999	<u>\$ 517,629</u>	<u>216,797</u>	<u>734,426</u>		

(1) Excludes \$7,575,000 principal and \$4,731,602 interest for the HUD Section 108 Loan (Central City Entertainment Center) and \$2,402,902 principal and \$249,161 interest for the Municipal Energy Conservation Loan.

**14 -- DEBT SERVICE REQUIREMENTS, continued**

The following summarizes the proprietary funds debt service requirements at September 30, 1999 (in thousands):

Fiscal Year Ended September 30	Commercial Paper Notes (1)			Revenue Notes		
	Principal	Interest	Total	Principal	Interest	Total
2000	\$ 333,302	1,063	334,365	--	--	--
2001	--	--	--	--	--	--
2002	--	--	--	--	--	--
2003	--	--	--	--	--	--
2004	--	--	--	--	--	--
Thereafter	--	--	--	28,000	--	28,000
	<u>333,302</u>	<u>1,063</u>	<u>334,365</u>	<u>28,000</u>	<u>--</u>	<u>28,000</u>
Less: Unamortized bond discount	(155)	--	(155)			
Unamortized loss on bond refundings	--	--	--			
Add: Unamortized bond premium	--	--	--			
Net debt service requirements	<u>333,147</u>	<u>1,063</u>	<u>334,210</u>			

Fiscal Year Ended September 30	General Obligation Bonds and Other Tax Supported Debt (2)			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2000	7,830	4,571	12,401	99,460	173,564	273,024
2001	6,842	4,312	11,154	104,302	161,252	265,554
2002	6,064	4,184	10,248	109,521	166,287	275,808
2003	5,999	3,909	9,908	92,825	156,623	249,448
2004	6,024	3,629	9,653	132,385	141,261	273,646
Thereafter	48,774	18,117	66,891	2,450,679	1,601,368	4,052,047
	<u>81,533</u>	<u>38,722</u>	<u>120,255</u>	<u>2,989,172</u>	<u>2,400,355</u>	<u>5,389,527</u>
Less: Unamortized bond discount	(380)	--	(380)	(63,298)	--	(63,298)
Unamortized loss on bond refundings	(390)	--	(390)	(9,135)	--	(9,135)
Add: Unamortized bond premium	445	--	445	39,082	--	39,082
Net debt service requirements	<u>\$ 81,208</u>	<u>38,722</u>	<u>119,930</u>	<u>2,955,821</u>	<u>2,400,355</u>	<u>5,356,176</u>

(continued)

(1) The City intends to refinance maturing commercial paper notes by issuing additional commercial paper notes or by issuing long-term debt.

(2) Includes assumed tax and revenue bond principal of \$26,647,890 and interest of \$19,140,183 and \$120,000 of Water and Wastewater notes payable.

**14 -- DEBT SERVICE REQUIREMENTS, continued**

Fiscal Year Ended September 30	Water Improvement District Bonds			Municipal Utility District Contract Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
	2000	\$ 307	54	361	6,245	6,182
2001	366	37	403	6,930	5,791	12,721
2002	353	19	372	6,730	5,352	12,082
2003	35	3	38	7,540	4,919	12,459
2004	35	1	36	8,190	4,433	12,623
Thereafter	--	--	--	66,125	13,877	80,002
	<u>1,096</u>	<u>114</u>	<u>1,210</u>	<u>101,760</u>	<u>40,554</u>	<u>142,314</u>
Less: Unamortized bond discount				(365)	--	(365)
Unamortized loss on bond refundings				--	--	--
Add: Unamortized bond premium				--	--	--
Net debt service requirements				<u>101,395</u>	<u>40,554</u>	<u>141,949</u>

Fiscal Year Ended September 30	Total Debt Service Requirements		
	Principal	Interest	Total
	2000	447,144	185,434
2001	118,440	171,392	289,832
2002	122,668	175,842	298,510
2003	106,399	165,454	271,853
2004	146,634	149,324	295,958
Thereafter	2,593,578	1,633,358	4,226,936
	<u>3,534,863</u>	<u>2,480,804</u>	<u>6,015,667</u>
Less: Unamortized bond discount	(64,198)	--	(64,198)
Unamortized loss on bond refundings	(9,525)	--	(9,525)
Add: Unamortized bond premium	39,527	--	39,527
Net debt service requirements	<u>\$ 3,500,667</u>	<u>2,480,804</u>	<u>5,981,471</u>

**14 -- DEBT SERVICE REQUIREMENTS, continued**

The following summarizes the proprietary funds debt service requirements at September 30, 1999 by fund (in thousands):

Fiscal Year Ended September 30	Electric (1)			Water and Wastewater (2)		
	Principal	Interest	Total	Principal	Interest	Total
2000	\$ 266,726	96,897	363,623	173,615	52,815	226,430
2001	83,936	84,797	168,733	27,930	49,425	77,355
2002	80,680	89,091	169,771	28,175	50,092	78,267
2003	67,432	83,446	150,878	24,471	46,100	70,571
2004	91,680	70,527	162,207	38,493	43,731	82,224
Thereafter	1,139,162	582,172	1,721,334	834,346	596,297	1,430,643
	<u>1,729,616</u>	<u>1,006,930</u>	<u>2,736,546</u>	<u>1,127,030</u>	<u>838,460</u>	<u>1,965,490</u>
Less: Unamortized bond discount	(27,190)	--	(27,190)	(24,686)	--	(24,686)
Unamortized loss on bond refundings	--	--	--	--	--	--
Add: Unamortized bond premium	28,661	--	28,661	10,289	--	10,289
	<u>1,731,087</u>	<u>1,006,930</u>	<u>2,738,017</u>	<u>1,112,633</u>	<u>838,460</u>	<u>1,951,093</u>

Fiscal Year Ended September 30	Solid Waste Services			Airport		
	Principal	Interest	Total	Principal	Interest	Total
2000	1,860	1,075	2,935	92	24,154	24,246
2001	1,499	933	2,432	216	24,004	24,220
2002	1,260	859	2,119	7,765	23,801	31,566
2003	1,288	791	2,079	8,120	23,365	31,485
2004	1,298	721	2,019	8,550	22,890	31,440
Thereafter	13,449	4,359	17,808	398,691	296,617	695,308
	<u>20,654</u>	<u>8,738</u>	<u>29,392</u>	<u>423,434</u>	<u>414,831</u>	<u>838,265</u>
Less: Unamortized bond discount	(21)	--	(21)	(9,081)	--	(9,081)
Unamortized loss on bond refundings	(247)	--	(247)	(1,762)	--	(1,762)
Add: Unamortized bond premium	135	--	135	--	--	--
	<u>\$ 20,521</u>	<u>8,738</u>	<u>29,259</u>	<u>412,591</u>	<u>414,831</u>	<u>827,422</u>

(continued)

(1) Included in the debt service requirements of Electric is \$187,634,000 principal and \$615,662 interest for commercial paper notes.

(2) Included in the debt service requirements of Water and Wastewater is \$145,668,000 principal and \$447,385 interest for commercial paper notes.

14 -- DEBT SERVICE REQUIREMENTS, continued

Fiscal Year Ended September 30	Convention Center			Drainage		
	Principal	Interest	Total	Principal	Interest	Total
	2000	\$ 2,702	9,520	12,222	146	153
2001	2,980	11,365	14,345	158	142	300
2002	3,128	11,217	14,345	171	130	301
2003	3,297	11,055	14,352	185	117	302
2004	4,906	10,850	15,756	207	102	309
Thereafter	196,994	150,624	347,618	1,609	553	2,162
	214,007	204,631	418,638	2,476	1,197	3,673
Less: Unamortized bond discount	(3,210)	--	(3,210)	--	--	--
Unamortized loss on bond refundings	(7,373)	--	(7,373)	--	--	--
Add: Unamortized bond premium	358	--	358	--	--	--
	203,782	204,631	408,413	2,476	1,197	3,673

Fiscal Year Ended September 30	Transportation			Golf		
	Principal	Interest	Total	Principal	Interest	Total
	2000	106	28	134	378	401
2001	111	23	134	403	380	783
2002	117	18	135	415	359	774
2003	123	13	136	454	338	792
2004	130	7	137	419	315	734
Thereafter	67	2	69	6,174	1,885	8,059
	654	91	745	8,243	3,678	11,921
Less: Unamortized bond discount	--	--	--	(7)	--	(7)
Unamortized loss on bond refundings	--	--	--	(70)	--	(70)
Add: Unamortized bond premium	--	--	--	60	--	60
	\$ 654	91	745	8,226	3,678	11,904

(continued)

**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**(Continued)**

**14 -- DEBT SERVICE REQUIREMENTS, continued**

Fiscal Year Ended September 30	Fleet Maintenance			Support Services		
	Principal	Interest	Total	Principal	Interest	Total
2000	\$ 264	112	376	1,258	279	1,537
2001	130	101	231	1,076	222	1,298
2002	74	95	169	882	179	1,061
2003	79	90	169	950	138	1,088
2004	88	85	173	863	95	958
Thereafter	1,677	620	2,297	1,408	232	1,640
	<u>2,312</u>	<u>1,103</u>	<u>3,415</u>	<u>6,437</u>	<u>1,145</u>	<u>7,582</u>
Less: Unamortized bond discount	--	--	--	(3)	--	(3)
Unamortized loss on bond refundings	(16)	--	(16)	(57)	--	(57)
Add: Unamortized bond premium	4	--	4	20	--	20
	<u>2,300</u>	<u>1,103</u>	<u>3,403</u>	<u>6,397</u>	<u>1,145</u>	<u>7,542</u>

Fiscal Year Ended September 30	Total Debt Service Requirements		
	Principal	Interest	Total
2000	447,147	185,434	632,581
2001	118,439	171,392	289,831
2002	122,667	175,841	298,508
2003	106,399	165,453	271,852
2004	146,634	149,323	295,957
Thereafter	2,593,577	1,633,361	4,226,938
	<u>3,534,863</u>	<u>2,480,804</u>	<u>6,015,667</u>
Less: Unamortized bond discount	(64,198)	--	(64,198)
Unamortized loss on bond refundings	(9,525)	--	(9,525)
Add: Unamortized bond premium	39,527	--	39,527
	<u>\$ 3,500,667</u>	<u>2,480,804</u>	<u>5,981,471</u>

**15 -- INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables at September 30, 1999, are as follows:

	<u>Current</u>		<u>Long-Term</u>	
	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Advance To Other Funds</u>	<u>Advance From Other Funds</u>
<b>RECEIVABLES:</b>				
<b>Special Revenue Funds</b>				
Other Special Revenue Funds:				
Receivable from Federal Grants	\$ 10,970,077	--	--	--
Receivable from State Grants	2,113,172	--	--	--
Receivable from Other Special Revenue Grants	78,160	--	--	--
Receivable from Other Special Revenue Funds	1,311,826	--	--	--
<b>Capital Projects Funds</b>				
Capital Projects Funds Prior to 1984:				
Receivable from Capital Projects Funds Prior to 1984	90,804	--	--	--
Capital Projects Funds 1984:				
Receivable from Capital Projects Funds 1984	341,517	--	--	--
Capital Projects Funds 1992:				
Receivable from Agency Funds	72,885	--	--	--
Capital Projects Funds 1997:				
Receivable from Capital Project Funds 1997	7,752,505	--	--	--
Other Funds:				
Receivable from Capital Projects Other Funds	692,460	--	--	--
<b>Enterprise Funds</b>				
Electric Fund (Restricted):				
Receivable from Solid Waste Services Fund	12,385	--	12,385	--
Receivable from Airport Fund	1,455	--	1,455	--
Receivable from Drainage Fund	3,045	--	3,045	--
Internal Service Funds:				
Receivable from Fleet Maintenance Fund	13,875	--	13,875	--
Receivable from Support Services Fund	124,932	--	124,932	--
Water and Wastewater Fund (Restricted):				
Receivable from Solid Waste Services Fund	10,225	--	10,225	--
Receivable from Airport Fund	1,201	--	1,201	--
Receivable from Drainage Fund	2,514	--	2,514	--
Internal Service Funds:				
Receivable from Fleet Maintenance Fund	11,455	--	11,455	--
Receivable from Support Services Fund	203,337	--	472,059	--
Airport Fund:				
Internal Service Funds:				
Receivable from Support Services Fund	\$ 45,988	--	--	--

**15 -- INTERFUND RECEIVABLES AND PAYABLES, continued**

	Current		Long-Term	
	Due From Other Funds	Due To Other Funds	Advance To Other Funds	Advance From Other Funds
<b>PAYABLES:</b>				
<b>Special Revenue Funds</b>				
Federal Grants:				
Payable to Other Special Revenue Funds	--	10,970,077	--	--
State Grants:				
Payable to Other Special Revenue Funds	--	2,113,172	--	--
Other Special Revenue Grants:				
Payable to Other Special Revenue Funds	--	78,160	--	--
Other Special Revenue Funds:				
Payable to Other Special Revenue Funds	--	1,311,826	--	--
<b>Capital Projects Funds</b>				
Capital Projects Funds prior to 1984:				
Payable to Capital Projects Prior to 1984	--	90,804	--	--
Payable to Capital Projects 1984	--	71,444	--	--
Capital Projects Funds 1984:				
Payable to Capital Project Funds 1984	--	270,073	--	--
Capital Project Funds 1998:				
Payable to Capital Projects Funds 1997	--	4,911,760	--	--
Capital Projects Funds Other Funds:				
Payable to Capital Projects Funds 1997	--	2,840,745	--	--
Payable to Capital Projects Funds Other Funds	--	692,460	--	--
<b>Enterprise Funds</b>				
Solid Waste Services Fund:				
Payable to Electric Fund	--	12,385	--	12,385
Payable to Water and Wastewater Fund	--	10,225	--	10,225
Airport Fund:				
Payable to Electric Fund	--	1,455	--	1,455
Payable to Water and Wastewater Fund	--	1,201	--	1,201
Drainage Fund:				
Payable to Electric Fund	--	3,045	--	3,045
Payable to Water and Wastewater Fund	--	2,514	--	2,514
<b>Internal Service Funds</b>				
Fleet Maintenance Fund:				
Payable to Electric Fund	--	13,875	--	13,875
Payable to Water and Wastewater Fund	--	11,455	--	11,455
Support Services Fund:				
Payable to Electric Fund	--	124,932	--	124,932
Payable to Water and Wastewater Fund	--	203,337	--	472,059
Payable to Airport Fund	--	45,988	--	--
<b>Trust and Agency Funds</b>				
Agency Funds:				
Payable to Capital Projects Funds	--	72,885	--	--
	<b>\$ 23,853,818</b>	<b>23,853,818</b>	<b>653,146</b>	<b>653,146</b>

**16 -- INTERFUND TRANSFERS**

**a – Interfund Transfers**

Operating transfers between funds during the year were as follows:

<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>	<u>Amount</u>
<b>General Fund</b>	Enterprise Funds:	
	Electric Fund	\$ 57,990,860
	Water and Wastewater Fund	16,213,620
		<u>74,204,480</u>
<b>Special Revenue Funds - Other:</b>		
Balcones Canyonlands Conservation Fund	General Fund	88,000
	Enterprise Funds:	
	Drainage Fund	400,802
Barton Springs Conservation Fund	General Fund	55,000
Downtown Development Fund	General Fund	600,000
Environmental Remediation Fund	Enterprise Funds:	
	Water and Wastewater Fund	75,000
	Solid Waste Fund	75,000
	Drainage Fund	75,000
Fee Waiver Fund	General Fund	7,000
Federally Qualified Health Center Fund	Special Revenue Funds:	
	Disproportionate Share Fund	350,000
	Enterprise Funds:	
	Hospital Operating Fund	6,302,410
Neighborhood Housing and Conservation Fund	General Fund	1,250,240
PARD-Cultural Projects Fund	Special Revenue Funds:	
	Hotel-Motel Occupancy Tax Fund	2,799,655
Planning, Environmental & Conservation Fund	General Fund	2,141,303
Public Improvement District	Enterprise Funds:	
	Water and Wastewater Fund	50,000
	Convention Center Fund	50,000
Strategic Planning Investment Fund	General Fund	1,100,000
Tourism and Promotion Fund	General Fund	125,382
	Special Revenue Funds:	
	Hotel-Motel Occupancy Tax Fund	4,199,494
Voluntary Utility Assistance Fund	General Fund	160,000
		<u>19,904,286</u>
<b>Debt Service Funds:</b>		
General Obligation Debt Service Fund	Special Revenue Funds:	
	Balcones Canyonlands	
	Conservation Plan Fund	26,394
	Federally Qualified Health Center Fund	104,594
	One Texas Center Fund	1,965,725
	Capital Project Funds:	
	Interest Income Fund	840,000
HUD Section 108 Fund	Special Revenue Funds:	
	Neighborhood Housing and	
	Conservation Fund	187,764
		<u>\$ 3,124,477</u>

(continued)

**16 -- INTERFUND TRANSFERS, continued**

<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>	<u>Amount</u>
<b>Capital Projects Funds</b>	General Fund	\$ 20,350,709
	Special Revenue Funds: Disproportionate Share Fund	1,614,280
	Police Federal Seized Money Fund	650,000
	Capital Project Funds: Neighborhood Park and Recreation	433,000
	Fire/EMS/NW Austin MUD #1	2,379,273
	Interest Income Fund	7,315,000
	Internal Service Funds: Fleet Maintenance Fund	65,000
		<u>32,807,262</u>
<b>Enterprise Funds:</b>		
Electric Fund	General Fund	65,817
Solid Waste Fund	General Fund	350,100
	Special Revenue Funds: Environmental Remediation Fund	75,000
Convention Center Fund	Special Revenue Funds: Hotel-Motel Occupancy Tax Fund	17,612,964
Drainage Fund	General Fund	298,504
	Capital Project Funds: Fire/EMS/NW Austin MUD #1	470,000
		<u>18,872,385</u>
<b>Total Operating Transfers</b>		<u>\$ 148,912,890</u>

**b – Residual Equity Transfers**

Certain accounts relating to residual equity transfers have been restated to conform to generally accepted accounting principles.

	<u>Residual Equity</u> <u>Transfers In</u>	<u>Residual Equity</u> <u>Transfers Out</u>
<b>Governmental funds</b>		
Special Revenue Funds:		
Other Special Revenue Funds:		
Planning, Environmental and Conservation Services	\$ 946,568	--
<b>Proprietary funds</b>		
Enterprise Funds:		
Electric Fund	2,730,138	--
Performance Contracting Fund	--	3,676,706
	<u>\$ 3,676,706</u>	<u>3,676,706</u>

17 -- SEGMENT INFORMATION

a -- Enterprise Fund Activities

The City maintains eleven enterprise funds, which provide electric, water and wastewater, health care, solid waste services, airport, convention, drainage, transportation services, performance contracting, golf, and parks and recreation activities. Segment information for the year ended September 30, 1999, is as follows (in thousands of dollars):

	Electric Fund	Water & Wastewater Fund	Hospital Fund	Solid Waste Services Fund	Airport Fund	Convention Center Fund	Other Enterprise Funds	Total Enterprise Funds
Operating revenues	\$ 682,088	214,043	17,943	35,228	54,580	9,428	49,214	1,062,524
Depreciation and amortization expense	79,048	46,231	2,094	2,934	17,231	2,668	2,531	152,737
Operating income (loss)	260,834	81,225	13,970	5,714	9,818	(5,362)	4,224	370,423
Operating transfers in	66	--	--	425	--	17,613	768	18,872
Operating transfers out	(57,991)	(16,339)	(6,302)	(75)	--	(50)	(476)	(81,233)
Net income (loss)	115,987	33,950	8,910	5,746	9,917	7,265	5,182	186,957
Current assets	201,613	55,107	25,394	12,848	3,287	7,355	10,588	316,192
Current liabilities	54,770	19,559	672	4,528	3,856	771	4,306	88,462
Net working capital surplus	146,843	35,548	24,722	8,320	(569)	6,584	6,282	227,730
Property, plant and equipment:								
Additions	90,557	171,558	--	3,687	148,684	5,774	8,470	428,730
Retirements	(11,509)	(6,476)	--	(387)	(36)	(624)	(38)	(19,070)
Transfers from (to) other funds	153	--	--	--	--	--	(153)	--
Net property, plant and equipment	1,720,890	1,479,846	45,645	26,966	602,213	97,469	48,796	4,021,825
Total assets	2,881,632	1,941,145	78,539	56,412	735,784	255,444	87,054	6,036,010
Bond, restricted, and other long-term liabilities	1,950,306	1,205,498	--	25,458	448,858	208,389	12,032	3,850,541
Current capital contributions	4,843	35,858	--	5	29,414	2	5,481	75,603
Total equity	876,555	716,087	77,867	26,426	283,070	46,284	70,718	2,097,007

**17 -- SEGMENT INFORMATION, continued**

**b -- Proprietary Fund Contributed Capital**

The following table summarizes activity in contributed capital for the year ended September 30, 1999:

	Balance September 30, 1998	Contribution Type				Depreciation Taken	Balance September 30, 1999
		(To) From Municipality	From Donors	From Other Governments	In Aid of Construction		
<b>Enterprise Funds:</b>							
Electric Fund	\$ 64,156,353	2,730,138	--	407,178	1,705,850	(3,172,155)	65,827,364
Water and Wastewater Fund	309,267,139	(681,779)	--	--	36,540,039	(12,208,049)	332,917,350
Hospital Fund	12,615,015	--	--	--	--	--	12,615,015
Solid Waste Services Fund	1,367,679	4,554	--	--	--	--	1,372,233
Airport Fund	116,795,723	722	--	23,120,401	6,292,920	(2,838,691)	143,371,075
Convention Center Fund	21,734,751	2,441	--	--	--	(65,494)	21,671,698
Drainage Fund	23,203,147	1,904,651	--	--	3,594,891	--	28,702,689
Transportation Fund	331,206	--	--	--	--	--	331,206
Golf Fund	867,779	(19,099)	--	--	--	--	848,680
Parks and Recreation Fund	1,069,976	--	--	--	--	--	1,069,976
<b>Internal Service Funds:</b>							
Fleet Maintenance Fund	13,492,253	7,200,000	--	--	--	--	20,692,253
Support Services Fund	7,323,252	(426,708)	--	--	--	--	6,896,544
Employee Benefits Fund	9,244,036	--	--	--	--	--	9,244,036
Workers' Compensation Fund	2,443,283	--	--	--	--	--	2,443,283
Radio Communication Fund	56,255	--	--	--	--	--	56,255
Infrastructure Support Services Fund	343,005	--	--	--	--	--	343,005
Capital Projects Management Fund	28,300	--	--	--	--	--	28,300
<b>Total</b>	<b>\$ 584,339,152</b>	<b>10,714,920</b>	<b>--</b>	<b>23,527,579</b>	<b>48,133,700</b>	<b>(18,284,389)</b>	<b>648,430,962</b>

**18 -- JOINT OPERATIONS**

The City has entered into several participating agreements on joint projects. As required by generally accepted accounting principles, such joint operations have been evaluated to determine if they fall within the definition of the reporting entity. The following joint operations meet the criteria of an undivided interest as defined in GASB Statement 14 and, accordingly, the City's share of assets, liabilities, and expenses is included in the City's financial statements.

**a -- Fayette Power Project**

The Fayette Power Project (the "Project", Units I and II) is jointly owned by the City and the Lower Colorado River Authority (LCRA, Project Manager) -- each participant has an undivided interest in the Project. The Project is a joint operation of two coal-fired electric power generation units with a net capacity of 1,140 megawatts. Each participant's actual equity in the Project may vary from 50% depending on the percentage of kilowatt hours produced by the Project and used by each.

The Project is governed by a management committee whose four members are administratively appointed, two each, by the participants. As managing partner, LCRA is responsible for the operation of the Project and appoints the Project's management. However, the City has the ability to influence significantly the operation of the Project through approval of major contracts and new major expenditures by its appointees to the management committee. Each participant issued its own debt to finance its share of construction costs. The City's portion is financed through revenue bonds to be repaid by the Electric Fund. In addition, each participant has the obligation to finance its portion of any deficits that may occur.

**18 -- JOINT OPERATIONS, continued**

The following is a summary of financial information taken from the Project's audited financial statements, dated June 30, 1999, and 1998, the Project's fiscal year end (in thousands of dollars). These statements include Unit III, which is 100% owned by LCRA. These statements were not examined by the City's auditors.

	June 30, 1999			June 30, 1998		
	Total	COA	LCRA	Total	COA	LCRA
Assets	\$ 66,531	29,450	37,081	65,208	29,996	35,212
Liabilities	15,573	5,700	9,873	11,394	4,265	7,129
Equity	50,958	23,750	27,208	53,814	25,731	28,083
Revenues	1,385	309	1,076	2,580	620	1,960
Expenses	144,400	49,418	94,982	130,950	40,381	90,569
Net expenses incurred	\$ 143,015	49,109	93,906	128,370	39,761	88,609

Financial reports that include financial statements and supplementary information for the Fayette Power Project are publicly available at the LCRA, 3700 Lake Austin Blvd., Austin, TX 78703. Their telephone number is (512) 473-3200.

**b -- South Texas Project**

The South Texas Project (STP) was formed for the purpose of licensing, constructing and operating two 1,250 megawatt nuclear generating units. The City was admitted to the STP in December 1973, with a 16% ownership in generating units and common facilities. The City is a tenant-in-common with Houston Lighting and Power Company (HL&P), City Public Service of San Antonio (CPS), and Central Power and Light Company (CP&L).

On October 1, 1997 the STP Nuclear Operating Company (OPCO) was formed by the owners of STP and replaced HL&P as the project manager. OPCO is a separate entity formed to manage STP. Each participant appoints one member to the board of directors of OPCO. There is also an owner's committee, and each participant appoints one member to the owner's committee. A member of the owner's committee may serve on the board of directors in the absence of a board member. OPCO, serving as project manager, is responsible for the operation and maintenance of the project as well as capital improvements. Each participant is responsible for its debt related to STP. The City's portion is financed through revenue bonds or commercial paper, which are repaid by the Electric Fund (see Note 12). In addition, each participant has the obligation to finance any deficits that may occur.

The City's portion of Units 1 and 2 of the South Texas Project is classified as plant in service. Nuclear fuel includes fuel in the reactor as well as nuclear fuel in process.

The following is a summary of financial information taken from the South Texas Project's audited financial statements dated December 31, 1998 (in thousands of dollars). These statements were not examined by the City's auditors.

	HL&P	CPS	CP&L	Austin	Total
Operations	\$ 88,525	80,430	72,429	45,987	287,371
Spent fuel	6,155	5,570	4,919	3,157	19,801
Total 1998 funding	\$ 94,680	86,000	77,348	49,144	307,172

Financial reports that include financial statements and supplementary information for the STP are publicly available at the STP Nuclear Operating Company, P.O. Box 289, Wadsworth, TX 77483. Their telephone number is (361) 972-7067.

**18 -- JOINT OPERATIONS, continued**

**c -- South Texas Project Decommissioning**

The South Texas Project (STP) is subject to regulation by the Nuclear Regulatory Commission (NRC). The NRC requires that each holder of a nuclear plant operating license submit information to the NRC indicating the minimum amount of funds that will be required to decommission the plant while demonstrating reasonable assurance that sufficient funds are being accumulated to provide the minimum amount at the time the plant is decommissioned. This minimum amount must be adjusted annually in accordance with an adjustment factor as required by the NRC. At September 30, 1999 and 1998, the City had funded its share of the estimated decommissioning liability as follows:

	<u>1999</u>	<u>1998</u>
Estimated cost to decommission STP	\$190,572,684	\$181,205,588
Restricted decommissioning fund assets	53,655,752	49,332,878

The City of Austin and other STP participants have provided the required information to the NRC, and the City of Austin has established an external irrevocable trust for decommissioning and has been collecting through its rates since 1989 sufficient amounts to provide for its share of the estimated decommissioning costs. For fiscal years 1999 and 1998, the City collected \$4,958,221 in each year for decommissioning expenses.

**d -- Municipal Utility Districts**

The City has certain contractual commitments with several municipal utility districts (MUDs) for the construction of additions and improvements to the City's water and wastewater system that serves the MUDs and surrounding areas. These additions and improvements are funded by the issuance of City contract revenue bonds, whose principal and interest are payable primarily from the net revenues of the Water and Wastewater Fund.

The City reports the bond proceeds as "investment in municipal utility districts" on the balance sheet of the Water and Wastewater Fund. As facilities funded by the contract revenue bonds are completed, the City's investment in municipal utility districts is reduced and plant in service is increased. The City records the contract revenue bonds as a liability on the balance sheet of the Water and Wastewater Fund.

**e -- Brushy Creek**

The City, the Lower Colorado River Authority (LCRA), and the Brazos River Authority (BRA) are joint owners of the Brushy Creek Regional Wastewater System. This facility serves the upper Brushy Creek watershed in Williamson County. The Brazos River Authority operates the system. During fiscal year 1998, the LCRA and BRA purchased a portion of Austin's share relating to the area now included in the City of Cedar Park's extra-territorial jurisdiction.

**f -- Rivercrest Water Supply Corporation**

Upon annexation, in December 1997, of Davenport Ranch Municipal Utility District ("Davenport MUD"), the City assumed a cost sharing agreement with Davenport MUD, Davenport Limited, Rivercrest Water Supply Corporation and Loop 360 Water Supply Corporation. The agreement allocates the costs, based on capacity allocations, of operating a private water treatment facility servicing the Davenport MUD and the other participants' service areas. ST Environmental is under contract to operate the water treatment facility. The participants in the cost sharing agreement continue to pay their contractual share of the operations and maintenance costs of the facility, with the City of Austin now responsible for the Davenport MUD portion of these costs. The City may amend this arrangement in the future to provide for facility improvements that will allow the customers to be served by the City's system.

Former Davenport MUD customers are now billed by the City of Austin as inside City retail water customers. The other entities continue to bill the individual customers served by the facility who were not residents of the former MUD.

**19 -- ANNEXED DISTRICTS**

Municipal Utility Districts ("MUD") are taxing and financing authorities organized under the laws of the State of Texas to provide water, drainage and sewer services to residents not serviced by the City. The assets and liabilities of districts annexed are recorded as follows:

- (1) Fixed assets, at cost, net of accumulated depreciation, constructed for water and sewer operations are recorded in the Water and Wastewater Fund, and fixed assets, at cost, net of accumulated depreciation, constructed for drainage operations are recorded in the Drainage Fund.
- (2) Funds available for future construction of water and sewer facilities are recorded in the Water and Wastewater Fund with corresponding contributed capital recorded within that fund.
- (3) The annexed districts' long-term debt is assumed by the City upon dissolution of the districts and is treated as tax obligation bonded debt of the City. The assumed debt, net of premium/discount, issued to acquire the water and sewer facilities and issuance costs is recorded in the Water and Wastewater Fund, and the assumed debt issued to acquire the drainage facilities is recorded in the General Long-Term Debt Account Group.
- (4) Debt service requirements on the assumed districts' tax obligation debt are provided by the City's ad valorem tax levy and by revenues from the Water and Wastewater Fund.
- (5) Upon completion of construction, any remaining funds are restricted to the payment of debt service of the annexed districts that provided the funds.

During fiscal year 1999, the City annexed three utility districts which included Austin MUD No. 1, 2, and 3. Contributions of net assets or liabilities were recorded in the following funds and account groups (in thousands of dollars):

	<u>Assets</u>	<u>Liabilities</u>
General Fund	\$ 1,145	\$ --
Capital Project Funds	150	--
Water and Wastewater Fund	1,338	1,118
Drainage Fund	583	--
General Long-Term Debt Account Group	--	717

**20 -- LITIGATION**

**a -- Water and Wastewater Litigation**

The City is involved in a number of lawsuits involving the operation of its water and wastewater system. Some of the cases involve failure to provide sewer service on a timely basis; some small lawsuits involve various property claims. The City believes these suits will not have a material effect on these financial statements.

**b -- Other Litigation**

A number of claims against the City are pending with respect to various matters arising in the normal course of the City's operations. Legal counsel and City management are of the opinion that the settlement of these claims and pending litigation will not have a material effect on the City's financial statements. The City has accrued liabilities in the Liability Reserve Fund for claims payable at September 30, 1999. These liabilities include amounts for lawsuits settled subsequent to year end.

**21 -- COMMITMENTS AND CONTINGENCIES**

**a -- Certificates of Participation**

The City has entered into several capital lease arrangements through the issuance of Certificates of Participation as follows:

- \$23,060,000 Certificates of Participation, City of Austin, Texas Electric Utility Office Project, Series 1987;
- \$14,000,000 Certificates of Participation, City of Austin, Texas Water and Wastewater Utility Office Project, Series 1987;

The certificates represent proportionate interests in lease payments to be made by the City to a third-party lessor. The City has title to the office projects, pursuant to general warranty deeds; however, the trustee maintains a vendor's lien and superior title to the properties until all sums due are paid in full.

The City's obligations under the lease agreements are subject to and dependent upon annual appropriations by the City Council and do not obligate the City to levy or pledge any form of taxation. Thus the certificates are treated as capital lease obligations rather than long-term bonds and are recorded as a liability in the funds.

The following table presents information regarding these certificates:

	<b>Electric Fund Office Project (1)</b>	<b>Water and Wastewater Fund Office Project (1)</b>
Date issued	February 1987	August 1987
Amount issued	23,060,000	14,000,000
Interest rates	4.00% - 7.00%	5.25% - 8.00%
Interest payable on	March 15 and September 15	May 15 and November 15
Maturity dates	September 15 1988 - 2007	November 15 1989 - 2007
Present value of lease payments	12,650,000	8,950,000
Reserve fund (2)	2,000,000	1,250,000

(1) Subject to mandatory redemption upon the occurrence of certain events.

(2) Held by trustee, to be used to make final payments.

**b -- Federal and State Financial Assistance Programs**

The City participates in a number of federal and state financial assistance programs. The programs are subject to audit by the granting agencies to determine if activities comply with conditions of the grant. Management believes that no material liability will arise from any such audits.

**c -- Arbitrage Rebate Payable**

The City's financial advisor has determined that the City may have earned interest revenue on unused bond proceeds in excess of amounts allowed by applicable Federal regulations, which may have to be rebated to the Federal government. Estimated amounts payable at September 30, 1999, as arbitrage rebates are \$584,100 for the enterprise funds and \$1,384,000 for the capital projects funds which are recorded as liabilities of these funds.

**21 -- COMMITMENTS AND CONTINGENCIES, continued**

**d -- Capital Improvement Plan**

As required by the City Charter, the City has a *Five Year Capital Improvement Plan* that is an anticipated spending plan for projects in the upcoming year (a *Capital Budget*) as well as for future years. The City's 2000 Capital Budget includes new appropriations of \$329,335,967 for the City's enterprise funds and \$131,709,506 for general government projects and appropriation reductions of \$647,110 for the enterprise funds and \$51,036 for general government projects. The City has substantial contractual commitments relating to its capital improvement plan.

**e -- Operating lease with Daughters of Charity Health Services of Austin**

Effective October 1, 1995, the City entered into a long-term lease arrangement with the Daughters of Charity Health Services of Austin ("Seton"). Under the terms of the lease, Seton will operate City-owned Brackenridge Hospital and will provide all necessary medical services for all residents of Austin regardless of their ability to pay. The City will fund these services through payments to Seton for three programs. Under the Charity Care Program, the City will reimburse Seton up to a maximum of \$5.6 million annually for providing care to the medically indigent; provided, however, that Seton must first satisfy its requirement under State law to provide charity care in the amount of 4% of net revenues. Under the Medical Assistance Program, the City will pay Seton a maximum of approximately \$6.0 million annually (adjusted annually for inflation for the next one year) for providing services to patients enrolled in the City's Medical Assistance Program. Under the Physician Services Program, the City will pay Seton approximately \$5.1 million annually (adjusted annually for each of the next six years) for providing physician services to patients in the first two programs.

**f -- Landfill Closure and Postclosure Liability**

State and federal regulations require the City to place a final cover on the City of Austin landfill site (located on FM812) when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports in the Solid Waste Services Fund a portion of these closure and postclosure care costs as an operating expense in each period, based on landfill capacity used as of each balance sheet date. The \$6,467,381 reported as accrued landfill closure and postclosure costs at September 30, 1999, represents the cumulative amount reported to date based on the use of 76.6 percent of the estimated capacity of the landfill. The Solid Waste Services Fund will recognize the remaining estimated cost of closure and postclosure care of \$1,975,675 as the remaining estimated capacity is filled over the next twelve years. The total estimated costs of \$8,443,056 include costs of closure in 2010 of \$2,189,211 and postclosure costs over the subsequent thirty years of \$6,253,844. These amounts are based on what it would cost to perform all closure and postclosure care in 1999. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

State and federal laws to demonstrate financial assurance for closure, postclosure, and/or corrective action became effective in April 1997. The City complies with the financial and public notice components of the local government financial test and government-guarantee of the test.

**g -- Risk-Related Contingencies**

The City uses internal service funds to account for risks related to health benefits, third-party liability, and workers' compensation. The funds are as follows:

<u>Fund name</u>	<u>Description</u>
Employee Benefits	Approximately 24% of City employees use one of three HMOs; approximately 76% use the City's program, which is self-insured. In addition, retirees may choose from three HMOs, one Medicare Risk Program and a PPO. Premiums are charged to other City funds through a charge per employee per pay period.
Liability Reserve	Self-insured. Includes losses and claims related to liability for bodily injury, property damage, professional liability, and certain employment liability. Excludes losses and claims related to health benefits or workers' compensation. Premiums are charged to other City funds each year based on historical costs.
Workers' Compensation	Self-insured. Premiums are charged to other City funds each year based on historical costs.

**21 -- COMMITMENTS AND CONTINGENCIES, continued**

The City purchases stop loss insurance for the City's self-funded Medical Plan. This stop loss insurance covers individual claims that exceed \$150,000 per calendar year, up to a maximum of \$1 million. During fiscal year 1999, six claims exceeded the stop loss limit of \$150,000; one claim exceeded the stop loss limit in fiscal year 1998; and two exceeded the limit in fiscal year 1997. City coverage is limited to \$1 million in lifetime benefits. The City does not purchase stop loss insurance for workers' compensation claims.

The City purchases commercial insurance for coverage for property loss or damage, commercial crime, fidelity bond, and airport operations. The City also purchases a broad range of insurance coverage through the Rolling Owner Controlled Insurance Program (ROCIP). The program provides auto and commercial general liability coverage for the City and for contractors working at selected capital improvement sites; it also provides workers' compensation, employers' liability, and excess liability for contractors at these sites. The City purchases excess liability coverage for the Electric Fund. The City also purchases medical malpractice insurance coverage for physicians in the City's Health and Human Services Department clinics. None of the policies had claims settlements in excess of insurance coverage. The City does not participate in a risk pool. There are no significant reductions in insurance coverage in fiscal year 1999.

Liabilities are reported when it is probable that a loss has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities for the Employee Benefits Fund are calculated considering recent claim settlement trends; liabilities for the Liability Reserve Fund and Workers' Compensation Fund are calculated based on outstanding claims. The amount to be paid out ultimately may be more or less than the amount accrued at September 30, 1999. The possible range of loss is \$19.7 - \$36.1 million. The City contributes amounts to an internal service fund based on an estimate of the cost of claims expected to be incurred each year.

Changes in the balances of claims liability are as follows:

	<b>Employee Benefits</b>	<b>Liability Reserve</b>	<b>Workers' Compensation</b>
September 30, 1997 liability balances	\$2,903,000	15,460,136	5,183,000
Claims and changes in estimates	1,778,000	793,878	1,269,228
Claims payments	2,143,000	2,980,987	2,562,228
September 30, 1998 liability balances	2,538,000	13,273,027	3,890,000
Claims and changes in estimates	2,584,000	3,237,183	2,307,899
Claims payments	2,101,000	4,012,883	2,043,899
September 30, 1999 liability balances	\$3,021,000	12,497,327	4,154,000

The Liability Reserve Fund claims liability balance at fiscal year end includes liabilities of \$6,766,000 discounted at 5.85% in 1999 and \$5,305,000 discounted at 5.06% in 1998.

**h -- Developer Reimbursement Claims**

The City is in the process of reviewing claims made by the developers of the MUDs annexed in December 1998 and 1999 (see Note 19). These claims are for reimbursement of costs incurred to construct water and wastewater facilities and related infrastructure, and are subject to verification from the engineering and accounting consultants performing the technical reviews. The City estimates the actual liability for developer reimbursement claims is between \$19.5 and 29.3 million.

**i -- Environmental Remediation Contingencies**

The Electric Fund may incur potential costs related to environmental remediation of certain sites including the Seaholm Power Plant, and has recorded a liability of \$4,302,000 in 1999. Additional potential liabilities for remediation range from \$0 to \$3.8 million. This amount includes the cost of penalties associated with an Environmental Protection Agency (EPA) PCB inspection and estimated costs for the remediation of the contaminated sites. The Electric Fund anticipates incurring these costs between 2000 and 2001.

**21 -- COMMITMENTS AND CONTINGENCIES, continued**

In addition, on April 29, 1999, the EPA issued an Administrative Order to the Water and Wastewater Utility concerning wastewater overflow issues. The Administrative Order requires the Utility to conduct studies of its wastewater collection system and to eliminate overflows by December 2007 by making necessary improvements that will require capital investment for the repair and/or rehabilitation of the collection system infrastructure. When the studies are complete, the utility will be able to estimate the cost of the improvements. Currently, the Utility is complying with all requirements of the Administrative Order. On October 29, 1999, the EPA and the Utility executed a Consent Order assessing an administrative penalty of \$21,000 to the Utility for past overflows from its collection system; the penalty was paid following year end.

The Airport Fund may also incur potential costs related to environmental remediation of certain sites, and has recorded in these financial statements an estimated liability of \$4.6 million.

**j -- Other Commitments and Contingencies**

The City is committed under various leases for building and office space, tracts of land and rights of way, and various equipment. These leases are considered for accounting purposes to be operating leases. Lease expense for the year ended September 30, 1999, amounted to \$12,798,853. The City expects these leases to be replaced in the ordinary course of business with similar leases. Future minimum lease payments for these leases should be approximately the same amount.

The City has entered into certain lease agreements, including the certificates of participation, as lessee for financing the purchase of equipment used in the Electric Fund and Water and Wastewater Fund. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The following summarizes assets recorded at September 30, 1999, under capital lease obligations:

	<b>Electric Fund</b>	<b>Water &amp; Wastewater Fund</b>	<b>Total</b>
<b>Assets</b>			
Building	\$ 20,198,960	12,750,000	32,948,960
Total assets	<u>20,198,960</u>	<u>12,750,000</u>	<u>32,948,960</u>
Accumulated depreciation	6,356,840	2,928,502	9,285,342
Net assets	<u>\$ 13,842,120</u>	<u>9,821,498</u>	<u>23,663,618</u>

**21 -- COMMITMENTS AND CONTINGENCIES, continued**

The following is an analysis of the future minimum lease payments under these capital leases and Certificates of Participation and the present value of the net minimum lease payments, as of September 30, 1999:

Fiscal Year Ended September 30	Electric Fund	Water and Wastewater Fund	Total
2000	\$ 2,117,715	1,400,606	3,518,321
2001	2,119,635	1,393,775	3,513,410
2002	2,119,535	1,406,194	3,525,729
2003	2,116,900	1,387,931	3,504,831
2004	2,116,200	1,389,217	3,505,417
Later years	6,338,800	5,515,787	11,854,587
Total minimum lease payments	16,928,785	12,493,510	29,422,295
Less:			
Amount representing interest	4,278,785	3,543,510	7,822,295
Present value of net minimum lease payments	12,650,000	8,950,000	21,600,000
Current portion	1,240,000	725,000	1,965,000
Long-term portion	\$ 11,410,000	8,225,000	19,635,000

The City guarantees certain energy improvement loans made by a bank. The maximum contingent liability of the RMD Loan Fund, a special revenue fund, is \$6.2 million, which City management does not anticipate having to fulfill.

The City has entered into an agreement with the Federal Aviation Administration for the disposition of Robert Mueller Municipal Airport, including a provision for continued use of the City golf course and the associated land which was acquired with Federal airport grant assistance. A percent of the appraised market value at the date of the closure of Mueller Airport will be payable over 5 years from City funds to an account to be used for future work at Austin-Bergstrom International Airport (ABIA). As of September 30, 1999, the City has not completed an appraisal of the property.

In conjunction with the opening of Austin-Bergstrom International Airport (ABIA), the City has stopped sending household garbage to the City's landfill site near ABIA 60 days prior to ABIA's opening date. This action complies with the Environmental Protection Agency requirements. The landfill site will continue to accept nonbird attracting waste. The FAA has agreed to this approach. With the closing of the City landfill for household garbage, the City has entered into two short-term contracts for household waste disposal. A long-term contract for disposal services is under negotiation.

**22 -- OTHER POST-EMPLOYMENT BENEFITS**

In addition to making contributions to the three pension systems, the City provided certain other post-employment benefits to its retirees. Other post-employment benefits include access to medical and dental insurance for the retiree and the retiree's family and \$1,000 of life insurance on the retiree only.

All retirees who are eligible to receive pension benefits under any of the City's three pension systems are eligible for other post-employment benefits. Retirees may also enroll eligible dependents under the medical and dental plan(s) in which they participate. Eligible dependents of the retiree include a legally married spouse, unmarried children under age 19 (under age 24 if an eligible student) who are dependent upon the retiree for support including natural children, stepchildren, legally adopted children, children for whom the retiree has obtained court-ordered guardianship/conservatorship, qualified children placed pending adoption, and grandchildren who qualify as a dependent on the retiree's or retiree's spouse's federal income tax return, and eligible disabled children. A surviving spouse of a deceased retiree may continue medical coverage until the date the surviving spouse remarries. A surviving spouse of a deceased retiree may continue dental coverage for 36 months by paying the entire premium plus a two-percent administrative fee. Other surviving dependents of a deceased retiree may continue medical and dental coverage for 36 months by paying the entire premium plus a two-percent administrative fee.

**22 -- OTHER POST-EMPLOYMENT BENEFITS, continued**

The City is under no obligation, statutory or otherwise, to offer other post-employment benefits or to pay any portion of the cost of other post-employment benefits to any retirees. Allocation of City funds to pay other post-employment benefits or to make other post-employment benefits available is determined on an annual basis by the City Council as part of the budget process.

The City pays a portion of the retiree's medical insurance premium and a portion of the retiree's dependents' medical insurance premium. The portion paid by the City varies according to age, coverage selection, and years of service. The percentage of the medical insurance premium paid by the City ranges as follows:

<u>Years of Service</u>	<u>Retiree only</u>	<u>Dependent only</u>
Less than 5 years	8% - 20%	5% - 9%
5 to 10 years	12% - 30%	8% - 14%
10 to 15 years	20% - 50%	14% - 23%
15 to 20 years	29% - 70%	19% - 33%
Greater than 20 years	41% - 100%	27% - 47%

The City pays 100% of the retiree's life insurance premium. Group dental coverage is available to retirees and their eligible dependents. The retiree pays the full cost of the dental premium.

Other post-employment benefits are expensed and funded on a pay-as-you-go basis. The City recognizes the cost of providing these benefits as payroll expense/expenditure in an operating fund with corresponding revenue in the Employee Benefits Fund. Medical and dental premiums and claims and life insurance premiums are reported in the Employee Benefits Fund. The cost of providing these benefits for 1,930 retirees and 9,020 active employees in 1999 and 1,769 retirees and 8,699 active employees in 1998 is not separable and cannot be reasonably estimated. Total payments to the Employee Benefits Fund for retirees and active employees were \$27,394,366 in 1999 and \$24,600,422 in 1998.

As more fully described in Note 18, the City is a participant in the South Texas Project Nuclear Operating Company (OPCO) and as such is liable for certain post-employment benefits for OPCO employees. At December 31, 1998, the City's portion of this obligation, \$3,175,893, is not reflected in the financial statements of the Electric Fund.

**23 -- SUBSEQUENT EVENTS**

**a -- General Obligation Bonds Issuance**

In October 1999, the City issued Public Improvement Bonds, Series 1999, in the amount of \$51,100,000. Of the proceeds from the issue, \$3,950,000 will be used for land acquisition and libraries, \$1,800,000 will be used for the Mexican American Cultural Center, \$1,000,000 will be used for health, safety and welfare renovations, \$17,570,000 will be used for erosion and flood control, \$890,000 will be used by various departments for radio trunking, \$5,230,000 will be used for street improvements, \$11,735,000 will be used for park and recreation facilities, and \$8,925,000 will be used for emergency centers. These bonds will be amortized serially on September 1 of each year from 2000 to 2019. Certain of these bonds are callable beginning September 1, 2009. Interest is payable on March 1 and September 1 of each year, commencing March 1, 2000. Total interest requirements for these bonds, at rates ranging from 4.13% to 5.75%, are \$43,494,650.

**b -- Public Property Finance Contractual Obligations Issuance**

In October 1999, the City issued Public Property Finance Contractual Obligations, Series 1999, in the amount of \$10,335,000. Of the proceeds from the issue, \$7,925,000 will be used by various departments for radio trunking, and \$2,410,000 will be used by the Water and Wastewater Department for capital equipment. These contractual obligations will be amortized serially May 1 and November 1 of each year from 2000 to 2006. The contractual obligations are not subject to optional redemption prior to their maturity. Interest is payable on May 1 and November 1 of each year, commencing May 1, 2000. Total interest requirements for these contractual obligations, at rates ranging from 4.5% to 4.75%, aggregate \$1,996,383.

**23 -- SUBSEQUENT EVENTS, continued**

**c -- Certificates of Obligation Issuance**

In October 1999, the City issued Certificates of Obligation, Series 1999, in the amount of \$5,590,000. Of the proceeds from the issue, \$2,400,000 will be used by the Public Works and Transportation Department for road improvements, \$2,080,000 will be used by the Solid Waste Department for construction and improvement of solid waste disposal facilities, and \$1,110,000 will be used by the Parks and Recreation Department for golf course improvements. These certificates of obligation will be amortized serially September 1 of each year from 2000 to 2019. Certain of these obligations are callable beginning September 1, 2009. Interest is payable on March 1 and September 1 of each year, commencing March 1, 2000. Total interest requirements for these obligations, at rates ranging from 5.0% to 6.0%, aggregate \$3,697,233.

**d -- Venue Project Bonds**

In November 1999, the City issued the Town Lake Community Events Center Venue Project Bonds, Series 1999, in the amount of \$40,000,000. The proceeds from this issue will be used to construct the Town Lake Community Events Center and a parking facility. The debt is secured and payable from the levy of the Special Motor Vehicle Rental Tax, a 5% tax on the gross rental receipts on short-term motor vehicle rentals within the City. The debt is also secured and payable from revenues derived from the Parking Facility and Events Center. Interest is payable on May 15 and November 15 of each year, commencing May 15, 2000. Total interest requirements for this obligation, at rates ranging from 5.3% to 6.75%, aggregate \$49,886,912.

**e -- Conduit Debt**

In November 1999, the City issued two series of housing revenue bonds through the Austin Housing Finance Corporation to provide for a loan to a borrower for the acquisition, renovation and equipping of two multi-family housing projects. The principal amounts of the bond issues were \$9.39 million and \$270,000. The bonds and interest are special limited obligations of the City, payable solely from revenues and receipts under the loan agreement. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**f -- Contract for Downtown Development**

In February 2000, the City and Computer Sciences Corporation (CSC) formally signed a contract to enter into a long-term lease agreement. The City will lease three downtown blocks to CSC for 99 years, and CSC will build three multi-story office buildings with retail space, as well as a parking garage. The City will also build a new City Hall and public plaza in the area. The City Hall and public plaza are expected to be completed in 2003. This lease is an element of the City's long-term Smart Growth initiative that focuses on development of the central city area.

**g -- LCRA Water Rights Agreement**

On October 7, 1999, the City and Lower Colorado River Authority (LCRA) signed a historic fifty-year assured water supply agreement. The agreement, with an option to extend another fifty years, is vital for the City's future. The \$100 million contract reserves an additional 75,000 acre-feet of water for Austin and allows the City to take water from the Highland Lakes, rather than relying exclusively on available river water. The agreement was signed after the City held public hearings at City Council meetings and throughout the City during 1999.



## **GENERAL FUND**

The General Fund is the general operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in another fund.

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**GENERAL FUND  
BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit B-1**

	<b>1999</b>	<b>1998</b>
<b>ASSETS</b>		
Cash	\$ 85,523	81,573
Pooled investments and cash	37,561,650	44,561,333
Property taxes receivable	5,260,704	4,910,220
Less allowance for uncollectible taxes	(959,800)	(1,028,013)
Net taxes receivable	4,300,904	3,882,207
Accounts and other taxes receivable	62,995,533	55,018,963
Less allowance for doubtful accounts	(38,468,632)	(32,992,443)
Net accounts receivable	24,526,901	22,026,520
Inventories, at cost	1,113,719	1,149,717
Prepaid items and other assets	78,529	31,045
<b>Total assets</b>	<b>67,667,226</b>	<b>71,732,395</b>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	4,552,024	3,320,799
Accrued payroll	12,312,527	10,390,255
Accrued compensated absences	2,083,912	2,601,515
Due to other funds	--	112,827
Deferred revenue	4,497,858	4,091,309
Performance, escrow and other deposits	1,827,133	1,926,743
Total liabilities	25,273,454	22,443,448
Fund balances:		
Reserved for encumbrances	7,172,887	7,605,930
Reserved for inventories and prepaid items	1,192,248	1,180,762
Unreserved:		
Designated for emergency reserve	16,427,669	14,838,623
Designated for contingency reserve	823,127	164,110
Undesignated	16,777,841	25,499,522
Total fund balances	42,393,772	49,288,947
<b>Total liabilities and fund balances</b>	<b>\$ 67,667,226</b>	<b>71,732,395</b>

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL-BUDGET BASIS  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit B-2**

	1999					1998
	Actual	Adjustments (1)	Actual- Budget Basis	Budget	Variance- Favorable (Unfavorable)	Actual- Budget Basis
<b>REVENUES</b>						
Taxes	\$ 215,885,594	--	215,885,594	212,489,763	3,395,831	190,949,086
Franchise fees	19,671,043	--	19,671,043	16,314,191	3,356,852	16,861,639
Fines, forfeitures and penalties	16,205,548	--	16,205,548	13,333,296	2,872,252	14,492,863
Licenses, permits and inspections	17,252,024	--	17,252,024	14,026,012	3,226,012	15,540,712
Charges for services/goods	11,533,686	--	11,533,686	12,984,913	(1,451,227)	10,260,908
Interest and other	6,361,863	--	6,361,863	6,957,810	(595,947)	13,076,017
<b>Total revenues</b>	<b>286,909,758</b>	<b>--</b>	<b>286,909,758</b>	<b>276,105,985</b>	<b>10,803,773</b>	<b>261,181,225</b>
<b>EXPENDITURES</b>						
Administration	7,849,862	13,187	7,863,049	7,819,132	(43,917)	6,675,279
Urban growth management	9,129,217	(156,571)	8,972,646	9,190,265	217,619	8,167,036
Public safety	173,962,836	(1,712,026)	172,250,810	173,263,457	1,012,647	160,429,734
Public services and utilities	11,098,958	(203,330)	10,895,628	11,106,298	210,670	9,933,983
Public health:						
Physician stipend/charity care	10,487,000	--	10,487,000	10,495,146	8,146	10,464,136
Medical Assistance Program--hospital contracted services/patient services	5,160,677	688,223	5,848,900	5,848,900	--	4,758,155
Other public health	25,030,085	(570,129)	24,459,956	25,536,604	1,076,648	22,400,677
Public recreation and culture	40,929,063	(653,933)	40,275,130	40,275,625	495	35,940,511
Social services management	8,627,050	457,388	9,084,438	9,087,548	3,110	8,118,390
Nondepartmental expenditures (2)	49,142,610	(41,876,045)	7,266,565	7,071,708	(194,857)	7,291,326
<b>Total expenditures</b>	<b>341,417,358</b>	<b>(44,013,236)</b>	<b>297,404,122</b>	<b>299,694,683</b>	<b>2,290,561</b>	<b>274,179,227</b>
Excess (deficiency) of revenues over expenditures	(54,507,600)	44,013,236	(10,494,364)	(23,588,698)	13,094,334	(12,998,002)
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	74,204,480	--	74,204,480	74,704,479	(499,999)	72,721,264
Operating transfers out	(26,592,055)	(43,786,207)	(70,378,262)	(70,977,287)	599,025	(45,486,433)
<b>Total other financing sources (uses)</b>	<b>47,612,425</b>	<b>(43,786,207)</b>	<b>3,826,218</b>	<b>3,727,192</b>	<b>99,026</b>	<b>27,234,831</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(6,895,175)	227,029	(6,668,146)	(19,861,506)	13,193,360	14,236,829
Fund balances at beginning of year	49,288,947	(2,027,978)	47,260,969	25,046,853	22,214,116	33,024,140
<b>Fund balances at end of year</b>	<b>\$ 42,393,772</b>	<b>(1,800,949)</b>	<b>40,592,823</b>	<b>5,185,347</b>	<b>35,407,476</b>	<b>47,260,969</b>

(1) Includes adjustments for 1999 encumbrances, payments against prior year encumbrances, accrued payroll, compensated absences, and amounts budgeted as operating transfers.

(2) Actual expenses include employee training costs and amounts budgeted as fund-level expenses or operating transfers. Actual-budget basis expenditures include employee training costs, budgeted payroll accrual, and amounts budgeted as fund-level expenses.

**GENERAL FUND**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL-BUDGET BASIS**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS**  
**Exhibit B-3**

	1999			Variance- Favorable (Unfavorable)	1998
	Actual	Actual- Budget Basis	Budget		Actual- Budget Basis
<b>Taxes</b>					
Property taxes:					
Current	\$ 104,886,260	104,886,260	105,039,690	(153,430)	89,803,705
Delinquent	702,275	702,275	388,318	313,957	549,271
Penalty and interest	644,964	644,964	367,658	277,306	421,570
Sales taxes	106,839,032	106,839,032	104,036,097	2,802,935	97,581,417
Other taxes	2,813,063	2,813,063	2,658,000	155,063	2,593,123
Total taxes	215,885,594	215,885,594	212,489,763	3,395,831	190,949,086
<b>Franchise fees</b>	19,671,043	19,671,043	16,314,191	3,356,852	16,861,639
<b>Fines, forfeitures and penalties</b>					
Library fines	496,011	496,011	476,000	20,011	456,682
Traffic fines	7,730,113	7,730,113	6,365,150	1,364,963	6,718,209
Parking violations	2,708,846	2,708,846	2,228,690	480,156	2,597,161
Weights and measures	100,269	100,269	141,750	(41,481)	154,639
Other	5,170,309	5,170,309	4,121,706	1,048,603	4,566,172
Total fines, forfeitures and penalties	16,205,548	16,205,548	13,333,296	2,872,252	14,492,863
<b>Licenses, permits and inspections</b>					
Parking meters	1,997,944	1,997,944	1,973,662	24,282	2,001,192
Alarm permits	1,359,985	1,359,985	1,403,462	(43,477)	1,237,139
Commercial solid waste	614,062	614,062	623,500	(9,438)	500,646
Public health	843,723	843,723	927,379	(83,656)	891,468
Development	1,961,897	1,961,897	1,450,205	511,692	1,600,540
Building safety	9,925,533	9,925,533	7,121,144	2,804,389	8,842,094
Beer and wine permits	194,632	194,632	205,000	(10,368)	203,930
Other	354,248	354,248	321,660	32,588	263,703
Total licenses, permits and inspections	17,252,024	17,252,024	14,026,012	3,226,012	15,540,712
<b>Charges for services/goods</b>					
Recreation and culture	1,890,765	1,890,765	2,126,545	(235,780)	1,702,370
Public health	956,162	956,162	934,066	22,096	810,510
Emergency medical services	7,989,174	7,989,174	9,240,219	(1,251,045)	7,184,310
General government	697,585	697,585	684,083	13,502	563,718
Total charges for services/goods	11,533,686	11,533,686	12,984,913	(1,451,227)	10,260,908
<b>Interest and other</b>					
Interest	5,127,334	5,127,334	4,629,132	498,202	5,342,664
Rental income	305,788	305,788	263,547	42,241	287,099
Sale of property	373,359	373,359	334,779	38,580	416,110
Municipal Utility Districts	1,066,689	1,066,689	1,127,802	(61,113)	5,411,419
Other	(511,307)	(511,307)	602,550	(1,113,857)	1,618,725
Total interest and other	6,361,863	6,361,863	6,957,810	(595,947)	13,076,017
<b>Total revenues</b>	\$ 286,909,758	286,909,758	276,105,985	10,803,773	261,181,225

**GENERAL FUND  
SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL-BUDGET BASIS  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit B-4**

			1999		1998	
	Actual	Adjustments (1)	Actual- Budget Basis	Budget	Variance- Favorable (Unfavorable)	Actual- Budget Basis
<b>Administration</b>						
Municipal Court:						
Salaries and fringe benefits	\$ 6,078,044	(10,585)	6,067,459	6,224,354	156,895	5,365,022
Contractual services	1,279,734	14,871	1,294,605	1,288,859	(5,746)	1,095,683
Commodities	194,084	(879)	193,205	200,985	7,780	167,043
Expense refunds	(64,544)	--	(64,544)	(155,066)	(90,522)	(62,820)
Capital outlay	362,544	9,780	372,324	260,000	(112,324)	110,351
<b>Total administration</b>	<b>7,849,862</b>	<b>13,187</b>	<b>7,863,049</b>	<b>7,819,132</b>	<b>(43,917)</b>	<b>6,675,279</b>
<b>Urban growth management</b>						
Development Review and Inspection:						
Salaries and fringe benefits	8,568,170	7,100	8,575,270	8,672,743	97,473	7,602,622
Contractual services	893,213	(137,169)	756,044	829,921	73,877	931,938
Commodities	192,571	(5,348)	187,223	148,716	(38,507)	197,275
Expense refunds	(754,447)	--	(754,447)	(773,615)	(19,168)	(717,531)
Capital outlay	229,710	(21,154)	208,556	312,500	103,944	152,732
<b>Total urban growth management</b>	<b>9,129,217</b>	<b>(156,571)</b>	<b>8,972,646</b>	<b>9,190,265</b>	<b>217,619</b>	<b>8,167,036</b>
<b>Public safety</b>						
Police:						
Salaries and fringe benefits	88,719,835	(339,344)	88,380,491	88,098,893	(281,598)	81,289,716
Contractual services	9,790,124	(654,496)	9,135,628	9,027,415	(108,213)	9,934,254
Commodities	1,635,678	(21,284)	1,614,394	1,798,408	184,014	1,774,522
Expense refunds	(5,313,329)	(90,282)	(5,403,611)	(5,086,986)	316,625	(4,600,280)
Capital outlay	1,804,528	(193,151)	1,611,377	1,500,665	(110,712)	1,435,958
	<b>96,636,836</b>	<b>(1,298,557)</b>	<b>95,338,279</b>	<b>95,338,395</b>	<b>116</b>	<b>89,834,170</b>
Fire:						
Salaries and fringe benefits	57,560,433	(282,521)	57,277,912	57,912,893	634,981	53,461,652
Contractual services	5,212,272	261,471	5,473,743	5,922,813	449,070	5,430,034
Commodities	1,692,483	124,118	1,816,601	1,295,632	(520,969)	1,733,044
Indirect cost	192,322	--	192,322	154,842	(37,480)	163,554
Expense refunds	(3,767,935)	--	(3,767,935)	(3,692,832)	75,103	(3,731,137)
Capital outlay	238,342	22,830	261,172	177,500	(83,672)	331,585
	<b>61,127,917</b>	<b>125,898</b>	<b>61,253,815</b>	<b>61,770,848</b>	<b>517,033</b>	<b>57,388,732</b>
Emergency Medical Services:						
Salaries and fringe benefits	13,166,207	(220,273)	12,945,934	13,646,859	700,925	10,417,153
Contractual services	1,816,486	(26,855)	1,789,631	1,529,539	(260,092)	1,713,400
Commodities	1,169,049	20,619	1,189,668	910,360	(279,308)	1,011,760
Expense refunds	(635,315)	--	(635,315)	(205,804)	429,511	(424,322)
Capital outlay	681,656	(312,858)	368,798	273,260	(95,538)	488,841
	<b>16,198,083</b>	<b>(539,367)</b>	<b>15,658,716</b>	<b>16,154,214</b>	<b>495,498</b>	<b>13,206,832</b>
<b>Total public safety</b>	<b>\$ 173,962,836</b>	<b>(1,712,026)</b>	<b>172,250,810</b>	<b>173,263,457</b>	<b>1,012,647</b>	<b>160,429,734</b>

(1) Includes adjustments for 1999 encumbrances, payments against prior year encumbrances, accrued payroll, compensated absences and amounts budgeted as operating transfers.

(continued)

**GENERAL FUND  
SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL-BUDGET BASIS  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit B-4  
(Continued)**

			1999		1998	
	Actual	Adjustments (1)	Actual- Budget Basis	Budget	Variance- Favorable (Unfavorable)	Actual- Budget Basis
<b>Public services and utilities</b>						
Public Works and Transportation:						
Salaries and fringe benefits	\$ 5,551,797	(54,805)	5,496,992	5,656,703	159,711	4,669,187
Contractual services	1,673,159	59,016	1,732,175	1,620,671	(111,504)	1,701,036
Commodities	2,014,086	(203,790)	1,810,296	1,949,144	138,848	1,649,382
Indirect cost	393,550	--	393,550	460,665	67,115	406,112
Expense refunds	(3,252,020)	--	(3,252,020)	(3,176,485)	75,535	(3,099,495)
Capital outlay	318,386	(3,751)	314,635	195,600	(119,035)	207,761
Street lighting	4,400,000	--	4,400,000	4,400,000	--	4,400,000
<b>Total public services and utilities</b>	<b>11,098,958</b>	<b>(203,330)</b>	<b>10,895,628</b>	<b>11,106,298</b>	<b>210,670</b>	<b>9,933,983</b>
<b>Public health</b>						
Health and Human Services:						
Physician stipend/charity care	10,487,000	--	10,487,000	10,495,146	8,146	10,464,136
Medical Assistance Program -- hospital contracted services/ patient services	5,160,677	688,223	5,848,900	5,848,900	--	4,758,155
Salaries and fringe benefits	15,337,422	(222,218)	15,115,204	15,042,715	(72,489)	13,108,718
Contractual services	13,698,673	(409,413)	13,289,260	13,885,251	595,991	13,215,977
Commodities	946,840	118,731	1,065,571	826,197	(239,374)	940,900
Expense refunds	(5,162,271)	--	(5,162,271)	(4,600,139)	562,132	(5,099,099)
Capital outlay	209,421	(57,229)	152,192	382,580	230,388	234,181
Other public health	25,030,085	(570,129)	24,459,956	25,536,604	1,076,648	22,400,677
<b>Total public health</b>	<b>\$ 40,677,762</b>	<b>118,094</b>	<b>40,795,856</b>	<b>41,880,650</b>	<b>1,084,794</b>	<b>37,622,968</b>

(1) Includes adjustments for 1999 encumbrances, payments against prior year encumbrances, accrued payroll, compensated absences and amounts budgeted as operating transfers.

(continued)

**GENERAL FUND  
SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL-BUDGET BASIS  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit B-4  
(Continued)**

			1999			1998
	Actual	Adjustments (1)	Actual- Budget Basis	Budget	Variance- Favorable (Unfavorable)	Actual- Budget Basis
<b>Public recreation and culture</b>						
Parks and Recreation:						
Salaries and fringe benefits	\$ 19,505,464	(180,690)	19,324,774	19,304,201	(20,573)	17,246,861
Contractual services	6,738,892	(536,973)	6,201,919	5,735,520	(466,399)	6,298,083
Commodities	2,299,698	42,932	2,342,630	2,167,933	(174,697)	2,377,233
Indirect cost	218,288	--	218,288	284,108	65,820	199,742
Expense refunds	(3,020,369)	--	(3,020,369)	(2,360,991)	659,378	(3,285,325)
Capital outlay	285,591	115,230	400,821	337,699	(63,122)	422,112
	<u>26,027,564</u>	<u>(559,501)</u>	<u>25,468,063</u>	<u>25,468,470</u>	<u>407</u>	<u>23,258,706</u>
Austin Public Library:						
Salaries and fringe benefits	10,545,906	(100,992)	10,444,914	10,531,860	86,946	9,132,709
Contractual services	2,128,756	48,279	2,177,035	2,107,309	(69,726)	1,917,273
Commodities	1,898,759	(17,061)	1,881,698	1,847,355	(34,343)	1,653,884
Indirect cost	--	--	--	--	--	--
Expense refunds	(231,968)	--	(231,968)	(221,663)	10,305	(224,612)
Capital outlay	560,046	(24,658)	535,388	542,294	6,906	202,551
	<u>14,901,499</u>	<u>(94,432)</u>	<u>14,807,067</u>	<u>14,807,155</u>	<u>88</u>	<u>12,681,805</u>
<b>Total public recreation and culture</b>	<u>40,929,063</u>	<u>(653,933)</u>	<u>40,275,130</u>	<u>40,275,625</u>	<u>495</u>	<u>35,940,511</u>
<b>Social services management</b>	<u>8,627,050</u>	<u>457,388</u>	<u>9,084,438</u>	<u>9,087,548</u>	<u>3,110</u>	<u>8,118,390</u>
<b>Nondepartmental expenditures (2)</b>	<u>49,142,610</u>	<u>(41,876,045)</u>	<u>7,266,565</u>	<u>7,071,708</u>	<u>(194,857)</u>	<u>7,291,326</u>
<b>Total expenditures</b>	<u>341,417,358</u>	<u>(44,013,236)</u>	<u>297,404,122</u>	<u>299,694,683</u>	<u>2,290,561</u>	<u>274,179,227</u>
<b>General fund expenditures</b>						
Salaries	225,033,278	(1,404,328)	223,628,950	225,091,221	1,462,271	202,293,640
Contractuals	58,878,986	(693,046)	58,185,940	58,291,344	105,404	57,459,969
Commodities	12,043,248	58,038	12,101,286	11,144,730	(956,556)	11,505,043
Indirect cost	804,160	--	804,160	899,615	95,455	769,408
Expense refunds	(22,202,198)	(90,282)	(22,292,480)	(20,273,581)	2,018,899	(21,244,621)
Capital outlay	4,690,224	(464,961)	4,225,263	3,982,098	(243,165)	3,586,072
Street lighting	4,400,000	--	4,400,000	4,400,000	--	4,400,000
Social services management	8,627,050	457,388	9,084,438	9,087,548	3,110	8,118,390
Nondepartmental expenditures	49,142,610	(41,876,045)	7,266,565	7,071,708	(194,857)	7,291,326
<b>Total expenditures</b>	<u>\$ 341,417,358</u>	<u>(44,013,236)</u>	<u>297,404,122</u>	<u>299,694,683</u>	<u>2,290,561</u>	<u>274,179,227</u>

(1) Includes adjustments for 1999 encumbrances, payments against prior year encumbrances, accrued payroll, compensated absences and amounts budgeted as operating transfers.

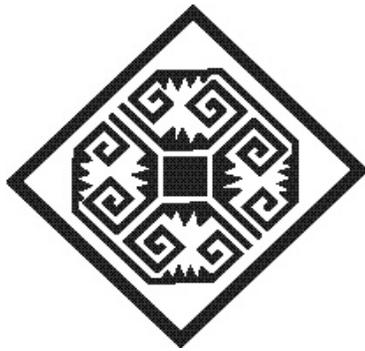
(2) Actual expenses include employee training costs and amounts budgeted as fund-level expenses or operating transfers. Actual-budget basis expenditures include employee training costs, budgeted payroll accrual, and amounts budgeted as fund-level expenses.

**GENERAL FUND  
SCHEDULE OF TRANSFERS -  
BUDGET AND ACTUAL-BUDGET BASIS  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit B-5**

	1999				Variance- Favorable (Unfavorable)	1998
	Actual	Adjustments (1)	Actual- Budget Basis	Budget		Actual- Budget Basis
<b>Operating transfers in</b>						
Special revenue funds:						
Health Reimbursement	--	--	--	500,000	(500,000)	--
Enterprise funds:						
Electric	57,990,860	--	57,990,860	57,990,860	--	57,409,800
Water and Wastewater	16,213,620	--	16,213,620	16,213,619	1	15,311,464
<b>Total operating transfers in</b>	<b>74,204,480</b>	<b>--</b>	<b>74,204,480</b>	<b>74,704,479</b>	<b>(499,999)</b>	<b>72,721,264</b>
<b>Operating transfers out</b>						
Special revenue funds:						
Balcones Canyonlands Conservation Plan	88,000	--	88,000	88,000	--	88,000
Fee Waiver	7,000	--	7,000	7,000	--	7,000
Downtown Development Fund	600,000	--	600,000	600,000	--	--
Neighborhood Housing and Conservation	1,250,240	--	1,250,240	1,434,020	183,780	613,000
Planning, Environmental and Conservation Services	2,141,303	--	2,141,303	2,556,548	415,245	1,980,707
Strategic Planning Investment Fund	1,100,000	--	1,100,000	1,100,000	--	950,000
Telecommunication Partnership	--	--	--	--	--	200,000
Tourism and Promotion	125,382	--	125,382	125,382	--	125,382
Voluntary Utility Assistance	160,000	--	160,000	160,000	--	160,000
Capital project funds	20,350,709	--	20,350,709	20,350,709	--	4,884,273
Enterprise funds:						
Solid Waste Services	350,100	--	350,100	350,100	--	235,000
Drainage	298,504	--	298,504	298,504	--	193,504
Electric Operating	65,817	--	65,817	65,817	--	--
Internal service funds:						
Fleet Maintenance	--	8,761,062	8,761,062	8,761,062	--	7,350,777
Support Services	--	30,467,757	30,467,757	30,467,757	--	24,512,194
Radio Communication	--	342,035	342,035	342,035	--	--
Infrastructure Support Services	--	2,708,973	2,708,973	2,708,973	--	2,555,271
Capital Projects Management	--	1,506,380	1,506,380	1,506,380	--	1,221,325
Trust and agency funds:						
First Step - A Community Project	--	--	--	--	--	410,000
Barton Springs Conservation Fund	55,000	--	55,000	55,000	--	--
<b>Total operating transfers out</b>	<b>26,592,055</b>	<b>43,786,207</b>	<b>70,378,262</b>	<b>70,977,287</b>	<b>599,025</b>	<b>45,486,433</b>
<b>Net transfers</b>	<b>\$ 47,612,425</b>	<b>(43,786,207)</b>	<b>3,826,218</b>	<b>3,727,192</b>	<b>99,026</b>	<b>27,234,831</b>

(1) Includes adjustments to actual transfers required for adjusted budget basis presentation.





## **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes. Included in the special revenue funds are:

- Federal grants funds;
- State grants funds;
- Other special revenue grants funds;
- Other special revenue funds - see next page for descriptions of the individual funds;
- Housing Assistance Fund - accounts for administrative costs and financing ownership and development and providing housing.

## Other Special Revenue Funds

*Austin Industrial Development Corporation (AIDC)* - Accounts for the administrative costs related to the Corporation.

*Austin Inner City Redevelopment Corporation* - Accounts for the activity of this entity.

*Austin Transportation Study* - Accounts for a transportation study regarding the Austin metropolitan roadways, bicycle areas, and pedestrian walkways.

*Aviation Asset Forfeiture* - Accounts for the redistribution of proceeds generated by airport police enforcement activities.

*Balcones Canyonlands Conservation Plan (BCCP)* - Accounts for the City's and county's management of preserve systems.

*Barbara Jordan Memorial Fund* - Accounts for donations for a future memorial.

*Barton Springs Conservation Fund* - Accounts for habitat conservation in Barton Springs.

*Cable TV* - Payments from the Austin Cablevision Company and disbursement to Austin Access Television.

*Campaign Financing Fund* - Accounts for donations and fees for the Austin Fair Campaign Ordinance.

*Child Safety Fund* - Accounts for certain fines and fees used to provide school crossing guard programs at City schools.

*Disproportionate Share* - Used to purchase medical equipment and fund structural changes for the clinic system of the Austin/Travis County Health Department in order to serve indigent patients.

*Downtown Development Fund* - Accounts for the relocation of music venue facilities.

*Energy Conservation Rebates and Incentives* - Used for energy loans and rebates/ incentives to customers; funded primarily by Electric Fund.

*Environmental Remediation* - Accounts for remediation of sites which affect ground and surface water quality or public health and safety for which the City has either partial or total liability.

*Federally Qualified Health Center* - Accounts for services provided to Medical Assistance Program (MAP) and non-MAP clients at the City's Health Department.

*Fee Waiver Fund* - Accounts for funds provided to allow for payment of fees waived by Council through City Ordinance.

*FEMA Flood Disaster* - Accounts for costs related to repairs for damage done to City property by floods.

*Fire Miscellaneous* - Accounts for contributions for specified purposes and for "The Firehouse," a public safety awareness exhibit which is transported to different sites throughout Austin.

*Fiscal Surety - Land Development* - Escrow funds received from contractors for hydromulch/erosion control.

*Friends of East Austin Youth* - Accounts for donations from the Friends of East Austin Youth Golf Tournament to fund programs benefiting the youth of East Austin.

*Health and Human Services Travis County Reimbursed Fund* - Accounts for expenses incurred by the City on behalf of Travis County and the corresponding reimbursement from Travis County for Health and Human Services and Federally Qualified Health Center programs.

*Health Miscellaneous* - Accounts for contributions for Strategic Intervention for High Risk Youth.

*Hotel-Motel Occupancy Tax Fund* - Accounts for hotel/motel occupancy tax revenues and transfers of these revenues to participating funds.

*Housing Miscellaneous* - Accounts for donations to the Housing program to be used for specified purposes.

*Leveraged Loan Pool* - Used to leverage private capital and state or federal resources to stimulate business investments.

*Library City Literacy Program* - Accounts for fundraising efforts to help fund the City's Workplace Literacy Program.

*Municipal Court Building Security Fund* - Provides funding to enhance courthouse security.

*Municipal Court Technology Fund* - Provides funding for technological enhancements to Municipal Court operations.

*Neighborhood Housing and Conservation Fund* - Established in 1996 to lead economic development, affordable housing, and neighborhood revitalization efforts.

*One Texas Center* - Accounts for revenue and debt service requirements for the City's One Texas Center site.

*PARD Cultural Projects* - Records activities for cultural project purposes.

*Planning, Environmental Conservation Services* - Accounts for energy and water conservation services and environmental protection activities; funding provided by transfers from General, Electric, Water and Wastewater and other funds.

*Police Federal Seized Funds* - Records all federal seized funds generated by police enforcement activities per State Code of Criminal Procedures (Chapter 59).

*Police Seized Money Fund* - Accounts for the redistribution of proceeds generated by police enforcement activities.

*Public Improvement District* - Accounts for the downtown public improvement district, which will provide services, security, and improvements for the downtown Austin area.

*Railroad Right of Way* - Accounts for management of the Austin and Northwestern Railroad right of way.

*RMD Conservation* - Amounts contributed by the Electric Fund to be used for energy loans and rebates/incentives.

*RMD Loan Fund* - Accounts for energy loans to customers.

*Strategic Planning Investment Fund* - Accounts for costs related to managing and planning for growth by the City of Austin.

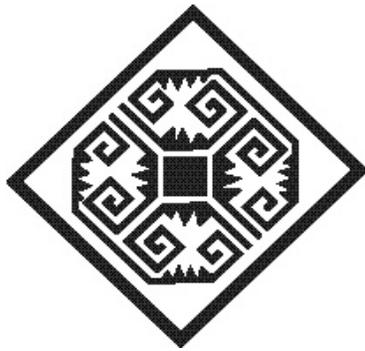
*Subdivision Participation* - Escrow account for funds received from contractors for construction and installation of streets, sidewalks, drainage facilities, etc.

*Telecommunity Partnership Fund* - Accounts for addressing training needs of the Austin community and will create opportunities for individuals through partnerships with local employers.

*Tourism and Promotion* - Accounts for the promotion of tourism in Austin as both a leisure and business destination. Funded by a portion of bed tax receipts.

*Vehicle Rental Tax Fund* - Accounts for the levy of a short-term motor vehicle rental tax.

*Voluntary Utility Assistance* - Contributions for the benefit of indigent utility customers.



**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET**

**CITY OF AUSTIN, TEXAS  
Exhibit C-1**

**September 30, 1999**

**With comparative totals for September 30, 1998**

	Federal Grants	State Grants	Other Special Revenue Grants	Other Special Revenue Funds	Housing Assistance	Totals	
						1999	1998
<b>ASSETS</b>							
Cash	\$ --	--	--	5,300	--	5,300	5,613
Pooled investments and cash	2,786,108	849,237	120,941	42,536,928	2,169,451	48,462,665	38,841,615
Investments, at market value	--	--	--	--	759,132	759,132	2,884,395
Accounts receivable, net	--	--	--	2,770,216	276,498	3,046,714	2,697,527
Notes receivable, net	--	--	--	--	4,251,828	4,251,828	3,421,204
Receivables from other governments	12,448,875	2,459,975	81,559	--	--	14,990,409	15,923,071
Due from other funds	--	--	--	14,473,235	--	14,473,235	14,855,721
Real property held for resale	--	--	--	--	1,318,700	1,318,700	1,065,241
Other assets	209,699	86	113	458,915	102,524	771,337	1,691,985
<b>Total assets</b>	<b>15,444,682</b>	<b>3,309,298</b>	<b>202,613</b>	<b>60,244,594</b>	<b>8,878,133</b>	<b>88,079,320</b>	<b>81,386,372</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	1,323,017	232,216	3,469	2,907,732	249,587	4,716,021	4,572,301
Accrued payroll	--	--	--	898,645	--	898,645	875,055
Accrued compensated absences	--	--	--	186,944	--	186,944	131,777
Due to other funds	10,970,077	2,113,172	78,160	1,311,826	--	14,473,235	14,855,721
Deposits and other liabilities	3,151,588	963,910	120,984	34,611,131	894,702	39,742,315	35,248,700
<b>Total liabilities</b>	<b>15,444,682</b>	<b>3,309,298</b>	<b>202,613</b>	<b>39,916,278</b>	<b>1,144,289</b>	<b>60,017,160</b>	<b>55,683,554</b>
Fund balances:							
Reserved for encumbrances	--	--	--	4,945,721	--	4,945,721	3,806,754
Reserved for notes receivable	--	--	--	--	4,251,828	4,251,828	3,421,204
Reserved for real property held for resale	--	--	--	--	1,318,700	1,318,700	1,065,241
Unreserved, designated for future use	--	--	--	15,750,221	2,163,316	17,913,537	17,445,371
Unreserved, undesignated	--	--	--	(367,626)	--	(367,626)	(35,752)
<b>Total fund balances</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>20,328,316</b>	<b>7,733,844</b>	<b>28,062,160</b>	<b>25,702,818</b>
<b>Total liabilities and fund balances</b>	<b>\$ 15,444,682</b>	<b>3,309,298</b>	<b>202,613</b>	<b>60,244,594</b>	<b>8,878,133</b>	<b>88,079,320</b>	<b>81,386,372</b>

**SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit C-2**

	Federal Grants	State Grants	Other Special Revenue Grants	Other Special Revenue Funds	Housing Assistance	Totals	
						1999	1998
<b>REVENUES</b>							
Intergovernmental:							
Grants	\$ 39,288,862	7,288,339	469,114	--	--	47,046,315	46,517,401
Other:							
Taxes	--	--	--	27,681,233	--	27,681,233	19,592,578
Fines, forfeitures and penalties	--	--	--	2,913,042	--	2,913,042	2,609,672
Charges for services/goods	--	--	--	27,246,653	--	27,246,653	37,414,331
Interest and other	--	--	--	917,829	3,950,110	4,867,939	6,842,340
Total revenues	39,288,862	7,288,339	469,114	58,758,757	3,950,110	109,755,182	112,976,322
<b>EXPENDITURES</b>							
Administration	--	--	--	48,172,947	--	48,172,947	46,374,184
Special projects	39,288,862	7,288,339	469,114	--	3,441,562	50,487,877	48,909,943
Total expenditures	39,288,862	7,288,339	469,114	48,172,947	3,441,562	98,660,824	95,284,127
Excess (deficiency) of revenues over expenditures	--	--	--	10,585,810	508,548	11,094,358	17,692,195
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	--	--	--	19,904,286	--	19,904,286	21,561,687
Operating transfers out	--	--	--	(29,585,870)	--	(29,585,870)	(31,600,710)
Total other financing sources (uses)	--	--	--	(9,681,584)	--	(9,681,584)	(10,039,023)
Excess (deficiency) of revenues and other sources over expenditures and other uses	--	--	--	904,226	508,548	1,412,774	7,653,172
Fund balances at beginning of year	--	--	--	18,477,522	7,225,296	25,702,818	18,049,646
Residual equity transfers in	--	--	--	946,568	--	946,568	--
<b>Fund balances at end of year</b>	<b>\$ --</b>	<b>--</b>	<b>--</b>	<b>20,328,316</b>	<b>7,733,844</b>	<b>28,062,160</b>	<b>25,702,818</b>

**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE GRANTS**  
**September 30, 1999**  
**With comparative totals for September 30, 1998**

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-3**

	Assets				Liabilities and Fund Balances					Total Liabilities and Fund Balances
	Pooled Investments and Cash	Receivables from Other Governments	Other Assets	Total Assets	Accounts Payable	Due to Other Funds	Other Liabilities	Total Liabilities	Fund Balances	
<b>FEDERAL GRANTS</b>										
U.S. Department of Agriculture	\$ 448	487,599	--	488,047	7,675	479,924	448	488,047	--	488,047
U.S. Department of Energy	--	25,379	--	25,379	8,943	16,436	--	25,379	--	25,379
Equal Employment Opportunity Commission	--	172,074	--	172,074	--	169,640	2,434	172,074	--	172,074
U.S. Department of Justice	205,720	1,147,084	--	1,352,804	193,933	1,091,864	67,007	1,352,804	--	1,352,804
U.S. Department of Labor	11,988	--	--	11,988	345	--	11,643	11,988	--	11,988
U.S. Department of Transportation	--	107,431	--	107,431	--	107,431	--	107,431	--	107,431
U.S. Federal Emergency Management	--	62,181	--	62,181	8,576	53,605	--	62,181	--	62,181
U.S. Health & Human Services	38,572	3,359,464	12,181	3,410,217	578,592	2,781,932	49,693	3,410,217	--	3,410,217
U.S. Housing/Urban Development	2,294,606	6,700,180	197,518	9,192,304	458,797	5,946,598	2,786,909	9,192,304	--	9,192,304
U.S. National Foundation on the Arts and Humanities	23,581	387,483	--	411,064	66,156	322,647	22,261	411,064	--	411,064
U.S. Department of Veterans Affairs	211,193	--	--	211,193	--	--	211,193	211,193	--	211,193
U.S. Department of Interior	--	--	--	--	--	--	--	--	--	--
<b>Total Federal Grants</b>	<b>\$ 2,786,108</b>	<b>12,448,875</b>	<b>209,699</b>	<b>15,444,682</b>	<b>1,323,017</b>	<b>10,970,077</b>	<b>3,151,588</b>	<b>15,444,682</b>	<b>--</b>	<b>15,444,682</b>

(continued)

**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE GRANTS**  
**September 30, 1999**  
**With comparative totals for September 30, 1998**

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-3**  
**(Continued)**

	Assets				Liabilities and Fund Balances					Total Liabilities and Fund Balances
	Pooled Investments and Cash	Receivables from Other Governments	Other Assets	Total Assets	Accounts Payable	Due to Other Funds	Other Liabilities	Total Liabilities	Fund Balances	
<b>STATE GRANTS</b>										
Texas Governor's Office Criminal Justice Division	\$ --	339,988	--	339,988	123,986	199,215	16,787	339,988	--	339,988
Texas Automobile Theft Prevention Authority	--	58,764	--	58,764	791	57,143	830	58,764	--	58,764
Texas Health Department	23,677	335,534	--	359,211	8,771	322,050	28,390	359,211	--	359,211
Texas State Library	--	--	--	--	--	--	--	--	--	--
Texas Comptroller of Public Accounts	26,435	--	--	26,435	329	--	26,106	26,435	--	26,435
Texas Forest Service	--	25,000	--	25,000	--	25,000	--	25,000	--	25,000
Texas Alternative Fuels Council	--	--	--	--	--	--	--	--	--	--
Telecommunications Infrastructure Fund Board	--	431	--	431	--	431	--	431	--	431
Texas Department of Human Services	795,272	--	--	795,272	--	--	795,272	795,272	--	795,272
Texas Department of Protective and Regulatory Affairs	1,193	247,658	--	248,851	92,819	156,032	--	248,851	--	248,851
Texas Department of Transportation	1,621	1,400,371	--	1,401,992	5,520	1,301,072	95,400	1,401,992	--	1,401,992
Texas State Energy Conservation	--	--	--	--	--	--	--	--	--	--
The University of Texas at Austin Center of Criminology	1,039	--	86	1,125	--	--	1,125	1,125	--	1,125
Texas Workforce Commission	--	19,856	--	19,856	--	19,856	--	19,856	--	19,856
Texas Water Development Board	--	32,373	--	32,373	--	32,373	--	32,373	--	32,373
<b>Total State Grants</b>	<b>849,237</b>	<b>2,459,975</b>	<b>86</b>	<b>3,309,298</b>	<b>232,216</b>	<b>2,113,172</b>	<b>963,910</b>	<b>3,309,298</b>	<b>--</b>	<b>3,309,298</b>
<b>OTHER SPECIAL REVENUE GRANTS</b>										
	120,941	81,559	113	202,613	3,469	78,160	120,984	202,613	--	202,613
<b>Total All Grants</b>	<b>3,756,286</b>	<b>14,990,409</b>	<b>209,898</b>	<b>18,956,593</b>	<b>1,558,702</b>	<b>13,161,409</b>	<b>4,236,482</b>	<b>18,956,593</b>	<b>--</b>	<b>18,956,593</b>
<b>1998 Total</b>	<b>\$ 4,338,257</b>	<b>15,923,071</b>	<b>72,848</b>	<b>20,334,176</b>	<b>2,410,612</b>	<b>13,129,238</b>	<b>4,794,326</b>	<b>20,334,176</b>	<b>--</b>	<b>20,334,176</b>

**SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE GRANTS  
 For year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
 Exhibit C-4**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Excess (Deficiency) Of Revenues Over Expenditures</u>	<u>Fund Balances September 30, 1998</u>	<u>Fund Balances September 30, 1999</u>
	Inter- governmental	Special Projects			
<b>FEDERAL GRANTS</b>					
U.S. Department of Agriculture	\$ 2,736,265	2,736,265	--	--	--
U.S. Department of Energy	25,379	25,379	--	--	--
Equal Employment Opportunity Commission	171,000	171,000	--	--	--
U.S. Department of Justice	6,538,054	6,538,054	--	--	--
U.S. Department of Labor	298,042	298,042	--	--	--
U.S. Department of Transportation	325,000	325,000	--	--	--
U.S. Federal Emergency Management	270,151	270,151	--	--	--
U.S. Health & Human Services	7,011,103	7,011,103	--	--	--
U.S. Housing/Urban Development	20,408,149	20,408,149	--	--	--
U.S. National Foundation on the Arts and Humanities	1,463,657	1,463,657	--	--	--
U.S. Department of Veterans Affairs	35,916	35,916	--	--	--
U.S. Department of Interior	6,146	6,146	--	--	--
<b>Total Federal Grants</b>	<b>\$ 39,288,862</b>	<b>39,288,862</b>	<b>--</b>	<b>--</b>	<b>--</b>

**SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE GRANTS  
 For year ended September 30, 1999  
 With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
 Exhibit C-4  
 (Continued)**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Excess (Deficiency) Of Revenues Over Expenditures</u>	<u>Fund Balances September 30, 1998</u>	<u>Fund Balances September 30, 1999</u>
	<u>Inter- governmental</u>	<u>Special Projects</u>			
<b>STATE GRANTS</b>					
Texas Governor's Office Criminal Justice Division	\$ 683,561	683,561	--	--	--
Texas Automobile Theft Prevention Authority	354,209	354,209	--	--	--
Texas Health Department	1,801,444	1,801,444	--	--	--
Texas State Library	713	713	--	--	--
Texas Comptroller of Public Accounts	66,542	66,542	--	--	--
Texas Forest Service	25,000	25,000	--	--	--
Texas Alternative Fuels Council	--	--	--	--	--
Telecommunications Infrastructure Fund Board	431	431	--	--	--
Texas Department of Human Services	47,223	47,223	--	--	--
Texas Department of Protective and Regulatory Affairs	855,244	855,244	--	--	--
Texas Department of Transportation	3,447,977	3,447,977	--	--	--
Texas State Energy Conservation	(30,222)	(30,222)	--	--	--
The University of Texas at Austin Center of Criminology	7,125	7,125	--	--	--
Texas Workforce Commission	(30)	(30)	--	--	--
Texas Water Development Board	29,122	29,122	--	--	--
<b>Total State Grants</b>	<b>7,288,339</b>	<b>7,288,339</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>OTHER SPECIAL REVENUE GRANTS</b>	<b>469,114</b>	<b>469,114</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total All Grants</b>	<b>\$ 47,046,315</b>	<b>47,046,315</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>1998 Totals</b>	<b>\$ 46,517,401</b>	<b>46,517,401</b>	<b>--</b>	<b>--</b>	<b>--</b>

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF EXPENDITURES - ALL SPECIAL REVENUE GRANTS  
 From Inception to September 30, 1999**

**CITY OF AUSTIN, TEXAS  
 Exhibit C-5**

	Total Expenditures at September 30, 1998			Current Year		Total Expenditures at September 30, 1999			Budget			
	Grant	In-Kind		Grant	In-Kind	Grant	In-Kind		Grant	In-Kind		Total
		Match	Total		Match		Match	Match		Total		
<b>FEDERAL GRANTS</b>												
U.S. Department of Agriculture	\$ 4,699,309	37,667	4,736,976	2,736,265	76,146	7,435,574	113,813	7,549,387	7,942,069	18,369	7,960,438	
U.S. Department of Energy	--	--	--	25,379	30,000	25,379	30,000	55,379	30,000	30,000	60,000	
Equal Employment Opportunity Commission	170,900	--	170,900	171,000	--	341,900	--	341,900	341,900	--	341,900	
U.S. Department of Justice	7,479,445	762,866	8,242,311	6,538,054	1,262,845	14,017,499	2,025,711	16,043,210	20,696,880	8,167,640	28,864,520	
U.S. Department of Labor	51,388	20,223	71,611	298,042	77,821	349,430	98,044	447,474	571,615	71,513	643,128	
U.S. Department of Transportation	92,023	129,962	221,985	325,000	149,102	417,023	279,064	696,087	425,000	280,991	705,991	
U.S. Federal Emergency Management	124,362	284,208	408,570	270,151	300,506	394,513	584,714	979,227	392,800	284,492	677,292	
U.S. Health & Human Services	37,747,364	1,305,543	39,052,907	7,011,103	831,732	44,758,467	2,137,275	46,895,742	55,882,640	2,376,800	58,259,440	
U.S. Housing/Urban Development	74,428,982	664,988	75,093,970	20,408,149	--	94,837,131	664,988	95,502,119	113,184,532	700,000	113,884,532	
U.S. National Foundation on the Arts and Humanities	802,920	3,753	806,673	1,463,657	17,230	2,266,577	20,983	2,287,560	3,515,754	24,976	3,540,730	
U.S. Department of Veterans Affairs	106,987	--	106,987	35,916	--	142,903	--	142,903	338,836	--	338,836	
U.S. Department of Interior	33,526	33,526	67,052	6,146	6,146	39,672	39,672	79,344	42,000	42,000	84,000	
<b>Total Federal Grants</b>	<b>\$ 125,737,206</b>	<b>3,242,736</b>	<b>128,979,942</b>	<b>39,288,862</b>	<b>2,751,528</b>	<b>165,026,068</b>	<b>5,994,264</b>	<b>171,020,332</b>	<b>203,364,026</b>	<b>11,996,781</b>	<b>215,360,807</b>	

(continued)

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF EXPENDITURES - ALL SPECIAL REVENUE GRANTS  
 From Inception to September 30, 1999**

**CITY OF AUSTIN, TEXAS  
 Exhibit C-5  
 (Continued)**

	Total Expenditures at September 30, 1998			Current Year		Total Expenditures at September 30, 1999			Budget		
	In-Kind		Total	In-Kind		In-Kind		Total	In-Kind		Total
	Grant	Match		Grant	Match	Grant	Match		Grant	Match	
<b>STATE GRANTS</b>											
Texas Governor's Office Criminal Justice Division	133,950	61,685	195,635	683,561	197,433	817,511	259,118	1,076,629	1,226,090	421,202	1,647,292
Texas Automobile Theft Prevention Authority	847,686	--	847,686	354,209	--	1,201,895	--	1,201,895	1,676,898	385,752	2,062,650
Texas Health Department	1,745,302	--	1,745,302	1,801,444	--	3,546,746	--	3,546,746	5,317,088	--	5,317,088
Texas State Library	512,284	--	512,284	713	--	512,997	--	512,997	525,021	--	525,021
Texas Comptroller of Public Accounts	211,287	--	211,287	66,542	--	277,829	--	277,829	304,698	--	304,698
Texas Forest Service	30,500	6,645	37,145	25,000	--	55,500	6,645	62,145	55,000	5,000	60,000
Texas Alternative Fuels Council	--	--	--	--	--	--	--	--	45,408	11,352	56,760
Telecommunications Infrastructure Fund Board	--	--	--	431	--	431	--	431	235,000	3,367	238,367
Texas Department of Human Services	329,082	128,076	457,158	47,223	--	376,305	128,076	504,381	939,911	139,422	1,079,333
Texas Department of Protective and Regulatory Affairs	1,469,067	58,934	1,528,001	855,244	74,545	2,324,311	133,479	2,457,790	3,465,618	226,042	3,691,660
Texas Department of Transportation	2,302,011	702,552	3,004,563	3,447,977	917,302	5,749,988	1,619,854	7,369,842	15,288,245	4,397,048	19,685,293
Texas State Energy Conservation	2,833,384	--	2,833,384	(30,222)	--	2,803,162	--	2,803,162	2,965,054	--	2,965,054
The University of Texas at Austin Center of Criminology	--	--	--	7,125	--	7,125	--	7,125	10,000	--	10,000
Texas Workforce Commission	19,886	8,547	28,433	(30)	--	19,856	8,547	28,403	25,000	8,333	33,333
Texas Water Development Board	46,925	46,925	93,850	29,122	29,122	76,047	76,047	152,094	80,000	80,000	160,000
<b>Total State Grants</b>	<b>10,481,364</b>	<b>1,013,364</b>	<b>11,494,728</b>	<b>7,288,339</b>	<b>1,218,402</b>	<b>17,769,703</b>	<b>2,231,766</b>	<b>20,001,469</b>	<b>32,159,031</b>	<b>5,677,518</b>	<b>37,836,549</b>
<b>OTHER SPECIAL REVENUE GRANTS</b>	<b>483,066</b>	<b>6,328</b>	<b>489,394</b>	<b>469,114</b>	<b>44,307</b>	<b>952,180</b>	<b>50,635</b>	<b>1,002,815</b>	<b>1,431,213</b>	<b>117,862</b>	<b>1,549,075</b>
<b>Total All Grants</b>	<b>\$ 136,701,636</b>	<b>4,262,428</b>	<b>140,964,064</b>	<b>47,046,315</b>	<b>4,014,237</b>	<b>183,747,951</b>	<b>8,276,665</b>	<b>192,024,616</b>	<b>236,954,270</b>	<b>17,792,161</b>	<b>254,746,431</b>

**SPECIAL REVENUE FUNDS - ENTERPRISE RELATED  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit C-6**

	Assets			Liabilities and Fund Balances				
	Pooled Investments and Cash	Receivables from Other Governments	Total Assets	Advanced Pooled Investments and Cash	Other Liabilities	Total Liabilities	Fund Balances	Total Liabilities and Fund Balances
<b>ELECTRIC RELATED</b>								
U.S. Department of Energy	\$ --	53,741	53,741	53,741	--	53,741	--	53,741
American Public Power Association	--	15,000	15,000	14,000	1,000	15,000	--	15,000
ICLEI USA, Inc.	21,000	--	21,000	--	21,000	21,000	--	21,000
<b>Total Electric</b>	<b>21,000</b>	<b>68,741</b>	<b>89,741</b>	<b>67,741</b>	<b>22,000</b>	<b>89,741</b>	<b>--</b>	<b>89,741</b>
<b>WATERWORKS AND SEWER RELATED</b>								
U.S. Environmental Protection Agency Texas Water Development Board	--	--	--	--	--	--	--	--
U.S. Fish and Wildlife	--	4,460	4,460	4,460	--	4,460	--	4,460
<b>Total Waterworks and Sewer Related</b>	<b>--</b>	<b>4,460</b>	<b>4,460</b>	<b>4,460</b>	<b>--</b>	<b>4,460</b>	<b>--</b>	<b>4,460</b>
<b>SOLID WASTE RELATED</b>								
U.S. Environmental Protection Agency	--	14,450	14,450	13,925	525	14,450	--	14,450
Texas Natural Resource Conservation Commission	1,040	--	1,040	--	1,040	1,040	--	1,040
Capital Area Planning Council	--	20,799	20,799	16,717	4,082	20,799	--	20,799
<b>Total Solid Waste</b>	<b>1,040</b>	<b>35,249</b>	<b>36,289</b>	<b>30,642</b>	<b>5,647</b>	<b>36,289</b>	<b>--</b>	<b>36,289</b>
<b>AIRPORT RELATED</b>								
U.S. Department of Transportation	--	1,894,422	1,894,422	1,894,422	--	1,894,422	--	1,894,422
Texas Comptroller of Public Accounts	7,847	--	7,847	--	7,847	7,847	--	7,847
<b>Total Airport</b>	<b>7,847</b>	<b>1,894,422</b>	<b>1,902,269</b>	<b>1,894,422</b>	<b>7,847</b>	<b>1,902,269</b>	<b>--</b>	<b>1,902,269</b>
<b>DRAINAGE</b>								
U.S. Environmental Protection Agency Watershed Management Institute	--	--	--	--	--	--	--	--
<b>Total Drainage</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total grants, enterprise related</b>	<b>29,887</b>	<b>2,002,872</b>	<b>2,032,759</b>	<b>1,997,265</b>	<b>35,494</b>	<b>2,032,759</b>	<b>--</b>	<b>2,032,759</b>
<b>1998 Total</b>	<b>\$ 5,617</b>	<b>1,428,088</b>	<b>1,433,705</b>	<b>1,428,020</b>	<b>5,685</b>	<b>1,433,705</b>	<b>--</b>	<b>1,433,705</b>

NOTE: These grants have been reported in the enterprise fund financial statements.

**SPECIAL REVENUE FUNDS - ENTERPRISE RELATED  
COMBINING SCHEDULE OF EXPENDITURES  
From Inception to September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit C-7**

	Total Expenditures at September 30, 1998			Current Year		Total Expenditures at September 30, 1999			Budget		
	Grant	In-Kind Match	Total	Grant	In-Kind Match	Grant	In-Kind Match	Total	Grant	In-Kind Match	Total
<b>ELECTRIC RELATED</b>											
U.S. Department of Energy	\$ --	--	--	407,178	935,896	407,178	935,896	1,343,074	698,013	1,434,778	2,132,791
American Public Power Association	--	--	--	17,000	--	17,000	--	17,000	77,655	--	77,655
ICLEI USA, Inc.	--	--	--	--	--	--	--	--	42,000	35,000	77,000
<b>Total Electric</b>	--	--	--	424,178	935,896	424,178	935,896	1,360,074	817,668	1,469,778	2,287,446
<b>WATERWORKS AND SEWER RELATED</b>											
U.S. Environmental Protection Agency Texas Water Development Board	3,197,818	--	3,197,818	447,515	--	3,645,333	--	3,645,333	13,500,000	--	13,500,000
U.S. Fish and Wildlife	2,182	--	2,182	2,278	--	4,460	--	4,460	4,500	--	4,500
<b>Total Waterworks and Sewer Related</b>	3,200,000	--	3,200,000	449,793	--	3,649,793	--	3,649,793	13,504,500	--	13,504,500
<b>SOLID WASTE RELATED</b>											
U.S. Environmental Protection Agency Texas Natural Resource Conservation Commission	--	--	--	31,920	--	31,920	--	31,920	200,000	--	200,000
Capital Area Planning Council	148,111	--	148,111	--	--	148,111	--	148,111	149,773	8,138	157,911
<b>Total Solid Waste</b>	148,111	--	148,111	52,719	--	200,830	--	200,830	370,753	12,884	383,637
<b>AIRPORT RELATED</b>											
U.S. Department of Transportation	7,927,885	2,275,708	10,203,593	23,120,402	7,459,180	31,048,287	9,734,888	40,783,175	35,983,865	11,193,783	47,177,648
Texas Comptroller of Public Accounts	3,150	--	3,150	--	--	3,150	--	3,150	7,728	--	7,728
<b>Total Airport</b>	7,931,035	2,275,708	10,206,743	23,120,402	7,459,180	31,051,437	9,734,888	40,786,325	35,991,593	11,193,783	47,185,376
<b>DRAINAGE</b>											
U.S. Environmental Protection Agency Watershed Management Institute	74,837	5,257	80,094	--	--	74,837	5,257	80,094	80,000	6,000	86,000
<b>Total Drainage</b>	74,837	5,257	80,094	--	--	74,837	5,257	80,094	80,000	6,000	86,000
<b>Total grants, enterprise related</b>	\$ 11,353,983	2,280,965	13,634,948	24,047,092	8,395,076	35,401,075	10,676,041	46,077,116	50,764,514	12,682,445	63,446,959

NOTE: These grants have been reported in the enterprise fund financial statements.

**SPECIAL REVENUE FUNDS - OTHER  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Assets					
	Cash	Pooled Investments and Cash	Net Accounts Receivable	Due from Other Funds	Other Assets	Total Assets
Austin Industrial Development Corporation (AIDC)	\$ --	127,827	--	--	--	127,827
Austin Inner City Redevelopment Corporation	--	1,290	--	--	--	1,290
Austin Transportation Study	--	--	733,518	--	--	733,518
Aviation Asset Forfeiture	--	391,493	--	--	3,041	394,534
Balcones Canyonlands Conservation Plan (BCCP)	--	153,117	--	--	--	153,117
Barbara Jordan Memorial Fund	--	1,215	--	--	--	1,215
Barton Springs Conservation	--	55,836	--	--	--	55,836
Cable TV	--	90,431	--	--	--	90,431
Campaign Financing Fund	--	43,256	--	--	--	43,256
Child Safety Fund	--	460,745	--	--	--	460,745
Disproportionate Share	--	2,117,989	63,750	--	--	2,181,739
Downtown Development Fund	--	606,333	--	--	--	606,333
Energy Conservation Rebates and Incentives	--	2,493,483	--	--	--	2,493,483
Environmental Remediation	--	689,292	--	--	--	689,292
Federally Qualified Health Center	500	1,462,913	534,296	--	--	1,997,709
Fee Waiver Fund	--	14,641	--	--	--	14,641
FEMA Flood Disaster	--	91,271	--	--	--	91,271
Fire Miscellaneous	--	12,539	--	--	--	12,539
Fiscal Surety - Land Development	--	18,349,514	--	14,473,235	--	32,822,749
Friends of East Austin Youth	--	9,829	--	--	--	9,829
Health and Human Services Travis County						
Reimbursed Fund	--	--	1,176,383	--	--	1,176,383
Health Miscellaneous	--	114,214	--	--	--	114,214
Hotel-Motel Occupancy Tax Fund	--	375,635	--	--	--	375,635
Housing Miscellaneous	--	35,407	--	--	--	35,407
Leveraged Loan Pool	--	369,356	213,994	--	--	583,350
Library City Literacy Program	--	2,436	--	--	--	2,436
Municipal Court Building Security Fund	--	228,046	--	--	--	228,046
Municipal Court Technology Fund	--	11,155	--	--	--	11,155
Neighborhood Housing and Conservation Fund	500	1,995,851	--	--	--	1,996,351
One Texas Center	--	4	--	--	--	4
PARD Cultural Projects	--	744,288	--	--	--	744,288
Planning, Environmental and Conservation Services	200	710,970	8,555	--	31,274	750,999
Police Federal Seized Funds	4,100	218,731	--	--	--	222,831
Police Seized Money Fund	--	100,714	--	--	--	100,714
Public Improvement District	--	817,365	38,345	--	--	855,710
Railroad Right of Way	--	4,594	--	--	--	4,594
RMD Conservation	--	97,421	--	--	--	97,421
RMD Loan Fund	--	838,528	1,375	--	--	839,903
Strategic Planning Investment Fund	--	1,057,463	--	--	--	1,057,463
Subdivision Participation	--	3,761,049	--	--	--	3,761,049
Telecommunity Partnership Fund	--	72,050	--	--	--	72,050
Tourism and Promotion	--	1,457,460	--	--	424,600	1,882,060
Vehicle Rental Tax Fund	--	2,190,371	--	--	--	2,190,371
Voluntary Utility Assistance	--	160,806	--	--	--	160,806
<b>1999 Total</b>	<b>5,300</b>	<b>42,536,928</b>	<b>2,770,216</b>	<b>14,473,235</b>	<b>458,915</b>	<b>60,244,594</b>
<b>1998 Total</b>	<b>\$ 5,613</b>	<b>34,503,358</b>	<b>1,873,890</b>	<b>14,855,721</b>	<b>1,544,332</b>	<b>52,782,914</b>

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-8**

Liabilities							Fund Balances				Total Liabilities and Fund Balances
Accounts Payable	Accrued Payroll	Accrued Compensated Absences	Due to Other Funds	Deposits and Other Liabilities	Total Liabilities	Reserved for Encumbrances	Unreserved		Total Fund Balances		
							Designated	Undesignated			
--	--	--	--	--	--	--	127,827	--	127,827	127,827	
--	--	--	--	--	--	--	1,290	--	1,290	1,290	
185,396	--	--	579,803	16,330	781,529	1,581	--	(49,592)	(48,011)	733,518	
2,369	--	--	--	--	2,369	4,246	387,919	--	392,165	394,534	
3,203	19,291	--	--	33,500	55,994	9,004	88,119	--	97,123	153,117	
--	--	--	--	--	--	--	1,215	--	1,215	1,215	
--	--	--	--	--	--	--	55,836	--	55,836	55,836	
--	--	--	--	--	--	15,025	75,406	--	90,431	90,431	
--	--	--	--	40,792	40,792	--	2,464	--	2,464	43,256	
8,668	10,334	221	--	258	19,481	23,586	417,678	--	441,264	460,745	
97,172	--	--	--	--	97,172	1,708,225	376,342	--	2,084,567	2,181,739	
--	--	--	--	--	--	--	606,333	--	606,333	606,333	
612,906	--	--	--	--	612,906	1,391,053	489,524	--	1,880,577	2,493,483	
--	--	--	--	49,572	49,572	--	639,720	--	639,720	689,292	
125,101	507,803	91,947	--	--	724,851	243,753	1,029,105	--	1,272,858	1,997,709	
--	--	--	--	--	--	--	14,641	--	14,641	14,641	
--	--	--	--	91,271	91,271	--	--	--	--	91,271	
1,035	--	--	--	190	1,225	--	11,314	--	11,314	12,539	
796,585	--	--	--	32,293,639	33,090,224	--	--	(267,475)	(267,475)	32,822,749	
--	--	--	--	--	--	--	9,829	--	9,829	9,829	
136,200	118,604	28,040	732,023	--	1,014,867	160,533	983	--	161,516	1,176,383	
--	--	--	--	104,322	104,322	--	9,892	--	9,892	114,214	
--	--	--	--	375,635	375,635	--	--	--	--	375,635	
--	--	--	--	--	--	--	35,407	--	35,407	35,407	
--	--	--	--	--	--	--	583,350	--	583,350	583,350	
--	--	--	--	--	--	--	2,436	--	2,436	2,436	
16,305	9,009	--	--	--	25,314	18,195	184,537	--	202,732	228,046	
--	--	--	--	--	--	--	11,155	--	11,155	11,155	
1,974	129,558	22,963	--	7,725	162,220	49,544	1,784,587	--	1,834,131	1,996,351	
--	--	--	--	--	--	--	4	--	4	4	
54,090	--	--	--	--	54,090	229,200	460,998	--	690,198	744,288	
70,114	104,046	43,773	--	154,243	372,176	378,823	--	--	378,823	750,999	
58,274	--	--	--	--	58,274	48,215	116,342	--	164,557	222,831	
967	--	--	--	--	967	56,167	43,580	--	99,747	100,714	
262,885	--	--	--	--	262,885	525,770	67,055	--	592,825	855,710	
--	--	--	--	--	--	--	4,594	--	4,594	4,594	
--	--	--	--	--	--	--	97,421	--	97,421	97,421	
--	--	--	--	--	--	--	839,903	--	839,903	839,903	
182,707	--	--	--	--	182,707	21,495	853,261	--	874,756	1,057,463	
--	--	--	--	1,443,654	1,443,654	--	2,317,395	--	2,317,395	3,761,049	
61,303	--	--	--	--	61,303	61,306	--	(50,559)	10,747	72,050	
230,478	--	--	--	--	230,478	--	1,651,582	--	1,651,582	1,882,060	
--	--	--	--	--	--	--	2,190,371	--	2,190,371	2,190,371	
--	--	--	--	--	--	--	160,806	--	160,806	160,806	
2,907,732	898,645	186,944	1,311,826	34,611,131	39,916,278	4,945,721	15,750,221	(367,626)	20,328,316	60,244,594	
1,951,249	875,055	131,777	1,374,861	29,972,450	34,305,392	3,806,754	14,706,520	(35,752)	18,477,522	52,782,914	

**SPECIAL REVENUE FUNDS - OTHER**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Revenues				
	Taxes	Fines, Forfeitures and Penalties	Charges for Services/ Goods	Interest and Other	Total Revenues
Austin Industrial Development Corporation (AIDC)	\$ --	--	--	6,182	6,182
Austin Inner City Redevelopment Corporation	--	--	--	62	62
Austin Transportation Study	--	--	1,455,581	1,057	1,456,638
Aviation Asset Forfeiture	--	212,028	--	15,305	227,333
Balcones Canyonlands Conservation Plan (BCCP)	--	--	--	6,387	6,387
Barbara Jordan Memorial Fund	--	--	--	59	59
Barton Springs Conservation	--	--	--	836	836
Cable TV	--	--	598,763	3,130	601,893
Campaign Financing Fund	--	--	--	1,544	1,544
Child Safety Fund	--	1,349,712	--	21,376	1,371,088
Disproportionate Share	--	--	2,756,961	110,613	2,867,574
Downtown Development Fund	--	--	--	6,333	6,333
Energy Conservation Rebates and Incentives	--	--	6,567,887	--	6,567,887
Environmental Remediation	--	--	--	31,827	31,827
Federally Qualified Health Center	--	--	8,188,470	242,300	8,430,770
Fee Waiver Fund	--	--	--	504	504
FEMA Flood Disaster	--	--	--	--	--
Fire Miscellaneous	--	--	1,743	2,271	4,014
Fiscal Surety - Land Development	--	--	--	--	--
Friends of East Austin Youth	--	--	--	--	--
Health and Human Services Travis County Reimbursed Fund	--	--	4,670,863	--	4,670,863
Health Miscellaneous	--	--	--	4,653	4,653
Hotel-Motel Occupancy Tax Fund	24,612,113	--	--	--	24,612,113
Housing Miscellaneous	--	--	--	1,711	1,711
Leveraged Loan Pool	--	--	--	19,914	19,914
Library City Literacy Program	--	--	--	118	118
Municipal Court Building Security Fund	--	415,379	--	8,945	424,324
Municipal Court Technology Fund	--	--	--	11,155	11,155
Neighborhood Housing and Conservation Fund	--	--	--	98,773	98,773
One Texas Center	--	--	1,734,608	--	1,734,608
PARD Cultural Projects	--	--	--	--	--
Planning, Environmental and Conservation Services	--	--	1,127,063	17,504	1,144,567
Police Federal Seized Funds	--	898,966	49,404	34,479	982,849
Police Seized Money Fund	--	36,957	5,793	9,102	51,852
Public Improvement District	909,455	--	--	39,444	948,899
Railroad Right of Way	--	--	--	1,626	1,626
RMD Conservation	--	--	--	--	--
RMD Loan Fund	--	--	--	13,396	13,396
Strategic Planning Investment Fund	--	--	--	31,433	31,433
Subdivision Participation	--	--	--	--	--
Telecommunity Partnership Fund	--	--	--	7,292	7,292
Tourism and Promotion	--	--	495	130,378	130,873
Vehicle Rental Tax Fund	2,159,665	--	--	30,706	2,190,371
Voluntary Utility Assistance	--	--	89,022	7,414	96,436
<b>1999 Total</b>	<b>27,681,233</b>	<b>2,913,042</b>	<b>27,246,653</b>	<b>917,829</b>	<b>58,758,757</b>
<b>1998 Total</b>	<b>\$ 19,592,578</b>	<b>2,609,672</b>	<b>37,414,331</b>	<b>3,468,609</b>	<b>63,085,190</b>

(1) Expenditures include capital outlay of \$1,179,729

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-9**  
**(Continued)**

Expenditures (1)	Excess (Deficiency) Of Revenues Over Expenditures	<u>Other Financing Sources (Uses)</u>		Residual Equity Transfers In (Out)	Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	Fund Balances September 30, 1998	Fund Balances September 30, 1999
		Operating Transfers In	Operating Transfers Out				
--	6,182	--	--	--	6,182	121,645	127,827
--	62	--	--	--	62	1,228	1,290
1,477,036	(20,398)	--	--	--	(20,398)	(27,613)	(48,011)
17,912	209,421	--	--	--	209,421	182,744	392,165
510,227	(503,840)	488,802	(26,394)	--	(41,432)	138,555	97,123
--	59	--	--	--	59	1,156	1,215
--	836	55,000	--	--	55,836	--	55,836
577,500	24,393	--	--	--	24,393	66,038	90,431
--	1,544	--	--	--	1,544	920	2,464
1,300,127	70,961	--	--	--	70,961	370,303	441,264
1,541,894	1,325,680	--	(1,964,280)	--	(638,600)	2,723,167	2,084,567
--	6,333	600,000	--	--	606,333	--	606,333
6,511,165	56,722	--	--	--	56,722	1,823,855	1,880,577
9,431	22,396	225,000	(75,000)	--	172,396	467,324	639,720
15,179,163	(6,748,393)	6,652,410	(104,594)	--	(200,577)	1,473,435	1,272,858
--	504	7,000	--	--	7,504	7,137	14,641
--	--	--	--	--	--	--	--
2,240	1,774	--	--	--	1,774	9,540	11,314
451,570	(451,570)	--	--	--	(451,570)	184,095	(267,475)
--	--	--	--	--	--	9,829	9,829
4,809,658	(138,795)	--	--	--	(138,795)	300,311	161,516
--	4,653	--	--	--	4,653	5,239	9,892
--	24,612,113	--	(24,612,113)	--	--	--	--
--	1,711	--	--	--	1,711	33,696	35,407
--	19,914	--	--	--	19,914	563,436	583,350
--	118	--	--	--	118	2,318	2,436
357,385	66,939	--	--	--	66,939	135,793	202,732
--	11,155	--	--	--	11,155	--	11,155
772,311	(673,538)	1,250,240	(187,764)	--	388,938	1,445,193	1,834,131
--	1,734,608	--	(1,965,725)	--	(231,117)	231,121	4
2,952,758	(2,952,758)	2,799,655	--	--	(153,103)	843,301	690,198
4,216,848	(3,072,281)	2,141,303	--	946,568	15,590	363,233	378,823
661,550	321,299	--	(650,000)	--	(328,701)	493,258	164,557
74,828	(22,976)	--	--	--	(22,976)	122,723	99,747
990,883	(41,984)	100,000	--	--	58,016	534,809	592,825
--	1,626	--	--	--	1,626	2,968	4,594
--	--	--	--	--	--	97,421	97,421
5,129	8,267	--	--	--	8,267	831,636	839,903
694,568	(663,135)	1,100,000	--	--	436,865	437,891	874,756
--	--	--	--	--	--	2,317,395	2,317,395
199,997	(192,705)	--	--	--	(192,705)	203,452	10,747
4,543,001	(4,412,128)	4,324,876	--	--	(87,252)	1,738,834	1,651,582
--	2,190,371	--	--	--	2,190,371	--	2,190,371
315,766	(219,330)	160,000	--	--	(59,330)	220,136	160,806
48,172,947	10,585,810	19,904,286	(29,585,870)	946,568	1,850,794	18,477,522	20,328,316
46,374,184	16,711,006	21,561,687	(31,600,710)	--	6,671,983	11,805,539	18,477,522

**SPECIAL REVENUE FUNDS - OTHER**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS -**  
**BUDGET AND ACTUAL-BUDGET BASIS**  
**Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-10**

	Fund Balances September 30, 1998		Revenues	Expenditures	Operating Transfer In	Operating Transfer Out	Excess of Sources Over Uses	Residual Equity Transfers In	Fund Balances September 30, 1999
Aviation Asset Forfeiture									
Actual budget basis	\$	182,744	227,333	22,158	--	--	205,175	--	387,919
Budget		182,744	21,500	53,500	--	--	(32,000)	--	150,744
Variance		--	205,833	31,342	--	--	237,175	--	237,175
Balcones Canyonlands Conservation Plan (BCCP)									
Actual budget basis		133,979	6,387	515,292	488,802	26,394	(46,497)	--	87,482
Budget		133,979	8,280	519,186	488,802	26,394	(48,498)	--	85,481
Variance		--	(1,893)	3,894	--	--	2,001	--	2,001
Child Safety Fund									
Actual budget basis		293,879	1,371,088	1,180,154	--	67,135	123,799	--	417,678
Budget		293,879	1,442,942	1,469,004	--	67,135	(93,197)	--	200,682
Variance		--	(71,854)	288,850	--	--	216,996	--	216,996
Disproportionate Share									
Actual budget basis		2,025,886	2,867,574	2,555,739	--	1,964,280	(1,652,445)	--	373,441
Budget		2,025,886	3,120,073	2,808,256	--	1,964,280	(1,652,463)	--	373,423
Variance		--	(252,499)	252,517	--	--	18	--	18
Energy Conservation Rebates and Incentives									
Actual budget basis		809,774	6,567,887	7,087,044	--	--	(519,157)	--	290,617
Budget		809,774	6,691,066	6,691,066	--	--	--	--	809,774
Variance		--	(123,179)	(395,978)	--	--	(519,157)	--	(519,157)
Environmental Remediation Fund									
Actual budget basis		457,324	31,827	--	225,000	75,000	181,827	--	639,151
Budget		457,324	16,000	50,000	225,000	75,000	116,000	--	573,324
Variance		--	15,827	50,000	--	--	65,827	--	65,827
Federally Qualified Health Center									
Actual budget basis	\$	940,263	8,430,770	14,877,921	6,652,410	104,594	100,665	--	1,040,928
Budget		940,263	9,057,137	15,600,891	6,652,410	104,594	4,062	--	944,325
Variance		--	(626,367)	722,970	--	--	96,603	--	96,603

(continued)

**SPECIAL REVENUE FUNDS - OTHER**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS -**  
**BUDGET AND ACTUAL-BUDGET BASIS**  
**Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-10**  
**(Continued)**

	Fund Balances September 30, 1998	Revenues	Expenditures	Operating Transfer In	Operating Transfer Out	Excess of Sources Over Uses	Residual Equity Transfers In	Fund Balances September 30, 1999
Fee Waiver Fund								
Actual budget basis	\$ 7,137	504	--	7,000	--	7,504	--	14,641
Budget	7,137	--	7,000	7,000	--	--	--	7,137
Variance	--	504	7,000	--	--	7,504	--	7,504
Health and Human Services Travis County Reimbursed Fund								
Actual budget basis	192,646	4,670,863	4,803,441	--	--	(132,578)	--	60,068
Budget	192,646	5,608,374	5,608,374	--	--	--	--	192,646
Variance	--	(937,511)	804,933	--	--	(132,578)	--	(132,578)
Hotel-Motel Occupancy Tax Fund								
Actual budget basis	--	24,612,113	--	--	24,612,113	--	--	--
Budget	--	23,707,873	--	--	23,707,873	--	--	--
Variance	--	904,240	--	--	(904,240)	--	--	--
Municipal Court Building Security Fund								
Actual budget basis	121,706	424,324	362,116	--	--	62,208	--	183,914
Budget	121,706	375,364	360,238	--	--	15,126	--	136,832
Variance	--	48,960	(1,878)	--	--	47,082	--	47,082
Neighborhood Housing and Conservation								
Actual budget basis	1,420,545	98,773	801,401	1,250,240	187,764	359,848	--	1,780,393
Budget	1,420,545	30,000	1,062,476	1,434,020	371,544	30,000	--	1,450,545
Variance	--	68,773	261,075	(183,780)	183,780	329,848	--	329,848
One Texas Center								
Actual budget basis	231,121	1,734,608	--	--	1,965,725	(231,117)	--	4
Budget	231,121	1,440,000	--	--	1,965,725	(525,725)	--	(294,604)
Variance	--	294,608	--	--	--	294,608	--	294,608
PARC Cultural Projects								
Actual budget basis	\$ 675,996	--	3,034,422	2,799,655	--	(234,767)	--	441,229
Budget	675,996	--	3,035,759	2,682,857	--	(352,902)	--	323,094
Variance	--	--	1,337	116,798	--	118,135	--	118,135

(continued)

**SPECIAL REVENUE FUNDS - OTHER**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS -**  
**BUDGET AND ACTUAL-BUDGET BASIS**  
**Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Exhibit C-10**  
**(Continued)**

	Fund Balances September 30, 1998		Operating Transfer In	Operating Transfer Out	Excess of Sources Over Uses	Residual Equity Transfers In	Fund Balances September 30, 1999	
	Revenues	Expenditures						
Planning, Environmental and Conservation Services								
Actual budget basis	\$ 13,640	1,144,567	3,434,856	2,141,303	--	(148,986)	946,568	811,222
Budget	13,640	1,354,112	3,481,006	2,556,548	429,654	--	--	13,640
Variance	--	(209,545)	46,150	(415,245)	429,654	(148,986)	946,568	797,582
Police Federal Seized Funds								
Actual budget basis	484,124	982,849	700,156	--	650,000	(367,307)	--	116,817
Budget	484,124	565,000	708,000	--	650,000	(793,000)	--	(308,876)
Variance	--	417,849	7,844	--	--	425,693	--	425,693
Police Seized Money Fund								
Actual budget basis	122,723	51,852	130,416	--	--	(78,564)	--	44,159
Budget	122,723	77,000	140,000	--	--	(63,000)	--	59,723
Variance	--	(25,148)	9,584	--	--	(15,564)	--	(15,564)
Public Improvement District								
Actual budget basis	69,696	948,899	1,051,540	100,000	--	(2,641)	--	67,055
Budget	69,696	978,082	1,051,540	137,734	--	64,276	--	133,972
Variance	--	(29,183)	--	(37,734)	--	(66,917)	--	(66,917)
Strategic Planning Investment								
Actual budget basis	349,578	31,433	636,304	1,100,000	--	495,129	--	844,707
Budget	349,578	--	1,150,000	1,100,000	--	(50,000)	--	299,578
Variance	--	31,433	513,696	--	--	545,129	--	545,129
Telecommunity Fund								
Actual budget basis	3,452	7,292	--	--	--	7,292	--	10,744
Budget	3,452	--	--	--	--	--	--	3,452
Variance	--	7,292	--	--	--	7,292	--	7,292
Tourism and Promotion								
Actual budget basis	1,691,306	130,873	4,480,067	4,324,876	--	(24,318)	--	1,666,988
Budget	1,691,306	55,000	4,617,260	4,149,668	--	(412,592)	--	1,278,714
Variance	--	75,873	137,193	175,208	--	388,274	--	388,274
<b>Total</b>								
Actual budget basis	\$ 10,227,519	54,341,816	45,673,027	19,089,286	29,653,005	(1,894,930)	946,568	9,279,157
Budget	10,227,519	54,547,803	48,413,556	19,434,039	29,362,199	(3,793,913)	--	6,433,606
Variance	--	(205,987)	2,740,529	(344,753)	(290,806)	1,898,983	946,568	2,845,551



## **DEBT SERVICE FUNDS**

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt. The two debt service funds are as follows:

The General Obligation Debt Service Fund – used for payments of principal, interest and related costs of general obligation and other tax-supported debt;

The Section 108 Loan Fund - used to account for a HUD loan for construction costs of the Central City Entertainment Center.

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**DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit D-1**

**With comparative totals for September 30, 1998**

	General Obligation	HUD Section 108 Loan	Totals	
			1999	1998
<b>ASSETS</b>				
Investments, at fair value	\$ 7,790,649	--	7,790,649	7,063,255
Property taxes receivable	3,871,447	--	3,871,447	3,713,374
Less allowance for uncollectible taxes	(752,568)	--	(752,568)	(777,063)
Net taxes receivable	3,118,879	--	3,118,879	2,936,311
Due from other funds	--	--	--	556,876
<b>Total assets</b>	<b>10,909,528</b>	<b>--</b>	<b>10,909,528</b>	<b>10,556,442</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to other funds	--	--	--	452,832
Deferred revenue	3,039,814	--	3,039,814	2,833,630
<b>Total liabilities</b>	<b>3,039,814</b>	<b>--</b>	<b>3,039,814</b>	<b>3,286,462</b>
Fund balances (unreserved):				
Designated for debt service	7,869,714	--	7,869,714	7,269,980
<b>Total fund balances</b>	<b>7,869,714</b>	<b>--</b>	<b>7,869,714</b>	<b>7,269,980</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,909,528</b>	<b>--</b>	<b>10,909,528</b>	<b>10,556,442</b>

**DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Exhibit D-2**

	General Obligation	HUD Section 108 Loan	Totals	
			1999	1998
<b>REVENUES</b>				
General property taxes	\$ 61,110,663	--	61,110,663	57,639,024
Interest	1,858,358	--	1,858,358	2,027,743
Other revenue	604,788	187,765	792,553	1,133,867
Total revenues	<u>63,573,809</u>	<u>187,765</u>	<u>63,761,574</u>	<u>60,800,634</u>
<b>EXPENDITURES</b>				
Principal retirement	23,780,716	255,000	24,035,716	22,570,196
Interest and other	42,120,508	120,529	42,241,037	40,745,721
Fees and commissions	9,564	--	9,564	5,449
Total expenditures	<u>65,910,788</u>	<u>375,529</u>	<u>66,286,317</u>	<u>63,321,366</u>
Excess (deficiency) of revenues over expenditures	(2,336,979)	(187,764)	(2,524,743)	(2,520,732)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of refunding bonds	--	--	--	103,705,974
Payment to escrow agent	--	--	--	(103,705,974)
Operating transfers in	2,936,713	187,764	3,124,477	2,261,327
Total other financing sourcing (uses)	<u>2,936,713</u>	<u>187,764</u>	<u>3,124,477</u>	<u>2,261,327</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	599,734	--	599,734	(259,405)
Fund balances at beginning of year	7,269,980	--	7,269,980	7,529,385
<b>Fund balances at end of year</b>	<u>\$ 7,869,714</u>	<u>--</u>	<u>7,869,714</u>	<u>7,269,980</u>

**DEBT SERVICE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL-BUDGET BASIS**

**CITY OF AUSTIN, TEXAS  
Exhibit D-3**

Year ended September 30, 1999

With comparative totals for year ended September 30, 1998

	General Obligation			HUD Section 108 Loan			Totals	
	Actual- Budget Basis	Budget	Variance- Favorable (Unfavorable)	Actual- Budget Basis	Budget	Variance- Favorable (Unfavorable)	Actual-Budget Basis	
							1999	1998
<b>REVENUES</b>								
General property taxes	\$ 61,110,663	60,891,419	219,244	--	--	--	61,110,663	57,639,024
Interest	1,858,358	2,024,282	(165,924)	--	--	--	1,858,358	2,027,743
Other revenue	604,788	176,587	428,201	187,765	939,125	(751,360)	792,553	2,293,331
Total revenues	63,573,809	63,092,288	481,521	187,765	939,125	(751,360)	63,761,574	61,960,098
<b>EXPENDITURES</b>								
Principal retirement	30,489,613	30,547,819	58,206	255,000	255,000	--	30,744,613	28,577,772
Interest and other	44,932,402	45,356,092	423,690	120,529	1,055,669	935,140	45,052,931	43,237,006
Fees and commissions	9,564	10,000	436	--	--	--	9,564	5,449
Total expenditures	75,431,579	75,913,911	482,332	375,529	1,310,669	935,140	75,807,108	71,820,227
Excess (deficiency) of revenues over expenditures	(11,857,770)	(12,821,623)	963,853	(187,764)	(371,544)	183,780	(12,045,534)	(9,860,129)
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating transfers in	12,457,504	12,872,893	(415,389)	187,764	371,544	(183,780)	12,645,268	9,600,724
Total other financing sources (uses)	12,457,504	12,872,893	(415,389)	187,764	371,544	(183,780)	12,645,268	9,600,724
Excess (deficiency) of revenues and other sources over expenditures and other uses	599,734	51,270	548,464	--	--	--	599,734	(259,405)
Fund balances at beginning of year	7,269,980	7,532,542	(262,562)	--	--	--	7,269,980	7,529,385
<b>Fund balances at end of year</b>	<b>\$ 7,869,714</b>	<b>7,583,812</b>	<b>285,902</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>7,869,714</b>	<b>7,269,980</b>





## CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds. There are eight major groups of funds that account for the activities related to the capital improvement projects:

*Prior*

*to 1984:* Funds authorized prior to 1981;

Funds authorized August 29, 1981, for street and drainage, fire stations, traffic signals and emergency medical service projects;

Funds authorized September 11, 1982, for various purposes;

Funds authorized October 22, 1983, for Jollyville Road Improvements;

*1984:* Funds authorized September 8, 1984, for various purposes;

*1985:* Funds authorized January 19, 1985, for cultural arts;

Funds authorized July 26, 1985, for parks and recreation;

Funds authorized September 26, 1985, for art in public places;

Funds authorized December 14, 1985, for various purposes;

*1987:* Funds authorized September 3, 1987, for street improvements;

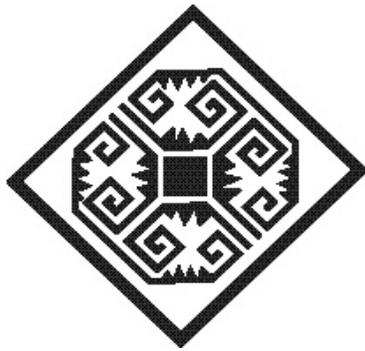
*1992:* Funds authorized August 10, 1992, for various purposes;

*1997:* Funds authorized May 3, 1997, for radio trunking;

*1998:* Funds authorized November 3, 1998, for various purposes; and

*Other:* Other funds established for various purposes.

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**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET**

**CITY OF AUSTIN, TEXAS  
Exhibit E-1**

**September 30, 1999**

**With comparative totals for September 30, 1998**

**Summary of Funds from General Obligation Bonds**

	by Year of Authorization							Other Funds	Totals	
	Prior to 1984	1984	1985	1987	1992	1997	1998		1999	1998
<b>ASSETS</b>										
Pooled investments and cash	\$ 2,022,237	29,866,562	10,625,120	462,920	21,207,165	14,291,111	--	37,060,648	115,535,763	114,522,635
Accounts receivable	--	512,638	--	367,955	--	--	--	401,874	1,282,467	2,288,079
Less allowance for doubtful accounts	--	--	--	(172,590)	--	--	--	--	(172,590)	(172,590)
Net accounts receivable	--	512,638	--	195,365	--	--	--	401,874	1,109,877	2,115,489
Due from other funds	90,804	341,517	--	--	72,885	7,752,505	--	692,460	8,950,171	4,366,615
Other assets	35,192	71,746	416,592	--	26,072	--	--	500,563	1,050,165	1,818,720
<b>Total assets</b>	<b>2,148,233</b>	<b>30,792,463</b>	<b>11,041,712</b>	<b>658,285</b>	<b>21,306,122</b>	<b>22,043,616</b>	<b>--</b>	<b>38,655,545</b>	<b>126,645,976</b>	<b>122,823,459</b>
<b>LIABILITIES AND FUND EQUITY</b>										
Liabilities:										
Accounts payable	15,113	49,121	912	227,877	782,431	7	426,502	7,062,257	8,564,220	8,254,654
Due to other funds	162,248	270,073	--	--	--	--	4,911,760	3,533,205	8,877,286	4,328,300
Other liabilities	--	--	80,153	24	71,984	--	--	2,274,785	2,426,946	1,652,867
<b>Total liabilities</b>	<b>177,361</b>	<b>319,194</b>	<b>81,065</b>	<b>227,901</b>	<b>854,415</b>	<b>7</b>	<b>5,338,262</b>	<b>12,870,247</b>	<b>19,868,452</b>	<b>14,235,821</b>
Fund balances:										
Reserved for encumbrances	57,953	5,875,270	56,247	188,987	5,082,539	--	1,577,139	11,532,411	24,370,546	34,276,462
Unreserved, undesignated	1,912,919	24,597,999	10,904,400	241,397	15,369,168	22,043,609	(6,915,401)	14,252,887	82,406,978	74,311,176
<b>Total fund balances</b>	<b>1,970,872</b>	<b>30,473,269</b>	<b>10,960,647</b>	<b>430,384</b>	<b>20,451,707</b>	<b>22,043,609</b>	<b>(5,338,262)</b>	<b>25,785,298</b>	<b>106,777,524</b>	<b>108,587,638</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,148,233</b>	<b>30,792,463</b>	<b>11,041,712</b>	<b>658,285</b>	<b>21,306,122</b>	<b>22,043,616</b>	<b>--</b>	<b>38,655,545</b>	<b>126,645,976</b>	<b>122,823,459</b>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-2**

	Summary of Funds from General Obligation Bonds							Other Funds	Totals	
	by Year of Authorization								1999	1998
	Prior to 1984	1984	1985	1987	1992	1997	1998		1999	1998
<b>REVENUES</b>										
Intergovernmental revenues	\$ --	--	--	--	151,761	--	--	7,229,750	7,381,511	11,114,049
Property owners' participation and contributions	--	168,728	623,167	--	468,113	141,221	--	761,539	2,162,768	963,557
Interest and other	--	400	527,614	27,443	158,513	--	150	7,287,336	8,001,456	7,335,304
<b>Total revenues</b>	--	169,128	1,150,781	27,443	778,387	141,221	150	15,278,625	17,545,735	19,412,910
<b>EXPENDITURES</b>										
Capital outlay for construction	651,498	9,125,581	1,605,641	52,750	14,748,515	222,550	5,338,412	48,225,891	79,970,838	54,683,419
Deficiency of revenues over expenditures	(651,498)	(8,956,453)	(454,860)	(25,307)	(13,970,128)	(81,329)	(5,338,262)	(32,947,266)	(62,425,103)	(35,270,509)
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from issuance of tax supported debt	--	8,119,000	--	--	3,511,000	8,785,000	--	18,830,000	39,245,000	35,229,000
Operating transfers in	550,000	--	433,000	--	2,799,918	--	--	29,024,344	32,807,262	20,094,160
Operating transfers out	--	--	(433,000)	--	--	--	--	(11,004,273)	(11,437,273)	(13,262,709)
<b>Total other financing sources (uses)</b>	550,000	8,119,000	--	--	6,310,918	8,785,000	--	36,850,071	60,614,989	42,060,451
Excess (deficiency) of revenues and other sources over expenditures and other uses	(101,498)	(837,453)	(454,860)	(25,307)	(7,659,210)	8,703,671	(5,338,262)	3,902,805	(1,810,114)	6,789,942
Fund balances at beginning of year	2,072,370	31,310,722	11,415,507	455,691	28,110,917	13,339,938	--	21,882,493	108,587,638	101,797,696
<b>Fund balances at end of year</b>	\$ 1,970,872	30,473,269	10,960,647	430,384	20,451,707	22,043,609	(5,338,262)	25,785,298	106,777,524	108,587,638

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Assets						Total Assets
	Pooled Investments and Cash	Accounts Receivable	Allowance for Doubtful Accounts	Net Accounts Receivable	Due from Other Funds	Other Assets	
<b>Funds Authorized</b>							
<b>Prior to 1981</b>							
Parks and recreation	\$ 118,523	--	--	--	90,804	838	210,165
Police and courts	2,469	--	--	--	--	--	2,469
Street improvements	56,675	--	--	--	--	--	56,675
Library	--	--	--	--	--	--	--
Health centers	9,190	--	--	--	--	--	9,190
	<u>186,857</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>90,804</u>	<u>838</u>	<u>278,499</u>
<b>Funds Authorized</b>							
<b>August 29, 1981</b>							
Street and drainage	18,102	--	--	--	--	--	18,102
Fire stations	24,184	--	--	--	--	604	24,788
EMS buildings	1,234,915	--	--	--	--	1,087	1,236,002
	<u>1,277,201</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,691</u>	<u>1,278,892</u>
<b>Funds Authorized</b>							
<b>September 11, 1982</b>							
Street and drainage	14	--	--	--	--	--	14
Flood prevention	119,028	--	--	--	--	--	119,028
Public works parking	1	--	--	--	--	--	1
Public works service center	--	--	--	--	--	--	--
Traffic signals	4	--	--	--	--	--	4
Parks--various	366,499	--	--	--	--	31,865	398,364
Environmental resources	2,462	--	--	--	--	--	2,462
Fire/EMS building	43,259	--	--	--	--	--	43,259
	<u>531,267</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>31,865</u>	<u>563,132</u>
<b>Funds Authorized</b>							
<b>October 22, 1983</b>							
Jollyville road improvements	26,912	--	--	--	--	--	26,912
Energy improvements - city facilities	--	--	--	--	--	798	798
	<u>26,912</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>798</u>	<u>27,710</u>
<b>Total Prior to 1984</b>	<u>2,022,237</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>90,804</u>	<u>35,192</u>	<u>2,148,233</u>
<b>Funds Authorized</b>							
<b>September 8, 1984</b>							
Zilker land acquisition	9	--	--	--	--	--	9
PARD pools	4,856	--	--	--	--	--	4,856
Parkland acquisition	383,883	--	--	--	--	--	383,883
Parks/Old Bakery	--	--	--	--	--	--	--
Drainage and flood improvements	6,069,171	--	--	--	--	--	6,069,171
Street improvements	23,366,462	512,638	--	512,638	341,517	71,746	24,292,363
Fire improvements	10,847	--	--	--	--	--	10,847
Libraries	841	--	--	--	--	--	841
Police facilities	--	--	--	--	--	--	--
Traffic signals	26,964	--	--	--	--	--	26,964
EMS/Fire facility	3,529	--	--	--	--	--	3,529
	<u>\$ 29,866,562</u>	<u>512,638</u>	<u>--</u>	<u>512,638</u>	<u>341,517</u>	<u>71,746</u>	<u>30,792,463</u>

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-3**

Liabilities				Fund Balances			Total Liabilities and Fund Balances
Accounts Payable	Due to Other Funds	Other Liabilities	Total Liabilities	Reserved for Encumbrances	Unreserved, Undesignated (Deficit)	Total Fund Balances	
--	--	--	--	--	210,165	210,165	210,165
--	--	--	--	--	2,469	2,469	2,469
--	--	--	--	--	56,675	56,675	56,675
--	90,804	--	90,804	1,306	(92,110)	(90,804)	--
--	--	--	--	--	9,190	9,190	9,190
--	90,804	--	90,804	1,306	186,389	187,695	278,499
15,113	--	--	15,113	--	2,989	2,989	18,102
--	--	--	--	--	24,788	24,788	24,788
--	--	--	--	37,851	1,198,151	1,236,002	1,236,002
15,113	--	--	15,113	37,851	1,225,928	1,263,779	1,278,892
--	--	--	--	--	14	14	14
--	--	--	--	--	119,028	119,028	119,028
--	--	--	--	--	1	1	1
--	--	--	--	--	--	--	--
--	--	--	--	--	4	4	4
--	--	--	--	561	397,803	398,364	398,364
--	--	--	--	--	2,462	2,462	2,462
--	--	--	--	--	43,259	43,259	43,259
--	--	--	--	561	562,571	563,132	563,132
--	--	--	--	--	26,912	26,912	26,912
--	71,444	--	71,444	18,235	(88,881)	(70,646)	798
--	71,444	--	71,444	18,235	(61,969)	(43,734)	27,710
15,113	162,248	--	177,361	57,953	1,912,919	1,970,872	2,148,233
--	--	--	--	--	9	9	9
--	--	--	--	--	4,856	4,856	4,856
--	--	--	--	103	383,780	383,883	383,883
--	256,288	--	256,288	61,391	(317,679)	(256,288)	--
49,121	--	--	49,121	2,478,537	3,541,513	6,020,050	6,069,171
--	--	--	--	3,326,603	20,965,760	24,292,363	24,292,363
--	--	--	--	8,636	2,211	10,847	10,847
--	--	--	--	--	841	841	841
--	13,785	--	13,785	--	(13,785)	(13,785)	--
--	--	--	--	--	26,964	26,964	26,964
--	--	--	--	--	3,529	3,529	3,529
49,121	270,073	--	319,194	5,875,270	24,597,999	30,473,269	30,792,463

(continued)

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Assets						Total Assets
	Pooled Investments and Cash	Accounts Receivable	Allowance for Doubtful Accounts	Net Accounts Receivable	Due from Other Funds	Other Assets	
<b>Funds Authorized</b>							
<b>January 19, 1985</b>							
Cultural arts	\$ 2,082,888	--	--	--	--	416,592	2,499,480
Downtown art museum	6,364,010	--	--	--	--	--	6,364,010
	<u>8,446,898</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>416,592</u>	<u>8,863,490</u>
<b>Funds Authorized</b>							
<b>July 26, 1985</b>							
Neighborhood park and recreation	2,071,759	--	--	--	--	--	2,071,759
<b>Funds Authorized</b>							
<b>September 26, 1985</b>							
Art in public places	22,879	--	--	--	--	--	22,879
<b>Funds Authorized</b>							
<b>December 14, 1985</b>							
Senior activity center	13,135	--	--	--	--	--	13,135
South Austin parkland	10,903	--	--	--	--	--	10,903
Parks Oak Hill	59,546	--	--	--	--	--	59,546
	<u>83,584</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>83,584</u>
<b>Total Funds Authorized in 1985</b>	<u>10,625,120</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>416,592</u>	<u>11,041,712</u>
<b>Funds Authorized</b>							
<b>September 3, 1987</b>							
Street resurfacing	462,920	367,955	(172,590)	195,365	--	--	658,285
<b>Funds Authorized</b>							
<b>August 10, 1992</b>							
EMS facility	49,357	--	--	--	--	--	49,357
Fire stations	864,686	--	--	--	--	--	864,686
Police substations	3,839,582	--	--	--	--	--	3,839,582
Asbestos abatement/ADA compliance/ East Austin health clinic	4,861,893	--	--	--	--	--	4,861,893
Erosion & flood control	4,707,274	--	--	--	--	--	4,707,274
Street & traffic signals	2,259,997	--	--	--	--	26,072	2,286,069
Neighborhood sidewalks	111,738	--	--	--	--	--	111,738
Parks and recreation facilities	1,882,046	--	--	--	--	--	1,882,046
Libraries	1,507,076	--	--	--	--	--	1,507,076
Balcones Canyonlands Conservation Plan	794,588	--	--	--	72,885	--	867,473
Barton Creek greenway	328,928	--	--	--	--	--	328,928
	<u>21,207,165</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>72,885</u>	<u>26,072</u>	<u>21,306,122</u>
<b>Funds Authorized</b>							
<b>May 3, 1997</b>							
Radio Trunking	14,291,111	--	--	--	7,752,505	--	22,043,616
	<u>\$ 14,291,111</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,752,505</u>	<u>--</u>	<u>22,043,616</u>

**Funds Authorized**

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-3**  
**(Continued)**

Liabilities				Fund Balances			Total Liabilities and Fund Balances
Accounts Payable	Due to Other Funds	Other Liabilities	Total Liabilities	Reserved for Encumbrances	Unreserved, Undesignated (Deficit)	Total Fund Balances	
--	--	--	--	21,135	2,478,345	2,499,480	2,499,480
--	--	--	--	--	6,364,010	6,364,010	6,364,010
--	--	--	--	21,135	8,842,355	8,863,490	8,863,490
37	--	80,153	80,190	31,917	1,959,652	1,991,569	2,071,759
875	--	--	875	1,887	20,117	22,004	22,879
--	--	--	--	--	13,135	13,135	13,135
--	--	--	--	--	10,903	10,903	10,903
--	--	--	--	1,308	58,238	59,546	59,546
--	--	--	--	1,308	82,276	83,584	83,584
912	--	80,153	81,065	56,247	10,904,400	10,960,647	11,041,712
227,877	--	24	227,901	188,987	241,397	430,384	658,285
--	--	--	--	234	49,123	49,357	49,357
252,080	--	--	252,080	529,948	82,658	612,606	864,686
--	--	--	--	156,891	3,682,691	3,839,582	3,839,582
193,038	--	--	193,038	895,578	3,773,277	4,668,855	4,861,893
166,106	--	--	166,106	1,266,924	3,274,244	4,541,168	4,707,274
--	--	--	--	704,136	1,581,933	2,286,069	2,286,069
--	--	--	--	11,667	100,071	111,738	111,738
143,169	--	--	143,169	325,959	1,412,918	1,738,877	1,882,046
19,322	--	--	19,322	1,184,730	303,024	1,487,754	1,507,076
8,716	--	71,984	80,700	6,472	780,301	786,773	867,473
--	--	--	--	--	328,928	328,928	328,928
782,431	--	71,984	854,415	5,082,539	15,369,168	20,451,707	21,306,122
7	--	--	7	--	22,043,609	22,043,609	22,043,616
7	--	--	7	--	22,043,609	22,043,609	22,043,616

(continued)

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Assets						
	Pooled Investments and Cash	Accounts Receivable	Allowance for Doubtful Accounts	Net Accounts Receivable	Due from Other Funds	Other Assets	Total Assets
<b>November 3, 1998</b>							
Cultural arts and land	\$ --	--	--	--	--	--	--
Drainage and flood control	--	--	--	--	--	--	--
Traffic signals	--	--	--	--	--	--	--
Parks and recreation facilities	--	--	--	--	--	--	--
<b>Other funds</b>							
Street lights	--	--	--	--	--	--	--
Planning & development improvements	792,527	--	--	--	--	--	792,527
TPSD general improvements	3,099,436	10,639	--	10,639	--	--	3,110,075
Parks-1992	509,219	--	--	--	--	--	509,219
Library automation system	226,784	--	--	--	--	--	226,784
Fire/EMS/NW Austin MUD #1	342,099	--	--	--	--	--	342,099
General government projects	11,029,059	81,075	--	81,075	692,460	--	11,802,594
Health projects	2,704,317	--	--	--	--	--	2,704,317
Build Austin	(105,134)	309,545	--	309,545	--	--	204,411
Forsythia Drive	2,828	--	--	--	--	--	2,828
Central City Entertainment Center	--	--	--	--	--	--	--
Park improvements	1,847,579	--	--	--	--	--	1,847,579
Police and courts	794,436	--	--	--	--	--	794,436
Health centers	158,108	--	--	--	--	--	158,108
Neighborhood centers	8,265	--	--	--	--	--	8,265
Loan star improvements	4,273	--	--	--	--	--	4,273
Fire - general	5,986,315	--	--	--	--	--	5,986,315
Capital reserve	8,491,898	615	--	615	--	--	8,492,513
Library	30,346	--	--	--	--	--	30,346
Public Works	570,102	--	--	--	--	--	570,102
One Texas Center	388,561	--	--	--	--	--	388,561
Watershed Protection	--	--	--	--	--	426,114	426,114
Tanglewood park	--	--	--	--	--	--	--
Great Streets	1,444	--	--	--	--	--	1,444
City Hall, plaza, parking garage	--	--	--	--	--	--	--
Interest income fund	178,186	--	--	--	--	74,449	252,635
<b>Total other funds</b>	<b>37,060,648</b>	<b>401,874</b>	<b>--</b>	<b>401,874</b>	<b>692,460</b>	<b>500,563</b>	<b>38,655,545</b>
<b>1999 Totals</b>	<b>115,535,763</b>	<b>1,282,467</b>	<b>(172,590)</b>	<b>1,109,877</b>	<b>8,950,171</b>	<b>1,050,165</b>	<b>126,645,976</b>
Funds authorized:							
Prior to 1984	2,157,109	--	--	--	--	30,754	2,187,863
September 8, 1984	26,578,762	512,638	--	512,638	4,328,300	23,886	31,443,586
1985	9,752,968	--	--	--	--	1,685,832	11,438,800
September 3, 1987	483,060	373,122	(172,590)	200,532	--	--	683,592
August 10, 1992	28,154,918	--	--	--	38,315	3,800	28,197,033
Other funds	47,395,818	1,402,319	--	1,402,319	--	74,448	48,872,585
<b>1998 Totals</b>	<b>\$ 114,522,635</b>	<b>2,288,079</b>	<b>(172,590)</b>	<b>2,115,489</b>	<b>4,366,615</b>	<b>1,818,720</b>	<b>122,823,459</b>

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-3**  
**(Continued)**

Liabilities				Fund Balances			Total Liabilities and Fund Balances
Accounts Payable	Due to Other Funds	Other Liabilities	Total Liabilities	Reserved for Encumbrances	Unreserved, Undesignated (Deficit)	Total Fund Balances	
5,247	521,452	--	526,699	51,863	(578,562)	(526,699)	--
21,115	2,798,156	--	2,819,271	259,349	(3,078,620)	(2,819,271)	--
374,060	1,201,158	--	1,575,218	1,211,393	(2,786,611)	(1,575,218)	--
26,080	390,994	--	417,074	54,534	(471,608)	(417,074)	--
426,502	4,911,760	--	5,338,262	1,577,139	(6,915,401)	(5,338,262)	--
--	--	--	--	--	--	--	--
--	--	--	--	1,554	790,973	792,527	792,527
89,827	--	--	89,827	908,336	2,111,912	3,020,248	3,110,075
62,452	--	--	62,452	152,499	294,268	446,767	509,219
1,049	--	--	1,049	10,750	214,985	225,735	226,784
--	--	--	--	--	342,099	342,099	342,099
280,861	--	--	280,861	1,377,044	10,144,689	11,521,733	11,802,594
7,917	--	--	7,917	1,285,826	1,410,574	2,696,400	2,704,317
420,520	661,192	--	1,081,712	3,358,024	(4,235,325)	(877,301)	204,411
--	--	--	--	--	2,828	2,828	2,828
8,554	31,268	--	39,822	166,357	(206,179)	(39,822)	--
10,258	--	--	10,258	152,455	1,684,866	1,837,321	1,847,579
27,877	--	--	27,877	57,583	708,976	766,559	794,436
--	--	--	--	4,626	153,482	158,108	158,108
--	--	--	--	--	8,265	8,265	8,265
--	--	--	--	33,005	(28,732)	4,273	4,273
241,371	--	--	241,371	1,410,132	4,334,812	5,744,944	5,986,315
16,945	--	--	16,945	178,244	8,297,324	8,475,568	8,492,513
13,510	--	--	13,510	(12,135)	28,971	16,836	30,346
50,730	--	--	50,730	2,230,860	(1,711,488)	519,372	570,102
--	--	--	--	94,771	293,790	388,561	388,561
5,768,321	2,344,208	--	8,112,529	122,480	(7,808,895)	(7,686,415)	426,114
--	64,197	--	64,197	--	(64,197)	(64,197)	--
--	--	--	--	--	1,444	1,444	1,444
62,065	432,340	--	494,405	--	(494,405)	(494,405)	--
--	--	2,274,785	2,274,785	--	(2,022,150)	(2,022,150)	252,635
7,062,257	3,533,205	2,274,785	12,870,247	11,532,411	14,252,887	25,785,298	38,655,545
8,564,220	8,877,286	2,426,946	19,868,452	24,370,546	82,406,978	106,777,524	126,645,976
25,173	90,320	--	115,493	135,354	1,937,016	2,072,370	2,187,863
110,015	22,849	--	132,864	6,653,514	24,657,208	31,310,722	31,443,586
23,293	--	--	23,293	490,056	10,925,451	11,415,507	11,438,800
227,877	--	24	227,901	12,153	443,538	455,691	683,592
341,094	--	36,750	377,844	5,565,572	22,253,617	27,819,189	28,197,033
7,527,202	4,215,131	1,616,093	13,358,426	21,419,813	14,094,346	35,514,159	48,872,585
8,254,654	4,328,300	1,652,867	14,235,821	34,276,462	74,311,176	108,587,638	122,823,459

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Revenues				Expenditures
	Inter-governmental Revenues	Property Owners' Participation and Contributions	Interest and Other	Total Revenues	Capital Outlay
<b>Funds Authorized</b>					
<b>Prior to 1981</b>					
Parks and recreation	\$ --	--	--	--	--
Police and courts	--	--	--	--	--
Street improvements	--	--	--	--	--
Library	--	--	--	--	484
Health centers	--	--	--	--	--
					<u>484</u>
<b>Funds Authorized</b>					
<b>August 29, 1981</b>					
Street and drainage	--	--	--	--	--
Fire stations	--	--	--	--	--
EMS buildings	--	--	--	--	112,530
					<u>112,530</u>
<b>Funds Authorized</b>					
<b>September 11, 1982</b>					
Street and drainage	--	--	--	--	--
Flood prevention	--	--	--	--	--
Public works parking	--	--	--	--	--
Public works service center	--	--	--	--	--
Traffic signals	--	--	--	--	--
Parks--various	--	--	--	--	431,194
Environmental resources	--	--	--	--	--
Fire/EMS building	--	--	--	--	--
					<u>431,194</u>
<b>Funds Authorized</b>					
<b>October 22, 1983</b>					
Jollyville road improvements	--	--	--	--	21,200
Energy improvements - city facilities	--	--	--	--	86,090
					<u>107,290</u>
<b>Total Prior to 1984</b>	--	--	--	--	<u>651,498</u>
<b>Funds Authorized</b>					
<b>September 8, 1984</b>					
Zilker land acquisition	--	--	--	--	--
PARD pools	--	--	--	--	--
Parkland acquisition	--	--	--	--	--
Parks/Old Bakery	--	--	--	--	240,226
Drainage and flood improvements	--	--	50	50	2,651,035
Street improvements	--	168,728	350	169,078	6,249,506
Fire improvements	--	--	--	--	9,444
Libraries	--	--	--	--	--
Police facilities	--	--	--	--	--
Traffic signals	--	--	--	--	(24,630)
EMS/Fire facility	--	--	--	--	--
	\$ --	168,728	400	169,128	<u>9,125,581</u>

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-4**

Excess (Deficiency) of Revenues Over Expenditures	Other Financing Sources (Uses)				Total Other Financing Sources(Uses)	Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	Fund Balances September 30, 1998	Fund Balances September 30, 1999
	Issuance of Tax Supported Debt	Operating Transfers In	Operating Transfers Out					
--	--	--	--	--	--	--	210,165	210,165
--	--	--	--	--	--	--	2,469	2,469
--	--	--	--	--	--	--	56,675	56,675
(484)	--	--	--	--	--	(484)	(90,320)	(90,804)
--	--	--	--	--	--	--	9,190	9,190
(484)	--	--	--	--	--	(484)	188,179	187,695
--	--	--	--	--	--	--	2,989	2,989
--	--	--	--	--	--	--	24,788	24,788
(112,530)	--	550,000	--	550,000	437,470	798,532	1,236,002	1,236,002
(112,530)	--	550,000	--	550,000	437,470	826,309	1,263,779	1,263,779
--	--	--	--	--	--	--	14	14
--	--	--	--	--	--	--	119,028	119,028
--	--	--	--	--	--	--	1	1
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	4	4
(431,194)	--	--	--	--	--	(431,194)	829,558	398,364
--	--	--	--	--	--	--	2,462	2,462
--	--	--	--	--	--	--	43,259	43,259
(431,194)	--	--	--	--	--	(431,194)	994,326	563,132
(21,200)	--	--	--	--	--	(21,200)	48,112	26,912
(86,090)	--	--	--	--	--	(86,090)	15,444	(70,646)
(107,290)	--	--	--	--	--	(107,290)	63,556	(43,734)
(651,498)	--	550,000	--	550,000	(101,498)	2,072,370	1,970,872	1,970,872
--	--	--	--	--	--	--	9	9
--	--	--	--	--	--	--	4,856	4,856
--	--	--	--	--	--	--	383,883	383,883
(240,226)	--	--	--	--	--	(240,226)	(16,062)	(256,288)
(2,650,985)	1,376,000	--	--	1,376,000	(1,274,985)	7,295,035	6,020,050	6,020,050
(6,080,428)	6,743,000	--	--	6,743,000	662,572	23,629,791	24,292,363	24,292,363
(9,444)	--	--	--	--	--	(9,444)	20,291	10,847
--	--	--	--	--	--	--	841	841
--	--	--	--	--	--	--	(13,785)	(13,785)
24,630	--	--	--	--	--	24,630	2,334	26,964
--	--	--	--	--	--	--	3,529	3,529
(8,956,453)	8,119,000	--	--	8,119,000	(837,453)	31,310,722	30,473,269	30,473,269

(continued)

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Revenues			Expenditures	
	Inter-governmental Revenues	Property Owners' Participation and Contributions	Interest and Other	Total Revenues	Capital Outlay
<b>Funds Authorized</b>					
<b>January 19, 1985</b>					
Cultural arts	\$ --	--	527,614	527,614	1,288,981
Downtown art museum	--	--	--	--	--
	--	--	527,614	527,614	1,288,981
<b>Funds Authorized</b>					
<b>July 26, 1985</b>					
Neighborhood park and recreation	--	623,167	--	623,167	234,375
<b>Funds Authorized</b>					
<b>September 26, 1985</b>					
Art in public places	--	--	--	--	48,697
<b>Funds Authorized</b>					
<b>December 14, 1985</b>					
Senior activity center	--	--	--	--	--
South Austin parkland	--	--	--	--	--
Parks Oak Hill	--	--	--	--	33,588
	--	--	--	--	33,588
<b>Total funds authorized</b>					
<b>in 1985</b>					
	--	623,167	527,614	1,150,781	1,605,641
<b>Funds Authorized</b>					
<b>September 3, 1987</b>					
Street resurfacing	--	--	27,443	27,443	52,750
<b>Funds Authorized</b>					
<b>August 10, 1992</b>					
EMS facility	--	--	--	--	--
Fire stations	--	--	--	--	1,564,602
Police substations	--	--	--	--	228,063
Asbestos abatement/ADA compliance/ East Austin health clinic	--	--	--	--	3,368,001
Erosion & flood control	--	--	521	521	1,850,610
Street & traffic signals	--	7,921	144,563	152,484	3,695,962
Neighborhood sidewalks	--	--	--	--	92,686
Parks and recreation facilities	151,761	125,000	--	276,761	2,454,742
Libraries	--	--	250	250	1,322,085
Balcones Canyonlands Conservation Plan	--	335,192	13,179	348,371	150,370
Barton Creek greenway	--	--	--	--	21,394
	151,761	468,113	158,513	778,387	14,748,515
<b>Funds Authorized</b>					
<b>May 3, 1997</b>					
Radio Trunking	\$ --	141,221	--	141,221	222,550

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-4**  
**(Continued)**

Excess (Deficiency) of Revenues Over Expenditures	Other Financing Sources (Uses)				Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	Fund Balances September 30, 1998	Fund Balances September 30, 1999
	Issuance of Tax Supported Debt	Operating Transfers In	Operating Transfers Out	Total Other Financing Sources(Uses)			
(761,367)	--	--	--	--	(761,367)	3,260,847	2,499,480
--	--	--	--	--	--	6,364,010	6,364,010
(761,367)	--	--	--	--	(761,367)	9,624,857	8,863,490
388,792	--	433,000	(433,000)	--	388,792	1,602,777	1,991,569
(48,697)	--	--	--	--	(48,697)	70,701	22,004
--	--	--	--	--	--	13,135	13,135
--	--	--	--	--	--	10,903	10,903
(33,588)	--	--	--	--	(33,588)	93,134	59,546
(33,588)	--	--	--	--	(33,588)	117,172	83,584
(454,860)	--	433,000	(433,000)	--	(454,860)	11,415,507	10,960,647
(25,307)	--	--	--	--	(25,307)	455,691	430,384
--	--	--	--	--	--	49,357	49,357
(1,564,602)	--	699,918	--	699,918	(864,684)	1,477,290	612,606
(228,063)	--	650,000	--	650,000	421,937	3,417,645	3,839,582
(3,368,001)	2,560,000	1,450,000	--	4,010,000	641,999	4,026,856	4,668,855
(1,850,089)	951,000	--	--	951,000	(899,089)	5,440,257	4,541,168
(3,543,478)	--	--	--	--	(3,543,478)	5,829,547	2,286,069
(92,686)	--	--	--	--	(92,686)	204,424	111,738
(2,177,981)	--	--	--	--	(2,177,981)	3,916,858	1,738,877
(1,321,835)	--	--	--	--	(1,321,835)	2,809,589	1,487,754
--	--	--	--	--	--	--	--
198,001	--	--	--	--	198,001	588,772	786,773
(21,394)	--	--	--	--	(21,394)	350,322	328,928
(13,970,128)	3,511,000	2,799,918	--	6,310,918	(7,659,210)	28,110,917	20,451,707
(81,329)	8,785,000	--	--	8,785,000	8,703,671	13,339,938	22,043,609

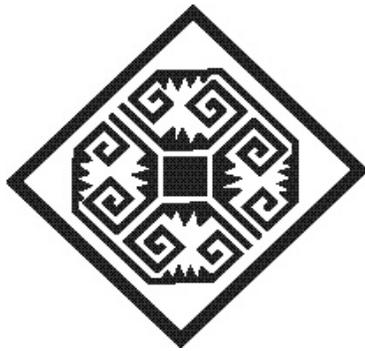
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**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Revenues			Expenditures	
	Inter-governmental Revenues	Property Owners' Participation and Contributions	Interest and Other	Total Revenues	Capital Outlay
<b>Funds Authorized</b>					
<b>November 3, 1998</b>					
Cultural arts and land	\$ --	--	--	--	526,699
Drainage and flood control	--	--	--	--	2,819,271
Traffic signals	--	--	150	150	1,575,368
Parks and recreation facilities	--	--	--	--	417,074
	--	--	150	150	5,338,412
<b>Other funds</b>					
Street lights	--	--	--	--	--
Planning & development improvements	--	--	--	--	--
TPSD general improvements	82,932	--	733,916	816,848	8,808,338
Parks project 1992	--	--	--	--	622,360
Library automation system	--	--	--	--	777,132
Fire/EMS/NW Austin MUD #1	--	64,262	13,567	77,829	--
General government projects	--	375,515	1,000,420	1,375,935	3,376,052
Health projects	--	--	--	--	3,424,589
Build Austin	4,016,404	--	900	4,017,304	4,558,896
Forsythia Drive	--	--	137	137	--
Central City Entertainment Center	--	--	--	--	4,953,271
Park improvements	--	150,000	--	150,000	337,945
Police and courts	--	--	--	--	1,301,514
Health centers	--	--	--	--	681,061
Neighborhood centers	--	--	--	--	2,578
Loan star improvements	(30,222)	--	12,488	(17,734)	90
Fire - general	--	--	--	--	5,513,489
Capital reserve	--	2,727	--	2,727	638,647
Library	--	--	--	--	62,911
Public Works	3,160,636	--	--	3,160,636	2,631,856
One Texas Center	--	--	--	--	7,846
Watershed Protection	--	--	--	--	10,032,911
Tanglewood park	--	--	--	--	--
Great Streets	--	--	1,444	1,444	--
City Hall, plaza, parking garage	--	--	--	--	494,405
Interest income fund	--	169,035	5,524,464	5,693,499	--
<b>Total other funds</b>	<b>7,229,750</b>	<b>761,539</b>	<b>7,287,336</b>	<b>15,278,625</b>	<b>48,225,891</b>
<b>1999 Totals</b>	<b>7,381,511</b>	<b>2,162,768</b>	<b>8,001,456</b>	<b>17,545,735</b>	<b>79,970,838</b>
<b>Prior year totals</b>					
Funds authorized:					
Prior to 1984	--	--	--	--	1,444,057
September 8, 1984	--	7,500	505	8,005	6,136,123
1985	--	--	310,330	310,330	1,295,008
September 3, 1987	230,924	--	40,603	271,527	387,799
August 10, 1992	638,618	230,000	43,923	912,541	13,014,433
Other funds	10,244,507	726,057	6,939,943	17,910,507	32,405,999
<b>1998 Totals</b>	<b>\$ 11,114,049</b>	<b>963,557</b>	<b>7,335,304</b>	<b>19,412,910</b>	<b>54,683,419</b>

**CITY OF AUSTIN, TEXAS**  
**Exhibit E-4**  
**(Continued)**

Excess (Deficiency) of Revenues Over Expenditures	Other Financing Sources (Uses)				Total Other Financing Sources(Uses)	Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	Fund Balances September 30, 1998	Fund Balances September 30, 1999
	Issuance of Tax Supported Debt	Operating Transfers In	Operating Transfers Out					
(526,699)	--	--	--	--	(526,699)	--	(526,699)	
(2,819,271)	--	--	--	--	(2,819,271)	--	(2,819,271)	
(1,575,218)	--	--	--	--	(1,575,218)	--	(1,575,218)	
(417,074)	--	--	--	--	(417,074)	--	(417,074)	
(5,338,262)	--	--	--	--	(5,338,262)	--	(5,338,262)	
--	--	--	--	--	--	--	--	
--	--	--	--	--	--	792,527	792,527	
(7,991,490)	10,500,000	500,000	--	11,000,000	3,008,510	11,738	3,020,248	
(622,360)	--	--	--	--	(622,360)	1,069,127	446,767	
(777,132)	--	--	--	--	(777,132)	1,002,867	225,735	
77,829	--	--	--	--	77,829	264,270	342,099	
(2,000,117)	--	11,573,000	(2,849,273)	8,723,727	6,723,610	4,798,123	11,521,733	
(3,424,589)	--	4,607,280	--	4,607,280	1,182,691	1,513,709	2,696,400	
(541,592)	--	--	--	--	(541,592)	(335,709)	(877,301)	
137	--	--	--	--	137	2,691	2,828	
(4,953,271)	7,830,000	--	--	7,830,000	2,876,729	(2,916,551)	(39,822)	
(187,945)	--	300,000	--	300,000	112,055	1,725,266	1,837,321	
(1,301,514)	--	650,000	--	650,000	(651,514)	1,418,073	766,559	
(681,061)	--	--	--	--	(681,061)	839,169	158,108	
(2,578)	--	--	--	--	(2,578)	10,843	8,265	
(17,824)	--	--	--	--	(17,824)	22,097	4,273	
(5,513,489)	--	10,220,931	--	10,220,931	4,707,442	1,037,502	5,744,944	
(635,920)	--	--	--	--	(635,920)	9,111,488	8,475,568	
(62,911)	--	--	--	--	(62,911)	79,747	16,836	
528,780	--	--	--	--	528,780	(9,408)	519,372	
(7,846)	--	--	--	--	(7,846)	396,407	388,561	
(10,032,911)	500,000	1,173,133	--	1,673,133	(8,359,778)	673,363	(7,686,415)	
--	--	--	--	--	--	(64,197)	(64,197)	
1,444	--	--	--	--	1,444	--	1,444	
(494,405)	--	--	--	--	(494,405)	--	(494,405)	
5,693,499	--	--	(8,155,000)	(8,155,000)	(2,461,501)	439,351	(2,022,150)	
(32,947,266)	18,830,000	29,024,344	(11,004,273)	36,850,071	3,902,805	21,882,493	25,785,298	
(62,425,103)	39,245,000	32,807,262	(11,437,273)	60,614,989	(1,810,114)	108,587,638	106,777,524	
(1,444,057)	1,337,000	739,206	(1,529,546)	546,660	(897,397)	2,969,767	2,072,370	
(6,128,118)	8,647,000	1,182,852	(1,447,245)	8,382,607	2,254,489	29,056,233	31,310,722	
(984,678)	--	185,591	(549,328)	(363,737)	(1,348,415)	12,763,922	11,415,507	
(116,272)	--	--	--	--	(116,272)	571,963	455,691	
(12,101,892)	10,281,000	--	--	10,281,000	(1,820,892)	29,931,809	28,110,917	
(14,495,492)	14,964,000	17,986,511	(9,736,590)	23,213,921	8,718,429	26,504,002	35,222,431	
(35,270,509)	35,229,000	20,094,160	(13,262,709)	42,060,451	6,789,942	101,797,696	108,587,638	



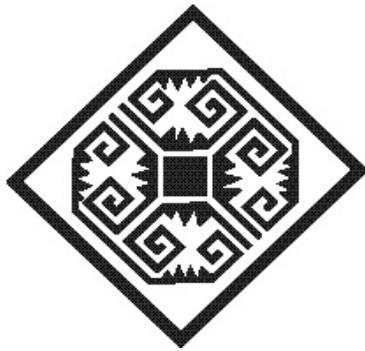


## **ENTERPRISE FUNDS**

Enterprise funds account for the acquisition, operations and maintenance of the City's facilities and services that are entirely or predominantly supported by user charges or those for which the City has decided that periodic determination of the revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. All activities necessary to provide services are accounted for in these funds, including, but not limited to, administration, operations, and maintenance. Debt service for the Electric Fund, the Water and Wastewater Fund, the Hospital Fund, the Solid Waste Services Fund, the Airport Fund, and the Convention Center Fund is also included. The enterprise funds are as follows:

- The Electric Fund;
- The Water and Wastewater Fund;
- The Hospital Fund;
- The Solid Waste Services Fund;
- The Airport Fund;
- The Convention Center Fund;
- The Drainage Fund;
- The Transportation Fund;
- The Performance Contracting Fund;
- The Golf Fund; and
- The Parks and Recreation Fund.

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**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 1999**  
**With comparative totals for September 30, 1998**

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>ASSETS</b>					
Current assets:					
Cash	\$ 16,500	10,450	--	2,100	6,750
Pooled investments and cash	45,208,827	34,611,568	24,971,787	9,860,194	2,508,955
Working capital advances	3,002,411	--	--	--	--
Accounts receivable	95,648,216	21,513,057	4,353,786	3,363,195	853,687
Less allowance for doubtful accounts	(2,806,692)	(1,807,060)	(3,931,449)	(377,092)	(150,000)
Net accounts receivable	92,841,524	19,705,997	422,337	2,986,103	703,687
Receivable from other governments	--	--	--	--	--
Due from other funds	--	--	--	--	45,988
Inventories, at cost	48,950,644	778,490	--	--	--
Prepaid expenses and other assets	11,593,520	--	--	--	21,200
Total current assets	201,613,426	55,106,505	25,394,124	12,848,397	3,286,580
Restricted assets:					
Revenue bond current debt service account	73,651,762	27,626,573	--	--	9,417,530
Revenue bond future debt service account	205,440,280	--	--	--	--
Revenue bond retirement reserve account	109,626,246	50,907,906	--	--	--
Tax and revenue bond debt service account	--	--	--	--	--
Construction account	65,387,672	83,872,232	--	16,445,531	78,658,648
Construction account due from other funds	155,692	228,732	--	--	--
Construction account advances to other funds	155,692	497,454	--	--	--
Decommissioning account	53,655,752	--	--	--	--
Capital improvement account	--	--	--	--	14,950,917
Operating reserve account	--	--	--	--	6,752,050
Hotel occupancy tax account	--	--	--	--	--
Renewal and replacement account	--	--	--	--	10,000,000
Investments and cash held by trustee	2,005,709	20,152,198	2,500,000	--	--
Nuclear fuel inventory acquisition account	31,366,762	--	--	--	--
Mueller disposition account	--	--	--	--	22,507
Customer and escrow deposits	2,586,517	8,040,947	5,000,000	114,076	137,794
Other restricted accounts	--	--	--	--	7,734,879
Total restricted assets	544,032,084	191,326,042	7,500,000	16,559,607	127,674,325
Fixed assets, at cost:					
Property, plant and equipment in service	2,587,834,948	1,855,347,052	74,786,858	39,918,424	639,217,178
Less accumulated depreciation	(972,367,880)	(500,485,803)	(29,141,937)	(22,744,894)	(96,139,122)
Net property, plant and equipment in service	1,615,467,068	1,354,861,249	45,644,921	17,173,530	543,078,056
Construction in progress	52,799,094	124,984,258	--	9,792,468	59,134,813
Nuclear fuel, net of amortization	19,969,499	--	--	--	--
Plant held for future use	32,653,983	--	--	--	--
Net property, plant and equipment	1,720,889,644	1,479,845,507	45,644,921	26,965,998	602,212,869
Investment in municipal utility districts	--	2,431,398	--	--	--
Advances to other funds	--	--	--	--	--
Other long-term assets	1,450,616	--	--	--	--
Deferred costs and expenses, including bond issue cost, net of amortization	413,645,872	212,435,107	--	37,639	2,609,809
<b>Total assets</b>	<b>\$ 2,881,631,642</b>	<b>1,941,144,559</b>	<b>78,539,045</b>	<b>56,411,641</b>	<b>735,783,583</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-1**

Convention Center	Drainage	Transportation	Performance Contracting	Golf	Parks and Recreation	Totals	
						1999	1998
2,000	700	800	--	1,300	--	40,600	39,450
7,274,063	1,447,203	4,578,781	--	797,171	954,551	132,213,100	92,277,017
79,007	--	--	--	--	--	3,081,418	3,867,194
--	1,783,967	1,209,624	--	--	400	128,725,932	114,364,726
--	(63,097)	(347,923)	--	--	--	(9,483,313)	(10,512,910)
--	1,720,870	861,701	--	--	400	119,242,619	103,851,816
--	--	--	--	--	--	--	30,234
--	--	--	--	--	--	45,988	1,774,085
--	--	224,395	--	--	--	49,953,529	42,591,663
--	--	--	--	--	--	11,614,720	15,639,212
7,355,070	3,168,773	5,665,677	--	798,471	954,951	316,191,974	260,070,671
4,322,535	--	--	--	--	--	115,018,400	104,832,101
--	--	--	--	--	--	205,440,280	156,547,474
6,878,016	--	--	--	--	--	167,412,168	175,635,855
--	--	--	--	--	--	--	100,265
118,316,788	25,361,784	394,885	--	1,884,124	--	390,321,664	346,167,073
--	--	--	--	--	--	384,424	384,424
--	--	--	--	--	--	653,146	1,037,571
--	--	--	--	--	--	53,655,752	49,332,878
--	--	--	--	--	--	14,950,917	17,706,677
10,757,236	--	--	--	--	--	17,509,286	12,255,351
1,989,916	--	--	--	--	--	1,989,916	1,466,403
1,197,233	--	--	--	--	--	11,197,233	5,842,437
--	--	--	--	--	--	24,657,907	24,745,878
--	--	--	--	--	--	31,366,762	31,424,932
--	--	--	--	--	--	22,507	608,543
--	--	--	--	--	--	15,879,334	14,426,120
3,344,462	--	--	--	--	--	11,079,341	2,360,770
146,806,186	25,361,784	394,885	--	1,884,124	--	1,061,539,037	944,874,752
113,536,810	20,808,823	5,970,882	--	11,897,203	134,589	5,349,452,767	4,675,367,732
(20,647,320)	(3,677,686)	(2,848,089)	--	(2,777,828)	(34,238)	(1,650,864,797)	(1,505,908,171)
92,889,490	17,131,137	3,122,793	--	9,119,375	100,351	3,698,587,970	3,169,459,561
4,579,721	18,615,153	410,115	--	297,655	--	270,613,277	546,257,243
--	--	--	--	--	--	19,969,499	19,911,329
--	--	--	--	--	--	32,653,983	32,653,983
97,469,211	35,746,290	3,532,908	--	9,417,030	100,351	4,021,824,729	3,768,282,116
--	--	--	--	--	--	2,431,398	2,746,428
--	--	--	--	--	--	--	19,101
--	--	--	--	--	--	1,450,616	532,854
3,813,857	4,871	1,912	--	23,396	--	632,572,463	586,384,558
255,444,324	64,281,718	9,595,382	--	12,123,021	1,055,302	6,036,010,217	5,562,910,480

(continued)

**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 1999**  
**With comparative totals for September 30, 1998**

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>LIABILITIES AND FUND EQUITY</b>					
Current liabilities:					
Accounts payable	\$ 35,066,208	1,770,978	91,549	872,378	2,198,093
Accrued payroll	4,143,817	2,341,643	14,314	698,954	616,783
Accrued compensated absences	5,534,644	3,327,698	73,336	886,100	546,563
Construction contracts payable	--	109,776	--	--	--
Contract revenue bonds payable	--	6,245,000	--	--	--
Due to other governments	--	--	493,009	--	--
Due to other funds	--	--	--	22,610	2,656
Interest payable on other debt	652,234	3,059,854	--	188,659	153,355
Deferred revenue	--	959,058	--	--	238,935
General obligation bonds payable and other tax supported debt	--	--	--	1,859,689	91,628
Water improvement district bonds payable	--	307,000	--	--	--
Capital lease obligations payable	1,240,001	725,000	--	--	--
Other liabilities	8,133,476	713,361	--	--	7,888
<b>Total current liabilities</b>	<b>54,770,380</b>	<b>19,559,368</b>	<b>672,208</b>	<b>4,528,390</b>	<b>3,855,901</b>
Liabilities payable from restricted assets:					
Accounts and retainage payable	3,960,672	18,595,041	--	31,965	14,676,889
Due to other funds	--	--	--	--	--
Accrued interest payable	38,558,150	17,688,551	--	--	9,057,390
General obligation bonds payable and other tax supported debt	193,131	3,383,106	--	--	--
Revenue bonds payable within one year	78,898,662	17,891,650	--	--	--
Customer deposits	1,083,993	469,831	--	114,076	137,794
Escrow deposits	1,502,524	7,571,116	--	--	--
Decommissioning expense payable	53,655,752	--	--	--	--
Nuclear fuel expense payable	31,366,762	--	--	--	--
Other liabilities	--	--	--	--	11,979,744
<b>Total liabilities payable from restricted assets</b>	<b>\$ 209,219,646</b>	<b>65,599,295</b>	<b>--</b>	<b>146,041</b>	<b>35,851,817</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-1**  
**(Continued)**

Convention Center	Drainage	Transportation	Performance Contracting	Golf	Parks and Recreation	Totals	
						1999	1998
184,148	328,034	872,571	--	54,268	81,262	41,519,489	22,947,057
242,831	490,955	344,138	--	91,433	40,179	9,025,047	7,426,027
261,976	672,802	446,816	--	100,560	28,307	11,878,802	11,517,073
--	--	--	--	--	--	109,776	204,041
--	--	--	--	--	--	6,245,000	5,695,000
--	--	--	--	--	--	493,009	1,083,021
--	5,559	--	--	--	--	30,825	573,814
--	20,471	12,259	--	33,412	--	4,120,244	5,579,223
--	--	--	--	--	--	1,197,993	1,141,138
31,995	145,503	158,119	--	377,635	--	2,664,569	2,855,513
--	--	--	--	--	--	307,000	332,000
--	--	--	--	--	--	1,965,001	1,848,919
50,000	--	--	--	--	189	8,904,914	5,695,129
<b>770,950</b>	<b>1,663,324</b>	<b>1,833,903</b>	<b>--</b>	<b>657,308</b>	<b>149,937</b>	<b>88,461,669</b>	<b>66,897,955</b>
621,813	241,339	--	--	217,707	--	38,345,426	39,469,941
--	--	--	--	--	--	--	1,186,132
2,563,952	--	--	--	--	--	67,868,043	59,296,239
--	--	--	--	--	--	3,576,237	4,194,973
2,670,000	--	--	--	--	--	99,460,312	101,808,872
839,427	216,062	--	--	--	--	2,861,183	2,813,177
--	--	--	--	--	--	9,073,640	7,529,017
--	--	--	--	--	--	53,655,752	48,827,308
--	--	--	--	--	--	31,366,762	31,424,932
450,408	--	--	--	--	--	12,430,152	12,690,109
<b>7,145,600</b>	<b>457,401</b>	<b>--</b>	<b>--</b>	<b>217,707</b>	<b>--</b>	<b>318,637,507</b>	<b>309,240,700</b>

(continued)

**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 1999**  
**With comparative totals for September 30, 1998**

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>LIABILITIES AND FUND EQUITY, CONTINUED</b>					
Long-term liabilities:					
Accrued compensated absences payable	\$ 3,449,371	1,176,430	--	159,797	504,467
Construction contracts payable	--	2,018,023	--	--	--
Contract revenue bonds payable, net of discount	--	95,149,775	--	--	--
Advances from other funds	--	--	--	22,610	2,656
Capital appreciation bond interest payable	71,976,688	37,798,428	--	--	--
Commercial paper notes payable	187,479,181	145,668,000	--	--	--
Revenue notes payable	--	--	--	--	28,000,000
General obligation bonds payable and other tax supported debt, net of discount and inclusive of premium	2,535,295	32,892,160	--	18,661,779	1,086,404
Revenue bonds payable, net of discount and inclusive of premium	1,461,980,724	810,307,776	--	--	383,412,507
Water improvement district bonds payable	--	789,000	--	--	--
Capital lease obligations payable	11,409,999	8,225,000	--	--	--
Decommissioning assessment payable	2,255,362	--	--	--	--
Accrued landfill closure and postclosure costs	--	--	--	6,467,381	--
Deferred revenue and other credits	--	5,874,230	--	--	--
Total long-term liabilities	1,741,086,620	1,139,898,822	--	25,311,567	413,006,034
<b>Total liabilities</b>	<b>2,005,076,646</b>	<b>1,225,057,485</b>	<b>672,208</b>	<b>29,985,998</b>	<b>452,713,752</b>
<b>Fund equity</b>					
Contributions from municipality	3,562,708	3,402,808	8,053,972	1,372,233	3,031,549
Contributions from State and Federal governments	670,508	30,809,623	874,135	--	129,307,378
Contributions in aid of construction	61,594,148	298,704,919	--	--	11,032,148
Contributions from the private sector	--	--	3,686,908	--	--
Total contributions	65,827,364	332,917,350	12,615,015	1,372,233	143,371,075
Retained earnings:					
Reserved for renewal and replacement	--	--	--	--	10,000,000
Reserved for passenger facility charge	--	--	--	--	7,734,879
Unreserved	810,727,632	383,169,724	65,251,822	25,053,410	121,963,877
Total retained earnings	810,727,632	383,169,724	65,251,822	25,053,410	139,698,756
<b>Total fund equity</b>	<b>876,554,996</b>	<b>716,087,074</b>	<b>77,866,837</b>	<b>26,425,643</b>	<b>283,069,831</b>
<b>Total liabilities and fund equity</b>	<b>\$ 2,881,631,642</b>	<b>1,941,144,559</b>	<b>78,539,045</b>	<b>56,411,641</b>	<b>735,783,583</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-1**  
**(Continued)**

Convention Center	Drainage	Transportation	Performance Contracting	Golf	Parks and Recreation	Totals	
						1999	1998
163,732	260,634	206,036	--	165,937	44,506	6,130,910	5,889,737
--	--	--	--	--	--	2,018,023	2,018,023
--	--	--	--	--	--	95,149,775	101,359,940
--	5,559	--	--	--	--	30,825	61,651
--	--	--	--	--	--	109,775,116	98,328,153
--	--	--	--	--	--	333,147,181	294,412,023
--	--	--	--	--	--	28,000,000	28,000,000
420,007	2,330,131	495,673	--	7,848,330	--	66,269,779	57,293,201
200,660,067	--	--	--	--	--	2,856,361,074	2,707,378,996
--	--	--	--	--	--	789,000	1,076,000
--	--	--	--	--	--	19,634,999	21,599,999
--	--	--	--	--	--	2,255,362	2,791,495
--	--	--	--	--	--	6,467,381	6,224,517
--	--	--	--	--	--	5,874,230	6,833,287
201,243,806	2,596,324	701,709	--	8,014,267	44,506	3,531,903,655	3,333,267,022
209,160,356	4,717,049	2,535,612	--	8,889,282	194,443	3,939,002,831	3,709,405,677
18,989,202	15,188,310	331,206	--	848,680	1,069,976	55,850,644	52,135,175
264,577	--	--	--	--	--	161,926,221	142,919,642
1,929,483	13,514,379	--	--	--	--	386,775,077	352,178,607
488,436	--	--	--	--	--	4,175,344	4,175,344
21,671,698	28,702,689	331,206	--	848,680	1,069,976	608,727,286	551,408,768
808,822	--	--	--	--	--	10,808,822	5,842,437
--	--	--	--	--	--	7,734,879	116,638
23,803,448	30,861,980	6,728,564	--	2,385,059	(209,117)	1,469,736,399	1,296,136,960
24,612,270	30,861,980	6,728,564	--	2,385,059	(209,117)	1,488,280,100	1,302,096,035
46,283,968	59,564,669	7,059,770	--	3,233,739	860,859	2,097,007,386	1,853,504,803
255,444,324	64,281,718	9,595,382	--	12,123,021	1,055,302	6,036,010,217	5,562,910,480

**ENTERPRISE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**

Year ended September 30, 1999

With comparative totals for year ended September 30, 1998

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>REVENUES</b>					
Utility services	\$ 682,087,588	214,042,787	--	--	--
User fees and rentals	--	--	2,105,271	35,227,846	54,580,165
Operating revenues from other governments	--	--	15,837,556	--	--
Operating revenues	682,087,588	214,042,787	17,942,827	35,227,846	54,580,165
<b>EXPENSES</b>					
Operating expenses before depreciation	342,914,020	87,011,629	1,878,936	26,589,968	27,640,315
Depreciation	78,339,973	45,806,370	2,093,613	2,923,871	17,122,217
Total operating expenses	421,253,993	132,817,999	3,972,549	29,513,839	44,762,532
<b>Operating income (loss) before nonoperating revenues (expenses) and operating transfers</b>	260,833,595	81,224,788	13,970,278	5,714,007	9,817,633
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest and other revenues	21,841,554	8,719,668	1,400,726	926,273	7,950,330
Interest on revenue bonds and other debt	(111,592,169)	(65,735,028)	--	(1,219,773)	(25,566,865)
Interest capitalized during construction	--	--	--	--	18,601,484
Amortization of bond issue cost	(707,751)	(424,979)	--	(9,766)	(108,706)
Other nonoperating expense	(7,968,589)	(1,692,139)	(158,332)	(15,100)	(776,669)
Total nonoperating revenues (expenses)	(98,426,955)	(59,132,478)	1,242,394	(318,366)	99,574
Cost to be recovered in future years	11,505,582	28,196,372	--	--	--
Income (loss) before operating transfers	173,912,222	50,288,682	15,212,672	5,395,641	9,917,207
Operating transfers:					
Operating transfers in	65,817	--	--	425,100	--
Operating transfers out	(57,990,860)	(16,338,620)	(6,302,410)	(75,000)	--
<b>Net income</b>	115,987,179	33,950,062	8,910,262	5,745,741	9,917,207
Add depreciation transferred to contributions	--	--	--	--	2,838,691
Net increase (decrease) in retained earnings	115,987,179	33,950,062	8,910,262	5,745,741	12,755,898
Retained earnings at beginning of year	694,740,453	349,219,662	56,341,560	19,307,669	126,942,858
Residual equity transfers out	--	--	--	--	--
<b>Retained earnings at end of year</b>	<b>\$ 810,727,632</b>	<b>383,169,724</b>	<b>65,251,822</b>	<b>25,053,410</b>	<b>139,698,756</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-2**

Convention Center	Drainage	Transportation	Performance Contracting	Golf	Parks and Recreation	Totals	
						1999	1998
--	--	--	--	--	--	896,130,375	870,162,845
9,428,014	20,690,892	15,728,646	4,271,809	5,343,113	3,180,106	150,555,862	126,190,892
--	--	--	--	--	--	15,837,556	9,075,130
9,428,014	20,690,892	15,728,646	4,271,809	5,343,113	3,180,106	1,062,523,793	1,005,428,867
12,206,546	18,005,001	13,936,866	2,984,976	4,470,417	3,062,890	540,701,564	506,792,388
2,583,579	1,348,494	716,226	32,928	424,435	7,851	151,399,557	147,273,030
14,790,125	19,353,495	14,653,092	3,017,904	4,894,852	3,070,741	692,101,121	654,065,418
(5,362,111)	1,337,397	1,075,554	1,253,905	448,261	109,365	370,422,672	351,363,449
2,246,492	881,674	189,777	160,952	90,381	40,373	44,448,200	85,928,009
(6,522,942)	(169,770)	(30,968)	--	(423,213)	--	(211,260,728)	(224,706,381)
--	--	--	--	--	--	18,601,484	10,976,299
(84,027)	--	(376)	--	(1,580)	--	(1,337,185)	(1,085,868)
(575,811)	(12,238)	(32,736)	(9,720)	(12,615)	(5,555)	(11,259,504)	(13,580,840)
(4,936,288)	699,666	125,697	151,232	(347,027)	34,818	(160,807,733)	(142,468,781)
--	--	--	--	--	--	39,701,954	18,774,460
(10,298,399)	2,037,063	1,201,251	1,405,137	101,234	144,183	249,316,893	227,669,128
17,612,964	768,504	--	--	--	--	18,872,385	18,268,624
(50,000)	(475,802)	--	--	--	--	(81,232,692)	(79,976,777)
7,264,565	2,329,765	1,201,251	1,405,137	101,234	144,183	186,956,586	165,960,975
65,494	--	--	--	--	--	2,904,185	6,989,092
7,330,059	2,329,765	1,201,251	1,405,137	101,234	144,183	189,860,771	172,950,067
17,282,211	28,532,215	5,527,313	2,271,569	2,283,825	(353,300)	1,302,096,035	1,129,145,968
--	--	--	(3,676,706)	--	--	(3,676,706)	--
24,612,270	30,861,980	6,728,564	--	2,385,059	(209,117)	1,488,280,100	1,302,096,035

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers	\$ 678,486,149	208,995,029	2,208,371	34,589,577	55,746,316
Cash payments to suppliers for goods and services	(231,132,174)	(40,746,012)	(1,566,875)	(11,830,446)	(13,601,821)
Cash payments to employees for services	(70,471,231)	(43,607,587)	(517,036)	(13,714,689)	(11,168,780)
Cash received from other governments	--	--	15,065,464	--	--
Taxes collected and remitted to other governments	(15,493,225)	--	--	--	--
<b>Net cash provided (used) by operating activities</b>	<b>361,389,519</b>	<b>124,641,430</b>	<b>15,189,924</b>	<b>9,044,442</b>	<b>30,975,715</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Operating transfers in	65,817	--	--	425,100	--
Operating transfers out	(57,990,860)	(16,338,620)	(6,302,410)	(75,000)	--
Residual equity transfer out	--	--	--	--	--
Interest paid on revenue notes and other debt	(175,410)	(27,472)	--	(11,944)	--
Decrease in deferred assets	1,471,681	--	--	--	--
Contributions from private sector	--	--	--	--	--
Loans to other funds	--	--	--	--	--
Loans from other funds	--	--	--	--	--
Loan repayments (to) from other funds	--	(444,049)	--	--	48,797
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(56,628,772)</b>	<b>(16,810,141)</b>	<b>(6,302,410)</b>	<b>338,156</b>	<b>48,797</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Proceeds from the sale of commercial paper notes	28,681,158	110,054,000	--	--	--
Proceeds from the sale of general obligation bonds and other tax supported debt	1,151,051	4,264,100	--	5,397,824	202,884
Proceeds from the sale of revenue notes	--	10,000,000	--	--	--
Proceeds from sale of revenue bonds	--	--	--	--	--
Principal paid on long-term debt	(84,962,221)	(26,437,245)	--	(3,164,916)	(93,814)
Proceeds from the sale of fixed assets	2,550	--	--	--	--
Purchased interest received	618,547	620,670	--	--	--
Interest paid on revenue bonds and other debt	(98,364,212)	(55,113,721)	--	(1,234,668)	(25,072,366)
Acquisition and construction of capital assets	(82,297,441)	(141,940,820)	--	(3,964,672)	(133,544,973)
Contributions from municipality	--	--	--	--	722
Contributions from State and Federal governments	--	--	--	--	22,621,652
Contributions in aid of construction	4,753,992	15,450,176	--	--	6,292,920
Bond discounts, premiums, and issuance costs	7,434,568	(2,696,201)	--	(16,932)	(637)
Cash paid for bond defeasance	--	(16,964,085)	--	--	--
Bonds issued for advanced refundings of debt	103,952,013	141,362,499	--	--	--
Cash paid for bond refunding escrow	(114,311,441)	(139,814,054)	--	--	--
Proceeds from municipal utility district reserves	--	--	--	--	--
Cash paid for nuclear fuel inventory	(11,218,838)	--	--	--	--
<b>Net cash used by capital and related financing activities</b>	<b>\$ (244,560,274)</b>	<b>(101,214,681)</b>	<b>--</b>	<b>(2,983,364)</b>	<b>(129,593,612)</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-3**

Convention Center	Drainage	Transportation	Performance		Parks and Recreation	Totals	
			Contracting	Golf		1999	1998
9,241,052	20,053,141	15,767,216	4,841,625	5,343,113	3,180,106	1,038,451,695	980,797,314
(6,814,259)	(8,007,300)	(7,332,126)	(1,274,588)	(2,283,145)	(1,194,523)	(325,783,269)	(362,097,435)
(4,864,791)	(9,314,777)	(5,996,727)	(1,945,086)	(2,134,741)	(1,832,515)	(165,567,960)	(139,806,182)
--	--	--	--	--	--	15,065,464	7,108,832
--	--	--	--	--	--	(15,493,225)	(14,482,333)
(2,437,998)	2,731,064	2,438,363	1,621,951	925,227	153,068	546,672,705	471,520,196
17,612,964	768,504	--	--	--	--	18,872,385	18,268,624
(50,000)	(475,802)	--	--	--	--	(81,232,692)	(79,976,777)
--	--	--	(3,676,706)	--	--	(3,676,706)	--
--	--	--	--	--	--	(214,826)	(150,611)
--	--	--	--	--	--	1,471,681	316,085
--	--	--	--	--	--	--	400,000
--	--	--	--	--	--	--	(452,832)
--	--	--	--	--	--	--	444,049
--	452,832	--	--	--	--	57,580	45,939
17,562,964	745,534	--	(3,676,706)	--	--	(64,722,578)	(61,105,523)
--	--	--	--	--	--	138,735,158	65,875,000
--	1,552,854	--	--	1,950,000	--	14,518,713	7,491,418
--	--	--	--	--	--	10,000,000	28,000,000
135,000,000	--	--	--	--	--	135,000,000	293,582
(1,981,765)	(129,485)	(101,669)	--	(361,996)	--	(117,233,111)	(109,009,961)
--	--	--	115,716	--	--	118,266	646,685
--	--	--	--	--	--	1,239,217	9,491
(4,720,602)	(162,978)	(32,874)	--	(416,318)	--	(185,117,739)	(190,603,057)
(5,211,741)	(5,275,906)	(1,274,065)	(53,981)	(1,110,846)	(30,930)	(374,705,375)	(312,550,475)
--	--	--	--	--	--	722	132,656
--	--	--	--	--	--	22,621,652	23,532,213
--	4,936,326	--	--	--	--	31,433,414	29,308,543
(3,643,754)	(4,871)	--	--	(6,116)	--	1,066,057	8,126,919
--	--	--	--	--	--	(16,964,085)	(20,999,453)
6,445,000	--	--	--	--	--	251,759,512	309,351,591
(6,286,246)	--	--	--	--	--	(260,411,741)	(319,313,511)
--	--	--	--	--	--	--	18,205,377
--	--	--	--	--	--	(11,218,838)	(4,937,020)
119,600,892	915,940	(1,408,608)	61,735	54,724	(30,930)	(359,158,178)	(466,440,002)

(continued)

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Purchase of investment securities	\$ (548,010,583)	(159,296,469)	--	(747,624)	(315,144,490)
Proceeds from sale and maturities of investment securities	490,792,101	156,722,555	--	802,500	407,273,230
Interest on investments	30,819,824	11,920,474	1,231,379	916,589	9,188,591
Reverse repurchase agreement income	1,474,980	764,548	169,347	149,828	829,871
Reverse repurchase agreement expense	(1,346,568)	(690,545)	(158,332)	(140,144)	(776,282)
<b>Net cash provided (used) by investing activities</b>	<b>(26,270,246)</b>	<b>9,420,563</b>	<b>1,242,394</b>	<b>981,149</b>	<b>101,370,920</b>
Net increase (decrease) in cash and cash equivalents	33,930,227	16,037,171	10,129,908	7,380,383	2,801,820
Cash and cash equivalents, October 1 (including \$278,113,315 in restricted accounts)	113,445,949	130,118,796	22,341,879	19,041,517	49,320,429
<b>Cash and cash equivalents, September 30 (including \$449,418,667 in restricted accounts)</b>	<b>147,376,176</b>	<b>146,155,967</b>	<b>32,471,787</b>	<b>26,421,900</b>	<b>52,122,249</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	260,833,595	81,224,788	13,970,278	5,714,007	9,817,633
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	78,339,973	45,806,370	2,093,613	2,923,871	17,122,217
Allowance for doubtful accounts	1,414,630	(11,362)	(1,866,609)	(577,872)	--
Amortization	11,633,240	--	--	--	--
Change in assets and liabilities:					
Decrease in working capital advances	785,776	--	--	--	--
(Increase) decrease in accounts receivable	(14,460,901)	(2,611,285)	1,969,709	61,565	826,236
Decrease in receivable from other governments	--	--	--	23,879	--
Decrease in due from other funds	--	--	--	--	59,437
(Increase) decrease in inventory	(7,516,862)	132,612	--	--	--
(Increase) decrease in prepaid expenses and deferred costs	1,638,559	--	--	98,938	(20,000)
Decrease in other regulatory assets	295,342	--	--	--	--
Increase (decrease) in accounts payable	15,011,685	600,139	(79,084)	611,512	1,601,275
Increase (decrease) in accrued payroll and compensated absences	1,742,550	177,715	(125,891)	(53,071)	214,379
Increase (decrease) in deferred revenue	--	(959,057)	(182,080)	--	238,935
Decrease in decommissioning assessment payable	(524,104)	--	--	--	--
(Increase) decrease in unrecovered fuel revenue	2,594,276	--	--	--	--
Increase (decrease) in accrued landfill closure costs	--	--	--	242,864	--
Decrease in due to other governments	--	--	(590,012)	--	--
Decrease in due to other funds	--	--	--	--	--
Increase (decrease) in other liabilities	9,728,636	301,051	--	(14,716)	1,074,060
Increase (decrease) in customer deposits	(126,876)	(19,541)	--	13,465	41,543
<b>Total adjustments</b>	<b>100,555,924</b>	<b>43,416,642</b>	<b>1,219,646</b>	<b>3,330,435</b>	<b>21,158,082</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 361,389,519</b>	<b>124,641,430</b>	<b>15,189,924</b>	<b>9,044,442</b>	<b>30,975,715</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-3**  
**(Continued)**

Convention Center	Drainage	Transportation	Performance			Parks and Recreation	Totals	
			Contracting	Golf			1999	1998
(22,496,360)	(130,590)	--	--	--	--	--	(1,045,826,116)	(1,487,708,756)
20,739,920	162,389	--	--	--	--	--	1,076,492,695	1,515,008,283
2,102,246	871,483	162,069	150,579	76,982	40,177		57,480,393	57,735,735
290,483	156,965	27,708	10,373	13,399	196		3,887,698	13,499,115
(271,635)	(146,774)	(25,914)	(9,720)	(12,565)	(5,555)		(3,584,034)	(13,131,171)
364,654	913,473	163,863	151,232	77,816	34,818		88,450,636	85,403,206
135,090,512	5,306,011	1,193,618	(1,841,788)	1,057,767	156,956		211,242,585	29,377,877
6,612,477	21,503,676	3,780,848	1,841,788	1,624,828	797,595		370,429,782	341,051,905
141,702,989	26,809,687	4,974,466	--	2,682,595	954,551		581,672,367	370,429,782
(5,362,111)	1,337,397	1,075,554	1,253,905	448,261	109,365		370,422,672	351,363,449
2,583,579	1,348,494	716,226	32,928	424,435	7,851		151,399,557	147,273,030
--	--	11,616	--	--	--		(1,029,597)	(4,525,367)
--	--	--	--	--	--		11,633,240	12,788,895
--	--	--	--	--	--		785,776	75,065
(322,693)	(222,062)	38,570	569,816	--	--		(14,151,045)	(13,481,382)
--	6,355	--	--	--	--		30,234	39,661
--	--	--	--	--	--		59,437	59,437
--	--	22,384	--	--	--		(7,361,866)	(6,623,999)
--	--	--	--	--	--		1,717,497	3,708,236
--	--	--	--	--	--		295,342	317,067
184,148	61,681	532,962	(7,199)	(11,837)	14,745		18,520,027	(20,914,886)
148,018	199,199	41,051	(227,499)	64,368	21,103		2,201,922	1,965,194
--	--	--	--	--	--		(902,202)	(1,608,391)
--	--	--	--	--	--		(524,104)	--
--	--	--	--	--	--		2,594,276	(6,289,042)
--	--	--	--	--	--		242,864	(2,415,863)
--	--	--	--	--	--		(590,012)	(1,029,031)
--	--	--	--	--	--		--	(327,485)
195,330	--	--	--	--	4		11,284,365	11,934,754
135,731	--	--	--	--	--		44,322	(789,146)
2,924,113	1,393,667	1,362,809	368,046	476,966	43,703		176,250,033	120,156,747
(2,437,998)	2,731,064	2,438,363	1,621,951	925,227	153,068		546,672,705	471,520,196

(continued)

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Electric	Water and Wastewater	Hospital	Solid Waste Services	Airport
<b>NONCASH INVESTING, CAPITAL AND FINANCING</b>					
<b>ACTIVITIES:</b>					
Increase (decrease) in deferred assets/expenses	\$ 11,473,790	21,226,385	--	(9,292)	--
Unamortized bond discounts, premiums, and issue costs on advance refundings	(3,309,967)	(1,816,685)	--	--	--
(Increase) decrease in capital appreciation bond interest payable	(6,271,242)	(5,321,878)	--	11,937	125,015
Fixed assets contributed from (to) other funds	--	--	--	--	--
Increase in contributed facilities	--	23,077,693	--	--	--
Net increase (decrease) in the fair value of investments	(9,793,370)	(2,581,713)	--	--	(337,138)
Amortization of bond discounts, premiums and issue costs	(1,345,946)	(1,492,048)	--	9,424	(641,887)
Amortization of deferred loss on refundings	--	--	--	--	(83,370)
Loss on disposal of assets	(7,968,589)	(1,692,139)	--	(15,100)	--
Costs to be recovered in future years	11,505,582	28,196,372	--	--	--
Loss on extinguishment of debt	(10,751,524)	(6,527,349)	--	--	--
Due to other funds for fixed assets	--	--	--	--	(5,312)
Contributions from other funds	\$ 1,450,616	--	--	--	--

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-3**  
**(Continued)**

Convention Center	Drainage	Transportation	Performance Contracting	Golf	Parks and Recreation	Totals	
						1999	1998
146,571	--	--	--	--	--	32,837,454	28,041,177
(13,460)	--	--	--	--	--	(5,140,112)	(2,746,775)
--	--	--	--	--	--	(11,456,168)	20,811,869
--	--	--	--	--	--	--	1,723,396
--	566,898	--	--	--	--	23,644,591	24,522,078
(145,973)	--	--	--	--	--	(12,858,194)	8,637,970
(242,655)	--	(31)	--	(1,580)	--	(3,714,723)	(6,324,043)
(523,453)	--	--	--	--	--	(606,823)	(600,160)
(304,176)	(12,238)	(6,822)	--	(50)	--	(9,999,114)	(449,669)
--	--	--	--	--	--	39,701,954	18,774,460
--	--	--	--	--	--	(17,278,873)	(17,275,264)
--	--	--	--	--	--	(5,312)	(92,477)
--	--	--	--	--	--	1,450,616	--

**ENTERPRISE FUNDS**  
**COMBINING SCHEDULE OF CHANGES IN FIXED ASSETS AND ACCUMULATED DEPRECIATION**  
**Year ended September 30, 1999**

	Assets					Balance September 30, 1999
	Balance September 30, 1998	Additions	Retirements	Transfers from Construction in Progress	Transfers from (to) Other Funds (1)	
<b>Property, plant and equipment in service:</b>						
Electric	\$ 2,513,453,726	11,731,973	(10,808,974)	73,305,460	152,763	2,587,834,948
Water	867,449,857	17,535,588	(4,537,675)	22,708,869	--	903,156,639
Wastewater	895,834,503	18,716,411	(1,938,194)	39,577,693	--	952,190,413
Hospital	74,786,858	--	--	--	--	74,786,858
Solid Waste Services	30,752,947	367,320	(386,913)	9,185,070	--	39,918,424
Airport	158,283,357	2,248,103	(35,929)	478,721,647	--	639,217,178
Convention Center	102,312,057	294,715	(624,345)	11,554,383	--	113,536,810
Drainage	16,413,170	1,063,948	(12,240)	3,343,945	--	20,808,823
Transportation	5,064,914	925,246	(19,278)	--	--	5,970,882
Performance Contracting	98,782	53,981	--	--	(152,763)	--
Golf	10,807,950	21,278	(50)	1,068,025	--	11,897,203
Parks and Recreation	109,611	30,930	(5,952)	--	--	134,589
	<u>4,675,367,732</u>	<u>52,989,493</u>	<u>(18,369,550)</u>	<u>639,465,092</u>	<u>--</u>	<u>5,349,452,767</u>
<b>Construction in progress:</b>						
Electric	59,198,270	67,606,569	(700,285)	(73,305,460)	--	52,799,094
Water	26,218,857	96,983,651	--	(22,708,869)	--	100,493,639
Wastewater	25,746,146	38,322,166	--	(39,577,693)	--	24,490,619
Hospital	--	--	--	--	--	--
Solid Waste Services	15,657,417	3,320,121	--	(9,185,070)	--	9,792,468
Airport	391,420,952	146,435,508	--	(478,721,647)	--	59,134,813
Convention Center	10,654,542	5,479,562	--	(11,554,383)	--	4,579,721
Drainage	17,221,652	4,737,446	--	(3,343,945)	--	18,615,153
Transportation	61,295	348,820	--	--	--	410,115
Golf	78,112	1,287,568	--	(1,068,025)	--	297,655
	<u>546,257,243</u>	<u>364,521,411</u>	<u>(700,285)</u>	<u>(639,465,092)</u>	<u>--</u>	<u>270,613,277</u>
Electric-nuclear fuel inventory	120,578,807	11,218,838	--	--	--	131,797,645
Electric-plant held for future use	32,653,983	--	--	--	--	32,653,983
<b>Total</b>	<u>\$ 5,374,857,765</u>	<u>428,729,742</u>	<u>(19,069,835)</u>	<u>--</u>	<u>--</u>	<u>5,784,517,672</u>

See accompanying independent auditor's report.

Accumulated Depreciation

Balance September 30, 1998	Current Depreciation & Amortization	Retirements	Transfers and Adjustments	Balance September 30, 1999
895,154,272	78,339,973	(1,185,986)	59,621	972,367,880
202,674,479	21,003,176	(3,275,801)	75,652	220,477,506
256,629,792	24,803,194	(1,507,929)	83,240	280,008,297
27,048,324	2,093,613	--	--	29,141,937
20,192,835	2,923,871	(371,812)	--	22,744,894
79,052,446	17,122,218	(35,542)	--	96,139,122
18,383,910	2,583,579	(320,169)	--	20,647,320
2,237,944	1,348,494	--	91,248	3,677,686
2,144,318	716,226	(12,455)	--	2,848,089
4,119	32,928	--	(37,047)	--
2,353,393	424,435	--	--	2,777,828
32,339	7,851	(5,952)	--	34,238
1,505,908,171	151,399,558	(6,715,646)	272,714	1,650,864,797
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
100,667,478	11,160,668	--	--	111,828,146
--	--	--	--	--
1,606,575,649	162,560,226	(6,715,646)	272,714	1,762,692,943

(continued)

**ENTERPRISE FUNDS**  
**COMBINING SCHEDULE OF CHANGES IN FIXED ASSETS AND ACCUMULATED DEPRECIATION**  
**Year ended September 30, 1999**

	Electric	Water	Wastewater	Hospital	Solid Waste Services	Airport
<b>Property, plant and equipment:</b>						
Land and land rights	\$ 33,178,943	53,396,464	15,716,659	759,502	10,461,629	58,411,982
Buildings	534,055,483	607,166,193	566,026,826	74,002,127	487,535	44,415,036
Improvements to grounds	13,012,828	22,742,988	16,575,429	14,580	664,704	39,848,268
Machinery and equipment	1,827,835,409	163,979,041	272,732,758	4,045	2,037,084	13,882,837
Vehicles	20,726,097	7,006,354	11,014,518	--	13,322,793	1,666,221
Completed assets not classified	159,026,188	48,865,599	70,124,223	6,604	12,944,679	480,992,834
	2,587,834,948	903,156,639	952,190,413	74,786,858	39,918,424	639,217,178
Less accumulated depreciation	(972,367,880)	(220,477,506)	(280,008,297)	(29,141,937)	(22,744,894)	(96,139,122)
Net property, plant and equipment in service	1,615,467,068	682,679,133	672,182,116	45,644,921	17,173,530	543,078,056
Construction in progress	52,799,094	100,493,639	24,490,619	--	9,792,468	59,134,813
Nuclear fuel, net of amortization	19,969,499	--	--	--	--	--
Plant held for future use	32,653,983	--	--	--	--	--
<b>Total property, plant and equipment</b>	<b>1,720,889,644</b>	<b>783,172,772</b>	<b>696,672,735</b>	<b>45,644,921</b>	<b>26,965,998</b>	<b>602,212,869</b>

(1) Transfers from (to) other funds and account groups are as follows:

Electric	152,763	--	--	--	--	--
Performance Contracting	--	--	--	--	--	--
<b>\$</b>	<b>152,763</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

See accompanying independent auditor's report.

**CITY OF AUSTIN, TEXAS**  
**Exhibit F-4**  
**(Continued)**

Convention Center	Drainage	Transportation	Performance Contracting	Golf	Parks and Recreation	Total
26,080,693	2,370,006	--	--	324,266	--	200,700,144
80,576,385	400,126	--	--	1,699,687	--	1,908,829,398
--	1,486,883	--	--	7,448,984	2,999	101,797,663
2,714,411	8,480,499	172,406	--	486,521	37,715	2,292,362,726
364,523	2,588,013	4,389,264	--	272,612	329	61,350,724
3,800,798	5,483,296	1,409,212	--	1,665,133	93,546	784,412,112
113,536,810	20,808,823	5,970,882	--	11,897,203	134,589	5,349,452,767
(20,647,320)	(3,677,686)	(2,848,089)	--	(2,777,828)	(34,238)	(1,650,864,797)
92,889,490	17,131,137	3,122,793	--	9,119,375	100,351	3,698,587,970
4,579,721	18,615,153	410,115	--	297,655	--	270,613,277
--	--	--	--	--	--	19,969,499
--	--	--	--	--	--	32,653,983
97,469,211	35,746,290	3,532,908	--	9,417,030	100,351	4,021,824,729
--	--	--	--	--	--	152,763
--	--	--	(152,763)	--	--	(152,763)
--	--	--	(152,763)	--	--	--





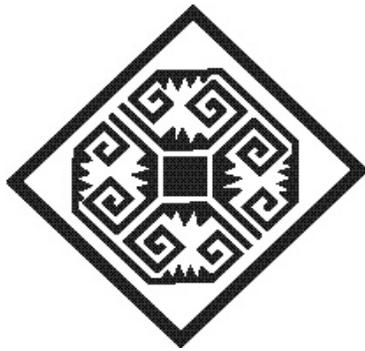
## **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City and other agencies on a cost-reimbursement basis.

The internal service funds are as follows:

- The Fleet Maintenance Fund, which includes vehicle and equipment services;
- The Support Services Fund, which includes the activities of the various support service departments;
- The Employee Benefits Fund, which includes activities related to the health, dental, and life insurance costs of City employees;
- The Liability Reserve Fund, which provides coverage of the City's major claims liabilities;
- The Workers' Compensation Fund, which accounts for workers' compensation costs;
- The Radio Communication Fund, which includes communication support activities;
- The Infrastructure Support Services Fund, which includes the activities for support services for the following four departments: Development, Review and Inspection Services; Planning, Environmental and Conservation Services; Public Works and Transportation; and Drainage Utility; and
- The Capital Projects Management Fund, which manages the City's capital improvement projects.

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**INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Fleet Maintenance Fund	Support Services Fund	Employee Benefits Fund	Liability Reserve Fund
<b>ASSETS</b>				
Current assets:				
Cash	\$ 2,600	15,125	--	--
Pooled investments and cash	8,776,763	7,076,140	6,366,441	13,134,622
Cash held by trustee	--	--	268,564	--
Accounts receivable	239,395	25,000	193,723	--
Less allowance for doubtful accounts	(221,726)	--	--	--
Net accounts receivable	17,669	25,000	193,723	--
Due from other funds	--	--	--	--
Inventories, at cost	1,669,579	--	--	--
Prepaid expenses	--	1,711	--	--
Total current assets	10,466,611	7,117,976	6,828,728	13,134,622
Restricted assets:				
Construction account	2,165,364	1,436,931	--	--
Total restricted assets	2,165,364	1,436,931	--	--
Fixed assets, at cost:				
Property, plant and equipment	32,694,229	17,248,197	--	--
Less accumulated depreciation	(14,907,983)	(7,653,168)	--	--
Net property, plant and equipment in service	17,786,246	9,595,029	--	--
Construction in progress	--	5,297,462	--	--
Net property, plant and equipment	17,786,246	14,892,491	--	--
Advances to other funds	--	--	--	--
Deferred costs and expenses, net of amortization	5,010	26,609	--	--
<b>Total assets</b>	<b>\$ 30,423,231</b>	<b>23,474,007</b>	<b>6,828,728</b>	<b>13,134,622</b>

**CITY OF AUSTIN, TEXAS**  
**Exhibit G-1**

Workers' Compensation Fund	Radio Communication Fund	Infrastructure Support Services Fund	Capital Projects Management Fund	Totals	
				1999	1998
--	800	3,050	900	22,475	26,291
7,699,295	183,563	1,488,355	2,280,619	47,005,798	42,494,089
--	--	--	--	268,564	234,786
--	69,174	39,817	236,429	803,538	533,739
--	--	--	--	(221,726)	(221,726)
--	69,174	39,817	236,429	581,812	312,013
--	--	--	--	--	339,062
--	149,769	--	--	1,819,348	1,726,931
--	--	--	--	1,711	1,711
7,699,295	403,306	1,531,222	2,517,948	49,699,708	45,134,883
--	--	--	--	3,602,295	632,122
--	--	--	--	3,602,295	632,122
--	158,335	1,428,341	614,312	52,143,414	43,740,463
--	(33,936)	(666,066)	(50,539)	(23,311,692)	(21,404,204)
--	124,399	762,275	563,773	28,831,722	22,336,259
--	--	--	--	5,297,462	5,953,272
--	124,399	762,275	563,773	34,129,184	28,289,531
--	--	--	--	--	--
--	--	--	--	31,619	71,242
7,699,295	527,705	2,293,497	3,081,721	87,462,806	74,127,778

(continued)

**INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999  
With comparative totals for September 30, 1998**

	Fleet Maintenance Fund	Support Services Fund	Employee Benefits Fund	Liability Reserve Fund
<b>LIABILITIES AND FUND EQUITY</b>				
Current liabilities:				
Accounts payable	\$ 1,149,290	1,248,865	894,486	1,320,327
Accrued payroll	413,355	2,199,354	--	--
Accrued compensated absences	636,523	2,771,878	--	--
Claims payable	--	--	3,021,000	6,586,927
Due to other funds	25,330	374,257	--	--
Interest payable on other debt	13,485	103,420	--	--
Deferred revenue	--	--	--	--
General obligation bonds payable and other tax supported debt	263,789	1,257,745	--	--
Other liabilities	--	50,954	268,564	--
<b>Total current liabilities</b>	<b>2,501,772</b>	<b>8,006,473</b>	<b>4,184,050</b>	<b>7,907,254</b>
Long-term liabilities:				
Accrued compensated absences	11,331	1,205,935	--	--
Claims payable	--	--	--	5,910,400
Advances from other funds	25,330	596,991	--	--
General obligation bonds payable and other tax supported debt, net of discount and inclusive of premium	2,036,185	5,139,312	--	--
<b>Total long-term liabilities</b>	<b>2,072,846</b>	<b>6,942,238</b>	<b>--</b>	<b>5,910,400</b>
<b>Total liabilities</b>	<b>4,574,618</b>	<b>14,948,711</b>	<b>4,184,050</b>	<b>13,817,654</b>
<b>Fund equity</b>				
Contributions from municipality	20,692,253	6,896,544	9,244,036	--
Retained earnings - unreserved	5,156,360	1,628,752	(6,599,358)	(683,032)
<b>Total fund equity</b>	<b>25,848,613</b>	<b>8,525,296</b>	<b>2,644,678</b>	<b>(683,032)</b>
<b>Total liabilities and fund equity</b>	<b>\$ 30,423,231</b>	<b>23,474,007</b>	<b>6,828,728</b>	<b>13,134,622</b>

**CITY OF AUSTIN, TEXAS**  
**Exhibit G-1**  
**(Continued)**

Workers' Compensation Fund	Radio Communication Fund	Infrastructure Support Services Fund	Capital Projects Management Fund	Totals	
				1999	1998
96,565	18,907	197,720	229,449	5,155,609	3,603,251
--	50,457	292,289	507,462	3,462,917	2,961,961
--	77,582	422,549	682,034	4,590,566	4,225,976
1,371,300	--	--	--	10,979,227	13,071,737
--	--	--	--	399,587	728,842
--	--	--	--	116,905	112,867
--	--	--	171,647	171,647	655,629
--	--	--	--	1,521,534	1,348,917
--	--	--	--	319,518	277,645
1,467,865	146,946	912,558	1,590,592	26,717,510	26,986,825
--	--	100,113	428,427	1,745,806	1,750,374
2,782,700	--	--	--	8,693,100	6,629,290
--	--	--	--	622,321	995,021
--	--	--	--	7,175,497	5,752,273
2,782,700	--	100,113	428,427	18,236,724	15,126,958
4,250,565	146,946	1,012,671	2,019,019	44,954,234	42,113,783
2,443,283	56,255	343,005	28,300	39,703,676	32,930,384
1,005,447	324,504	937,821	1,034,402	2,804,896	(916,389)
3,448,730	380,759	1,280,826	1,062,702	42,508,572	32,013,995
7,699,295	527,705	2,293,497	3,081,721	87,462,806	74,127,778

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

	Fleet Maintenance Fund	Support Services Fund	Employee Benefits Fund	Liability Reserve Fund
<b>REVENUES</b>				
Billings to departments	\$ 18,278,344	57,237,103	27,394,366	3,898,600
Employee contributions	--	--	15,426,960	--
Other revenues	50,024	--	--	290,000
Operating revenues	<u>18,328,368</u>	<u>57,237,103</u>	<u>42,821,326</u>	<u>4,188,600</u>
<b>EXPENSES</b>				
Operating expenses before depreciation	14,030,643	55,066,184	44,456,975	4,327,729
Depreciation	986,515	902,268	--	--
Total operating expenses	<u>15,017,158</u>	<u>55,968,452</u>	<u>44,456,975</u>	<u>4,327,729</u>
<b>Operating income (loss) before nonoperating revenues (expenses) and operating transfers</b>	<u>3,311,210</u>	<u>1,268,651</u>	<u>(1,635,649)</u>	<u>(139,129)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest and other revenues	291,249	129,209	--	--
Interest on other debt	(130,490)	(311,132)	--	--
Amortization of bond issue cost	(752)	(2,768)	--	--
Other nonoperating expense	(59,102)	(106,969)	--	--
Total nonoperating revenues (expenses)	<u>100,905</u>	<u>(291,660)</u>	<u>--</u>	<u>--</u>
Income (loss) before operating transfers	3,412,115	976,991	(1,635,649)	(139,129)
Operating transfers:				
Operating transfers out	(65,000)	--	--	--
<b>Net income (loss)</b>	<u>3,347,115</u>	<u>976,991</u>	<u>(1,635,649)</u>	<u>(139,129)</u>
Retained earnings at beginning of year	1,809,245	651,761	(4,963,709)	(543,903)
<b>Retained earnings at end of year</b>	<u>\$ 5,156,360</u>	<u>1,628,752</u>	<u>(6,599,358)</u>	<u>(683,032)</u>

**CITY OF AUSTIN, TEXAS**  
**Exhibit G-2**

Workers' Compensation Fund	Radio Communication Fund	Infrastructure Support Services Fund	Capital Projects Management Fund	Totals	
				1999	1998
4,271,650	1,960,326	7,733,350	11,971,998	132,745,737	135,107,376
--	--	--	--	15,426,960	13,864,121
--	257,246	--	2,610,656	3,207,926	2,909,283
4,271,650	2,217,572	7,733,350	14,582,654	151,380,623	151,880,780
5,068,046	1,739,238	7,630,464	13,091,287	145,410,566	141,200,585
--	14,177	97,648	26,998	2,027,606	1,959,285
5,068,046	1,753,415	7,728,112	13,118,285	147,438,172	143,159,870
(796,396)	464,157	5,238	1,464,369	3,942,451	8,720,910
--	--	71,285	31,213	522,956	841,558
--	--	--	--	(441,622)	(374,797)
--	--	--	--	(3,520)	(3,178)
--	--	(40,611)	(27,298)	(233,980)	(302,287)
--	--	30,674	3,915	(156,166)	161,296
(796,396)	464,157	35,912	1,468,284	3,786,285	8,882,206
--	--	--	--	(65,000)	(630,000)
(796,396)	464,157	35,912	1,468,284	3,721,285	8,252,206
1,801,843	(139,653)	901,909	(433,882)	(916,389)	(9,168,595)
1,005,447	324,504	937,821	1,034,402	2,804,896	(916,389)

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Fleet Maintenance Fund	Support Services Fund	Employee Benefits Fund	Liability Reserve Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 18,330,790	57,212,103	42,627,603	4,188,600
Cash payments to suppliers for goods and services	(5,903,586)	(13,362,154)	(21,029,392)	56,494
Cash payments to employees for services	(7,936,319)	(40,538,848)	--	--
Cash payments to claimants/beneficiaries	--	--	(22,815,902)	(3,913,720)
<b>Net cash provided (used) by operating activities</b>	<b>4,490,885</b>	<b>3,311,101</b>	<b>(1,217,691)</b>	<b>331,374</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating transfers out	(65,000)	--	--	--
Loan repayments (to) from other funds	240,122	--	--	--
Contributions from municipality	--	--	--	--
<b>Net cash provided (used) by noncapital financing activities</b>	<b>175,122</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from long-term debt issues	1,535,000	1,520,000	--	--
Principal paid on long-term debt	(329,189)	(1,133,082)	--	--
Interest paid on other debt	(132,550)	(305,034)	--	--
Acquisition and construction of capital assets	(6,921,790)	(1,842,384)	--	--
Contributions from municipality	7,200,000	--	--	--
Bond discounts and issuance costs	(4,815)	(4,768)	--	--
<b>Net cash provided (used) by capital and related financing activities</b>	<b>1,346,656</b>	<b>(1,765,268)</b>	<b>--</b>	<b>--</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments	248,344	109,214	--	--
Reverse repurchase agreement income	42,905	19,995	--	--
Reverse repurchase agreement expense	(40,167)	(18,687)	--	--
<b>Net cash provided by investing activities</b>	<b>251,082</b>	<b>110,522</b>	<b>--</b>	<b>--</b>
Net increase (decrease) in cash and cash equivalents	6,263,745	1,656,355	(1,217,691)	331,374
Cash and cash equivalents, October 1 (including \$632,122 in restricted accounts)	4,680,982	6,871,841	7,852,696	12,803,248
<b>Cash and cash equivalents, September 30 (including \$3,602,295 in restricted accounts)</b>	<b>\$ 10,944,727</b>	<b>8,528,196</b>	<b>6,635,005</b>	<b>13,134,622</b>

**CITY OF AUSTIN, TEXAS**  
**Exhibit G-3**

Workers' Compensation Fund	Radio Communication Fund	Infrastructure Support Services Fund	Capital Projects Management Fund	Totals	
				1999	1998
4,271,650	2,226,889	7,770,469	14,097,678	150,725,782	150,331,463
(1,642,931)	(730,297)	(1,652,840)	(3,558,288)	(47,822,994)	(56,461,362)
--	(1,048,543)	(5,908,698)	(9,509,896)	(64,942,304)	(64,089,989)
(3,222,494)	--	--	--	(29,952,116)	(26,205,411)
(593,775)	448,049	208,931	1,029,494	8,008,368	3,574,701
--	--	--	--	(65,000)	(630,000)
--	(240,122)	--	--	--	--
--	--	--	--	--	165,939
--	(240,122)	--	--	(65,000)	(464,061)
--	--	--	--	3,055,000	2,000,000
--	--	--	--	(1,462,271)	(1,157,689)
--	--	--	--	(437,584)	(346,247)
--	(24,364)	(162,131)	(275,400)	(9,226,069)	(13,261,579)
--	--	--	--	7,200,000	7,114,327
--	--	--	--	(9,583)	--
--	(24,364)	(162,131)	(275,400)	(880,507)	(5,651,188)
--	--	60,322	25,982	443,862	620,031
--	--	10,963	5,231	79,094	221,527
--	--	(10,252)	(4,867)	(73,973)	(215,510)
--	--	61,033	26,346	448,983	626,048
(593,775)	183,563	107,833	780,440	7,511,844	(1,914,500)
8,293,070	800	1,383,572	1,501,079	43,387,288	45,301,788
7,699,295	184,363	1,491,405	2,281,519	50,899,132	43,387,288

(continued)

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 1999**  
**With comparative totals for year ended September 30, 1998**

	Fleet Maintenance Fund	Support Services Fund	Employee Benefits Fund	Liability Reserve Fund
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>				
<b>CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 3,311,210	1,268,651	(1,635,649)	(139,129)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	986,515	902,268	--	--
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	2,420	(25,000)	(193,723)	--
Decrease in due from other funds	98,940	--	--	--
Increase in inventory	(89,443)	--	--	--
Increase in prepaid expenses	--	--	--	--
Decrease in deferred expenses	--	48,797	--	--
Increase (decrease) in accounts payable	369,618	531,166	94,903	1,246,203
Increase (decrease) in accrued payroll and compensated absences	(89,437)	1,013,626	--	--
Decrease in deferred revenue	(98,938)	--	--	--
Increase (decrease) in claims payable	--	--	483,000	(775,700)
Decrease in due to other funds	--	(89,133)	--	--
Decrease in advance from other funds	--	(347,369)	--	--
Increase in other liabilities	--	8,095	33,778	--
<b>Total adjustments</b>	<b>1,179,675</b>	<b>2,042,450</b>	<b>417,958</b>	<b>470,503</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 4,490,885</b>	<b>3,311,101</b>	<b>(1,217,691)</b>	<b>331,374</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>				
Increase in deferred assets/expenses	\$ 4,804	--	--	--
Fixed assets contributed from other funds	--	426,708	--	--
Amortization of bond discounts, premiums, and issue costs	(752)	603	--	--
Amortization of deferred loss on refundings	--	(3,370)	--	--
Loss on disposal of assets	(18,935)	(88,282)	--	--
Contributions from municipality	\$ --	--	--	--

**CITY OF AUSTIN, TEXAS**  
**Exhibit G-3**  
**(Continued)**

Workers' Compensation Fund	Radio Communication Fund	Infrastructure Support Services Fund	Capital Projects Management Fund	Totals	
				1999	1998
(796,396)	464,157	5,238	1,464,369	3,942,451	8,720,910
--	14,177	97,648	26,998	2,027,606	1,959,285
--	9,317	37,119	(99,932)	(269,799)	(120,654)
--	--	--	--	98,940	39,550
--	(2,974)	--	--	(92,417)	(265,285)
--	--	--	--	--	(281)
--	--	--	--	48,797	45,939
(61,379)	(2,872)	61,526	59,958	2,299,123	(362,293)
--	(33,756)	7,400	(36,855)	860,978	(430,391)
--	--	--	(385,044)	(483,982)	(1,866,261)
264,000	--	--	--	(28,700)	(3,845,109)
--	--	--	--	(89,133)	(61,670)
--	--	--	--	(347,369)	(273,037)
--	--	--	--	41,873	33,998
202,621	(16,108)	203,693	(434,875)	4,065,917	(5,146,209)
(593,775)	448,049	208,931	1,029,494	8,008,368	3,574,701
--	--	--	--	4,804	78,864
--	--	--	--	426,708	--
--	--	--	--	(149)	(3,178)
--	--	--	--	(3,370)	--
--	--	(30,359)	(22,432)	(160,008)	(86,777)
--	--	--	--	--	6,145,267

**INTERNAL SERVICE FUNDS**  
**COMBINING SCHEDULE OF CHANGES IN FIXED ASSETS AND ACCUMULATED DEPRECIATION**  
**Year ended September 30, 1999**

	Assets					Balance September 30, 1999
	Balance September 30, 1998	Additions	Retirements	Transfers from Construction in Progress	Transfers from (to) Other Funds (1)	
<b>Property, plant and equipment in service:</b>						
Fleet Maintenance	\$ 26,881,711	6,149,693	(337,175)	--	--	32,694,229
Support Services	15,028,786	1,467,589	(299,124)	--	1,050,946	17,248,197
Radio Communication	133,971	24,364	--	--	--	158,335
Infrastructure Support Services	1,326,004	162,131	(59,794)	--	--	1,428,341
Capital Projects Management	369,991	275,400	(31,079)	--	--	614,312
	<u>43,740,463</u>	<u>8,079,177</u>	<u>(727,172)</u>	<u>--</u>	<u>1,050,946</u>	<u>52,143,414</u>
<b>Construction in progress:</b>						
Support Services	5,953,272	374,797	--	--	(1,030,607)	5,297,462
<b>Total</b>	<u>\$ 49,693,735</u>	<u>8,453,974</u>	<u>(727,172)</u>	<u>--</u>	<u>20,339</u>	<u>57,440,876</u>

	Fleet Maintenance Fund	Support Services Fund	Radio Communication Fund	Infrastructure Support Services Fund	Capital Projects Management Fund	Total
<b>Property, plant and equipment:</b>						
Land	\$ --	485,463	--	--	--	485,463
Buildings	3,528,426	1,500	--	--	--	3,529,926
Furniture and equipment	4,910,078	7,257,342	22,656	729,910	13,445	12,933,431
Vehicles	6,087,648	832,150	49,073	--	--	6,968,871
Completed construction unclassified	18,168,077	8,671,742	86,606	698,431	600,867	28,225,723
	<u>32,694,229</u>	<u>17,248,197</u>	<u>158,335</u>	<u>1,428,341</u>	<u>614,312</u>	<u>52,143,414</u>
Less accumulated depreciation	(14,907,983)	(7,653,168)	(33,936)	(666,066)	(50,539)	(23,311,692)
Net property, plant and equipment	17,786,246	9,595,029	124,399	762,275	563,773	28,831,722
Construction in progress	--	5,297,462	--	--	--	5,297,462
<b>Total Property, plant and equipment</b>	<u>\$ 17,786,246</u>	<u>14,892,491</u>	<u>124,399</u>	<u>762,275</u>	<u>563,773</u>	<u>34,129,184</u>

(1) Transfers from (to) other funds and account groups are as follows:

General Fixed Assets	\$ --	20,339	--	--	--	20,339
	<u>\$ --</u>	<u>20,339</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>20,339</u>

**Accumulated Depreciation**

<b>Balance September 30, 1998</b>	<b>Current Depreciation</b>	<b>Retirements</b>	<b>Transfers and Adjustments</b>	<b>Balance September 30, 1999</b>
14,239,709	986,515	(318,241)	--	14,907,983
6,514,694	902,269	(210,841)	447,046	7,653,168
19,759	14,177	--	--	33,936
597,853	97,648	(29,435)	--	666,066
32,189	26,997	(8,647)	--	50,539
<b>21,404,204</b>	<b>2,027,606</b>	<b>(567,164)</b>	<b>447,046</b>	<b>23,311,692</b>
--	--	--	--	--
<b>21,404,204</b>	<b>2,027,606</b>	<b>(567,164)</b>	<b>447,046</b>	<b>23,311,692</b>





## **FIDUCIARY FUNDS**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for other agencies, individuals, private organizations or governmental units. Included in the fiduciary funds are expendable and nonexpendable trust funds, and agency funds.

The expendable trust funds include a variety of activities, as described on the following page.

The nonexpendable trust fund includes contributions for various governmental purposes, including purchase of library books and cemetery and preserve maintenance.

The agency funds include the Municipal Utility Districts Fund and various others.

See next page for descriptions of the individual funds.

## **Expendable Trust Funds**

*Penta Development Fund* - Donation for the Penta Development Nature Conservancy.

*Police Benefit Fund* - Donations for the benefit and improvement of the Police Department.

*Fairway Ridge Fund* - Accounts for deposits for Fairway Ridge Subdivision.

*Miscellaneous Fund* - Various donations and revenues to be used for specified purposes.

*Brackenridge Imaging Fund* - Accounts for participation in and support of programs which will provide health care services.

*Adaptive Programs Fund* - Accounts for programs and activities sponsored by the Parks and Recreation Department.

*Austin History Center Fund* - Donations to be used for the Austin History Center.

*Cemetery Fund* - Revenues to be used for maintenance and care of cemeteries.

*First Step - A Community Project* - Accounts for programs and activities to improve community relations.

*PARD Miscellaneous Fund* - Various donations and revenues to be used for specified purposes for Parks and Recreation Department activities.

*Planting for the Future Fund* - Donations to be used for plantings in the City of Austin.

*Special Library Fund* - Donations received to purchase books or special equipment in memory of an individual.

*Summer Musical Fund* - Donations and revenues to be used for the annual summer musical production that is administered by PARD.

*Teen Activity Fund* - Donations and revenues to be used for teen activities sponsored by the Parks and Recreation Department.

*Town Lake Beautification Fund* - Donations to be used for the beautification of Town Lake.

## **Nonexpendable Trust Funds**

Interest income from contributions may be used for specified purposes, such as purchase of library books or maintenance of cemeteries and preserves.

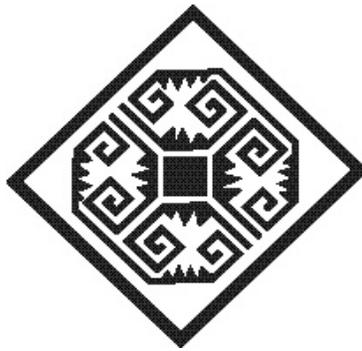
## **Agency Funds**

*Municipal Utility Districts Funds* - Receives revenues from municipal utility districts which are used to make debt service payments for the districts.

*Neighborhood Revitalization Funds* - Accounts for various loans related to revitalization programs.

*Municipal Courts Fund* - Holds fees collected by the City to be remitted to the State.

*BCCP Permit Fund* - Receives permit fees to support City of Austin and Travis County preserve administration for the Balcones Canyonlands Conservation Plan.



**TRUST AND AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit H-1**

**With comparative totals for September 30, 1998**

	Expendable Trust Funds	Nonexpendable Trust Funds	Agency Funds	Totals	
				1999	1998
<b>ASSETS</b>					
Pooled investments and cash	\$ 3,937,157	76,374	4,227,870	8,241,401	7,381,704
Receivables from other governments	--	--	5,627	5,627	22,581
<b>Total assets</b>	<b>3,937,157</b>	<b>76,374</b>	<b>4,233,497</b>	<b>8,247,028</b>	<b>7,404,285</b>
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Liabilities</b>					
Accounts payable	1,383	--	71,358	72,741	65,101
Due to other governments	--	--	1,459,792	1,459,792	1,470,413
Due to other funds	--	--	72,885	72,885	38,315
Escrow and other deposits	--	--	2,629,462	2,629,462	2,021,812
Other liabilities	281,424	--	--	281,424	213,402
<b>Total liabilities</b>	<b>282,807</b>	<b>--</b>	<b>4,233,497</b>	<b>4,516,304</b>	<b>3,809,043</b>
<b>Fund balances</b>					
Reserved for nonexpendable trust	--	76,374	--	76,374	76,374
Unreserved:					
Designated for purposes of trust	3,654,350	--	--	3,654,350	3,518,868
<b>Total fund balances</b>	<b>3,654,350</b>	<b>76,374</b>	<b>--</b>	<b>3,730,724</b>	<b>3,595,242</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,937,157</b>	<b>76,374</b>	<b>4,233,497</b>	<b>8,247,028</b>	<b>7,404,285</b>

**TRUST AND AGENCY FUNDS  
EXPENDABLE TRUST FUNDS  
COMBINING BALANCE SHEET  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit H-2**

**With comparative totals for September 30, 1998**

	Assets		Liabilities			Unreserved Fund Balances Designated for Trust	Total Liabilities and Fund Balances
	Pooled Investments and Cash	Total Assets	Accounts Payable	Other Liabilities	Total Liabilities		
<b>Urban growth management</b>							
Penta Development	\$ 111,000	111,000	--	--	--	111,000	111,000
<b>Total urban growth management</b>	111,000	111,000	--	--	--	111,000	111,000
<b>Public safety</b>							
Police Benefit	23,319	23,319	143	1,332	1,475	21,844	23,319
<b>Total public safety</b>	23,319	23,319	143	1,332	1,475	21,844	23,319
<b>Public services and utilities</b>							
Fairway Ridge	197,978	197,978	--	--	--	197,978	197,978
Miscellaneous	320,176	320,176	--	280,092	280,092	40,084	320,176
<b>Total public services and utilities</b>	518,154	518,154	--	280,092	280,092	238,062	518,154
<b>Public health</b>							
Brackenridge Imaging	797,770	797,770	--	--	--	797,770	797,770
<b>Total public health</b>	797,770	797,770	--	--	--	797,770	797,770
<b>Public recreation and culture</b>							
Adaptive Programs	15,616	15,616	--	--	--	15,616	15,616
Austin History Center	148,371	148,371	--	--	--	148,371	148,371
Cemetery	1,140,875	1,140,875	--	--	--	1,140,875	1,140,875
First Step - A Community Project	425,091	425,091	--	--	--	425,091	425,091
PARD Miscellaneous	341,118	341,118	888	--	888	340,230	341,118
Planting for the Future	121,814	121,814	135	--	135	121,679	121,814
Special Library	168,879	168,879	217	--	217	168,662	168,879
Summer Musical	63,660	63,660	--	--	--	63,660	63,660
Teen Activity	26,954	26,954	--	--	--	26,954	26,954
Town Lake Beautification	34,536	34,536	--	--	--	34,536	34,536
<b>Total public recreation and culture</b>	2,486,914	2,486,914	1,240	--	1,240	2,485,674	2,486,914
<b>1999 Total</b>	3,937,157	3,937,157	1,383	281,424	282,807	3,654,350	3,937,157
<b>1998 Total</b>	\$ 3,770,695	3,770,695	38,425	213,402	251,827	3,518,868	3,770,695

**TRUST AND AGENCY FUNDS  
EXPENDABLE TRUST FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

	Fund Balances September 30, 1998	Revenues		
		Contributions	Interest and Other	Total Revenues
<b>Urban growth management</b>				
Penta Development	\$ 111,000	--	--	--
<b>Total urban growth management</b>	111,000	--	--	--
<b>Public safety</b>				
Police Benefit	16,930	24,814	--	24,814
<b>Total public safety</b>	16,930	24,814	--	24,814
<b>Public services and utilities</b>				
Fairway Ridge	208,976	--	--	--
Miscellaneous	36,041	5,243	1,912	7,155
<b>Total public services and utilities</b>	245,017	5,243	1,912	7,155
<b>Public health</b>				
Brackenridge Imaging	759,214	--	43,759	43,759
<b>Total public health</b>	759,214	--	43,759	43,759
<b>Public recreation and culture</b>				
Adaptive Programs	15,616	--	--	--
Austin History Center	145,988	2,683	--	2,683
Cemetery	1,077,593	--	70,947	70,947
First Step - A Community Project	410,060	--	23,588	23,588
PARD Miscellaneous	347,938	50,034	--	50,034
Planting for the Future	117,192	59,659	--	59,659
Special Library	159,565	15,925	--	15,925
Summer Musical	60,303	6,139	--	6,139
Teen Activity	23,694	3,260	--	3,260
Town Lake Beautification	28,758	14,030	--	14,030
<b>Total public recreation and culture</b>	2,386,707	151,730	94,535	246,265
<b>1999 Total</b>	3,518,868	181,787	140,206	321,993
<b>1998 Total</b>	\$ 2,942,403	364,574	193,649	558,223

(1) There wer no capital outlay expenditures in 1999.

**CITY OF AUSTIN, TEXAS**  
**Exhibit H-3**

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Expenditures (1)	Operating Transfers In	Fund Balances September 30, 1999
--	--	111,000
--	--	111,000
19,900	--	21,844
19,900	--	21,844
10,998	--	197,978
3,112	--	40,084
14,110	--	238,062
5,203	--	797,770
5,203	--	797,770
--	--	15,616
300	--	148,371
7,665	--	1,140,875
8,557	--	425,091
57,742	--	340,230
55,172	--	121,679
6,828	--	168,662
2,782	--	63,660
--	--	26,954
8,252	--	34,536
147,298	--	2,485,674
186,511	--	3,654,350
391,758	410,000	3,518,868

TRUST AND AGENCY FUNDS  
 AGENCY FUNDS  
 COMBINING BALANCE SHEET  
 September 30, 1999

CITY OF AUSTIN, TEXAS  
 Exhibit H-4

With comparative totals for September 30, 1998

	Municipal	Neighborhood	Municipal	BCCP	Totals	
	Utility				Revitalization	Courts
	Districts					
<b>ASSETS</b>						
Pooled investments and cash	\$ 1,513,634	479,879	2,088,587	145,770	4,227,870	3,534,635
Receivables from other governments	5,627	--	--	--	5,627	22,581
<b>Total assets</b>	<b>1,519,261</b>	<b>479,879</b>	<b>2,088,587</b>	<b>145,770</b>	<b>4,233,497</b>	<b>3,557,216</b>
<b>LIABILITIES</b>						
Accounts payable	--	--	71,358	--	71,358	26,676
Due to other governments	--	--	1,386,907	72,885	1,459,792	1,470,413
Due to other funds	--	--	--	72,885	72,885	38,315
Escrow and other deposits	1,519,261	479,879	630,322	--	2,629,462	2,021,812
<b>Total liabilities</b>	<b>\$ 1,519,261</b>	<b>479,879</b>	<b>2,088,587</b>	<b>145,770</b>	<b>4,233,497</b>	<b>3,557,216</b>

**TRUST AND AGENCY FUNDS  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS  
 Exhibit H-5**

	Assets			Balance September 30, 1999
	Balance September 30, 1998	Debits	Credits	
<b>Municipal Utility Districts</b>				
Pooled investments and cash	\$ 1,184,817	630,742	301,925	1,513,634
Receivables from other governments	22,581	28,207	45,161	5,627
<b>Total</b>	<b>1,207,398</b>	<b>658,949</b>	<b>347,086</b>	<b>1,519,261</b>
<b>Neighborhood Revitalization</b>				
Pooled investments and cash	130,014	596,961	247,096	479,879
<b>Total</b>	<b>130,014</b>	<b>596,961</b>	<b>247,096</b>	<b>479,879</b>
<b>Municipal Courts</b>				
Pooled investments and cash	2,143,175	7,039,360	7,093,948	2,088,587
<b>Total</b>	<b>2,143,175</b>	<b>7,039,360</b>	<b>7,093,948</b>	<b>2,088,587</b>
<b>BCCP Permit Fund</b>				
Pooled investments and cash	76,629	797,732	728,591	145,770
<b>Total</b>	<b>76,629</b>	<b>797,732</b>	<b>728,591</b>	<b>145,770</b>
<b>Combined totals - all agency funds</b>				
Pooled investments and cash	3,534,635	9,064,795	8,371,560	4,227,870
Receivables from other governments	22,581	28,207	45,161	5,627
<b>Total</b>	<b>\$ 3,557,216</b>	<b>9,093,002</b>	<b>8,416,721</b>	<b>4,233,497</b>

(continued)

**TRUST AND AGENCY FUNDS  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS  
 Exhibit H-5  
 (Continued)**

	Liabilities			Balance September 30, 1999
	Balance September 30, 1998	Debits	Credits	
<b>Municipal Utility Districts</b>				
Due to other governments	\$ --	274,117	274,117	--
Escrow and other deposits	1,207,398	117,254	429,117	1,519,261
<b>Total</b>	<b>1,207,398</b>	<b>391,371</b>	<b>703,234</b>	<b>1,519,261</b>
<b>Neighborhood Revitalization</b>				
Escrow and other deposits	130,014	255,731	605,596	479,879
<b>Total</b>	<b>130,014</b>	<b>255,731</b>	<b>605,596</b>	<b>479,879</b>
<b>Municipal Courts</b>				
Accounts payable	26,676	506,961	551,643	71,358
Due to other governments	1,432,099	8,430,661	8,385,469	1,386,907
Escrow and other deposits	684,400	830,630	776,552	630,322
<b>Total</b>	<b>2,143,175</b>	<b>9,768,252</b>	<b>9,713,664</b>	<b>2,088,587</b>
<b>BCCP Permit Fund</b>				
Due to other governments	38,314	27,619	62,190	72,885
Due to other funds	38,315	27,619	62,189	72,885
<b>Total</b>	<b>76,629</b>	<b>55,238</b>	<b>124,379</b>	<b>145,770</b>
<b>Combined totals - all agency funds</b>				
Accounts payable	26,676	506,961	551,643	71,358
Due to other governments	1,470,413	8,732,397	8,721,776	1,459,792
Due to other funds	38,315	27,619	62,189	72,885
Escrow and other deposits	2,021,812	1,203,615	1,811,265	2,629,462
<b>Total</b>	<b>\$ 3,557,216</b>	<b>10,470,592</b>	<b>11,146,873</b>	<b>4,233,497</b>



## **ACCOUNT GROUPS**

Account groups are self-balancing sets of accounts established to provide accounting control over certain fixed assets and long-term debt.

The General Fixed Asset Account Group is used to account for all fixed assets of the City other than those accounted for in the proprietary funds.

The General Long-Term Debt Account Group is used to account for all long-term debt of the City except for that accounted for in the proprietary funds.

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**GENERAL FIXED ASSETS**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Exhibit I-1**

	Balance September 30, 1998	Additions	Retirements	Completed Construction	Transfers from (to) Other Funds (1)	Balance September 30, 1999
<b>Property, plant and equipment in service:</b>						
Land and buildings:						
Land and easements	\$ 166,258,157	--	--	2,735,817	--	168,993,974
Buildings	141,767,680	--	(4,200)	--	--	141,763,480
	<u>308,025,837</u>	<u>--</u>	<u>(4,200)</u>	<u>2,735,817</u>	<u>--</u>	<u>310,757,454</u>
Improvements other than buildings:						
Grounds	2,691,123	--	--	--	--	2,691,123
Parks	25,007,203	--	--	--	--	25,007,203
Library book stock	1,065,864	--	--	8,296	--	1,074,160
Other	4,187,212	--	--	--	--	4,187,212
	<u>32,951,402</u>	<u>--</u>	<u>--</u>	<u>8,296</u>	<u>--</u>	<u>32,959,698</u>
Machinery and equipment:						
Machinery	48,738,014	--	(2,374,897)	466,181	--	46,829,298
Park equipment	1,121,479	--	--	--	--	1,121,479
Furniture and fixtures	2,152,589	--	(119,037)	--	--	2,033,552
Barges	74,075	--	(26,253)	--	--	47,822
Communication equipment	10,512,832	--	(50,434)	239,529	(849,793)	9,852,134
Computer equipment	11,266,438	--	(216,259)	455,774	(201,153)	11,304,800
	<u>73,865,427</u>	<u>--</u>	<u>(2,786,880)</u>	<u>1,161,484</u>	<u>(1,050,946)</u>	<u>71,189,085</u>
Total property, plant and equipment in service	414,842,666	--	(2,791,080)	3,905,597	(1,050,946)	414,906,237
<b>Construction in progress</b>	129,279,336	58,090,651	(19,892)	(3,905,597)	1,030,607	184,475,105
<b>Totals</b>	<u>\$ 544,122,002</u>	<u>58,090,651</u>	<u>(2,810,972)</u>	<u>--</u>	<u>(20,339)</u>	<u>599,381,342</u>

**General  
Fixed  
Assets**

(1) Transfers from (to) other funds:

Internal service funds:

Support Services

\$ (20,339)

**Total transfers**

\$ (20,339)

**GENERAL LONG-TERM DEBT  
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT  
Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit I-2**

	<b>Balance September 30, 1998</b>	<b>Increase (Decrease) In Other Long-Term Liabilities</b>	<b>Debt Issued During Year</b>	<b>Debt Assumed During Year</b>	<b>Long-Term Debt Retired During Year</b>	<b>Debt Service Fund Activity</b>	<b>Balance September 30, 1999</b>
<b>AMOUNT AVAILABLE AND TO BE PROVIDED</b>							
Amount available in Debt Service Fund	\$ 7,269,980	--	--	--	--	599,734	7,869,714
Amount to be provided for accrued compensated absences	42,658,185	897,168	--	--	--	--	43,555,353
Amount to be provided for retirement of general long-term debt	500,027,010	--	44,125,648	697,580	(24,272,201)	(599,734)	519,978,303
<b>Total available and to be provided</b>	<b>549,955,175</b>	<b>897,168</b>	<b>44,125,648</b>	<b>697,580</b>	<b>(24,272,201)</b>	<b>--</b>	<b>571,403,370</b>
<b>GENERAL LONG-TERM DEBT PAYABLE</b>							
Accrued compensated absences	42,658,185	897,168	--	--	--	--	43,555,353
Loans payable	--	--	10,710,649	--	(491,485)	--	10,219,164
General obligation bonds and other tax supported debt	507,296,990	--	33,414,999	697,580	(23,780,716)	--	517,628,853
<b>Total general long-term debt payable</b>	<b>\$ 549,955,175</b>	<b>897,168</b>	<b>44,125,648</b>	<b>697,580</b>	<b>(24,272,201)</b>	<b>--</b>	<b>571,403,370</b>



## **SUPPLEMENTAL SCHEDULES**

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**SCHEDULE OF GENERAL OBLIGATION BONDS AUTHORIZED  
AND UNISSUED  
Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit J-1**

<b>Date Authorized</b>	<b>Purpose</b>	<b>Original Authorized</b>	<b>Previously Issued (1)</b>	<b>Issued During Current Year</b>	<b>Unissued September 30, 1999</b>
10-22-83	Brackenridge 2000	\$ 50,000,000	40,785,000	--	9,215,000
09-08-84	Street improvements	200,070,000	193,327,000	6,743,000	--
09-08-84	Drainage and flood control	48,535,000	45,168,000	1,376,000	1,991,000
09-08-84	Parks improvements	9,975,000	9,648,000	--	327,000
01-19-85	Cultural arts	20,285,000	14,890,000	--	5,395,000
08-10-92	Asbestos abatement, ADA compliance & East Austin health clinic	18,800,000	12,170,000	2,560,000	4,070,000
08-10-92	Erosion & flood control	21,570,000	15,002,000	951,000	5,617,000
05-03-97	Communication equipment	38,000,000	10,890,000	1,800,000	25,310,000
05-02-98	Walnut Creek watershed	10,000,000	1,460,000	--	8,540,000
11-03-98	Traffic signals	152,000,000	--	--	152,000,000
11-03-98	Parks and recreation facilities	75,925,000	--	--	75,925,000
11-03-98	Public safety facilities	54,675,000	--	--	54,675,000
11-03-98	Cultural arts and land acquisition	46,390,000	--	--	46,390,000
11-03-98	Drainage and flood control	10,750,000	--	--	10,750,000
		<b>\$ 756,975,000</b>	<b>343,340,000</b>	<b>13,430,000</b>	<b>400,205,000</b>

Source: Bond Sale Official Statements

(1) This schedule displays only those previously issued bonds that relate to bond authorizations included herein.

It does not display all debt previously issued and still outstanding or refunding bonds. It includes general obligation bonds reported in the General Long-Term Debt Account Group and in proprietary funds.

**SCHEDULE OF REVENUE BONDS AUTHORIZED,  
DEAUTHORIZED AND UNISSUED  
Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit J-2**

<b>Date Authorized</b>	<b>Purpose</b>	<b>Original Authorized</b>	<b>Deauthorized</b>	<b>Previously Issued (1)</b>	<b>Issued During Current Year</b>	<b>Unissued September 30, 1999</b>
<b>ELECTRIC UTILITY</b>						
10-22-83	Hydrogeneration power plant and electric system	\$ 39,000,000	--	10,620,000	--	28,380,000
03-01-84	Electric system, South Texas Nuclear Project	605,000,000	--	315,232,000	--	289,768,000
09-08-84	Electric improvements (gas turbines)	32,775,000	--	31,237,000	--	1,538,000
09-08-84	Electric improvements (western coal plant)	47,725,000	--	31,199,000	--	16,526,000
09-08-84	Electric improvements (refuse-fueled plant)	80,000,000	64,669,000	15,331,000	--	--
09-08-84	Electric transmission and reliability improvements	39,945,000	--	20,040,000	--	19,905,000
12-14-85	Transmission lines and substations	175,130,000	--	96,017,000	--	79,113,000
12-14-85	Overhead and underground distribution	76,055,000	--	46,845,000	--	29,210,000
12-14-85	Miscellaneous	25,891,000	--	10,443,000	--	15,448,000
08-10-92	Electrical distribution and street lighting	82,500,000	--	--	--	82,500,000
		<b>1,204,021,000</b>	<b>64,669,000</b>	<b>576,964,000</b>	<b>--</b>	<b>562,388,000</b>
<b>WATER UTILITY</b>						
09-11-82	Green water treatment plant, water lines and reservoir	40,300,000	--	28,885,000	--	11,415,000
09-11-82	Ullrich water treatment plant, water lines and reservoir	49,100,000	--	42,210,000	--	6,890,000
09-11-82	Davis water treatment plant, water lines and reservoir	40,800,000	--	32,274,000	--	8,526,000
09-11-82	Waterworks system rehabilitation and improvements	12,800,000	--	9,164,000	--	3,636,000
09-08-84	Waterworks north central, northeast, and east service area	39,385,000	17,000,000	3,990,000	--	18,395,000
09-08-84	Waterworks northwest service area	14,970,000	--	11,430,000	--	3,540,000
09-08-84	Water improvements in north central and northwest service area	14,470,000	--	2,745,000	--	11,725,000
09-08-84	Waterworks system improvements	141,110,000	--	36,513,000	--	104,597,000
09-08-84	Ullrich water treatment plant improvements to South Austin	47,870,000	--	23,245,000	--	24,625,000
09-08-84	Water lines, reservoir improvements to south corridor area	12,570,000	--	6,585,000	--	5,985,000
09-08-84	Water lines, pump station improvements to North Austin area	7,945,000	--	7,765,000	--	180,000
09-08-84	Waterworks system rehabilitation and improvements	26,500,000	--	3,665,000	--	22,835,000
12-14-85	Northeast area improvements	37,950,000	10,000,000	7,493,000	--	20,457,000
12-14-85	South/southeast area improvements	42,090,000	14,000,000	6,035,000	--	22,055,000
12-14-85	Improvements/extensions	9,775,000	--	3,689,000	--	6,086,000
08-10-92	Improvements to meet EPA safe drinking water act	23,000,000	--	--	--	23,000,000
08-10-92	Improvements and replacement of deteriorated water system facilities	5,000,000	--	--	--	5,000,000
08-10-92	General utility relocation	2,000,000	--	--	--	2,000,000
05-03-97	Improvements/extensions to City's waterworks and wastewater system	35,000,000	--	--	--	35,000,000
05-06-98	Improvements/extensions to City's waterworks and wastewater system	65,000,000	--	--	--	65,000,000
11-03-98	Water improvements, upgrade, replace	64,900,000	--	--	--	64,900,000
11-03-98	Water expansion and improvement	49,940,000	--	--	--	49,940,000
11-03-98	Water improvements and extensions	19,800,000	--	--	--	19,800,000
		<b>\$ 802,275,000</b>	<b>41,000,000</b>	<b>225,688,000</b>	<b>--</b>	<b>535,587,000</b>

(continued)

(1) This schedule displays only those previously issued bonds which relate to bond authorizations included herein. It does not display all debt previously issued and still outstanding, refunding bonds, or commercial paper.

**SCHEDULE OF REVENUE BONDS AUTHORIZED,  
DEAUTHORIZED AND UNISSUED  
Year ended September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Exhibit J-2  
(Continued)**

<b>Date Authorized</b>	<b>Purpose</b>	<b>Original Authorized</b>	<b>Deauthorized</b>	<b>Previously Issued (1)</b>	<b>Issued During Current Year</b>	<b>Unissued September 30, 1999</b>
<b>WASTEWATER UTILITY</b>						
11-20-76	Sewer system improvements	\$ 46,920,000	--	38,920,000	--	8,000,000
09-11-82	Govalle sewage treatment plant, sewer lines and improvements to Canterbury lift station	28,300,000	--	24,658,000	--	3,642,000
09-11-82	Onion Creek sewage treatment plant and sewer lines	57,000,000	--	49,345,000	--	7,655,000
09-11-82	Sewer lines for north central and northwest Austin	20,700,000	--	17,975,000	--	2,725,000
09-11-82	Walnut Creek sewage treatment plant additions	20,400,000	--	17,971,000	--	2,429,000
09-11-82	Sewer system rehabilitation and improvements	4,800,000	--	3,930,000	--	870,000
09-08-84	Sewer system rehabilitation and improvements	43,515,000	--	36,950,000	--	6,565,000
09-08-84	Onion Creek and Walnut Creek sewage treatment plant improvements	44,795,000	--	42,284,000	--	2,511,000
09-08-84	Sewer system rehabilitation and improvements	46,230,000	--	14,925,000	--	31,305,000
05-06-85	Sewer system improvements	54,000,000	--	33,106,000	--	20,894,000
12-14-85	Advanced wastewater treatment	34,500,000	--	--	--	34,500,000
12-14-85	Northeast area improvements	47,035,000	32,300,000	1,857,000	--	12,878,000
12-14-85	Southeast area improvements	9,200,000	4,200,000	757,000	--	4,243,000
12-14-85	Improvements/extensions	24,725,000	--	12,621,000	--	12,104,000
12-14-85	Walnut Creek WWTP expansion	46,000,000	--	13,717,000	--	32,283,000
12-14-85	Bear Creek interceptor	1,840,000	1,511,340	265,000	--	63,660
08-10-92	Improvement to Hornsby Bend beneficial re-use program	11,000,000	--	--	--	11,000,000
08-10-92	Replacement and rehabilitation of deteriorated wastewater facilities	3,000,000	--	--	--	3,000,000
11-03-98	Wastewater improvements, upgrades and replacements	77,000,000	--	--	--	77,000,000
11-03-98	Wastewater improvements and expansion	121,000,000	--	--	--	121,000,000
		<u>741,960,000</u>	<u>38,011,340</u>	<u>309,281,000</u>	<u>--</u>	<u>394,667,660</u>
Total Utility		<u>2,748,256,000</u>	<u>143,680,340</u>	<u>1,111,933,000</u>	<u>--</u>	<u>1,492,642,660</u>
<b>AIRPORT</b>						
11-03-87	Relocation/construction of new airport	728,000,000	--	30,000,000	--	698,000,000
05-01-93	Construction of new municipal airport at Bergstrom AFB site	400,000,000	--	362,205,000	--	37,795,000
Total Airport		<u>1,128,000,000</u>	<u>--</u>	<u>392,205,000</u>	<u>--</u>	<u>735,795,000</u>
<b>CONVENTION CENTER</b>						
07-29-89	New convention center	69,000,000	--	68,240,000	--	760,000
05-02-98	Convention Center expansion and Waller Creek tunnel project	135,000,000	--	--	135,000,000	--
Total Convention Center		<u>204,000,000</u>	<u>--</u>	<u>68,240,000</u>	<u>135,000,000</u>	<u>760,000</u>
<b>Total revenue bonds</b>		<u>\$ 4,080,256,000</u>	<u>143,680,340</u>	<u>1,572,378,000</u>	<u>135,000,000</u>	<u>2,229,197,660</u>

Source: Bond sale official statements

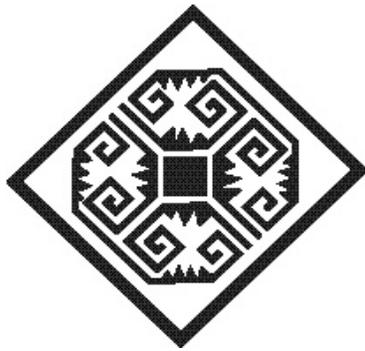




## **STATISTICAL SECTION**

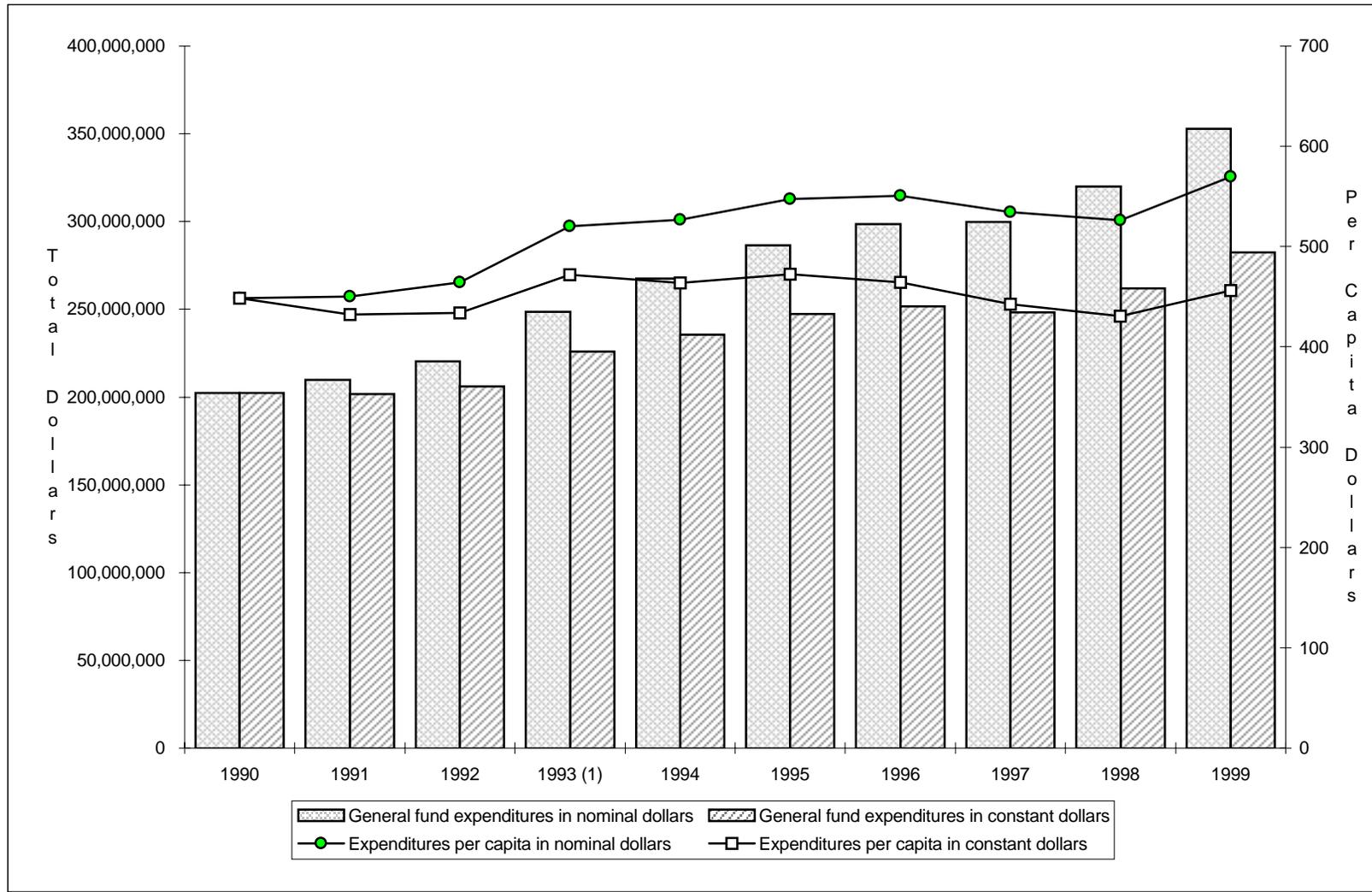
Financial presentations included in the Statistical Section provide data on the financial, physical and economic characteristics of the City. These tables cover multiple fiscal years and provide users with a broader and more complete understanding of the City and its financial affairs.

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**GENERAL GOVERNMENT TOTAL EXPENDITURES AND EXPENDITURES PER CAPITA  
1990-1999  
In nominal and constant 1990 dollars**

**CITY OF AUSTIN, TEXAS  
Exhibit 1**

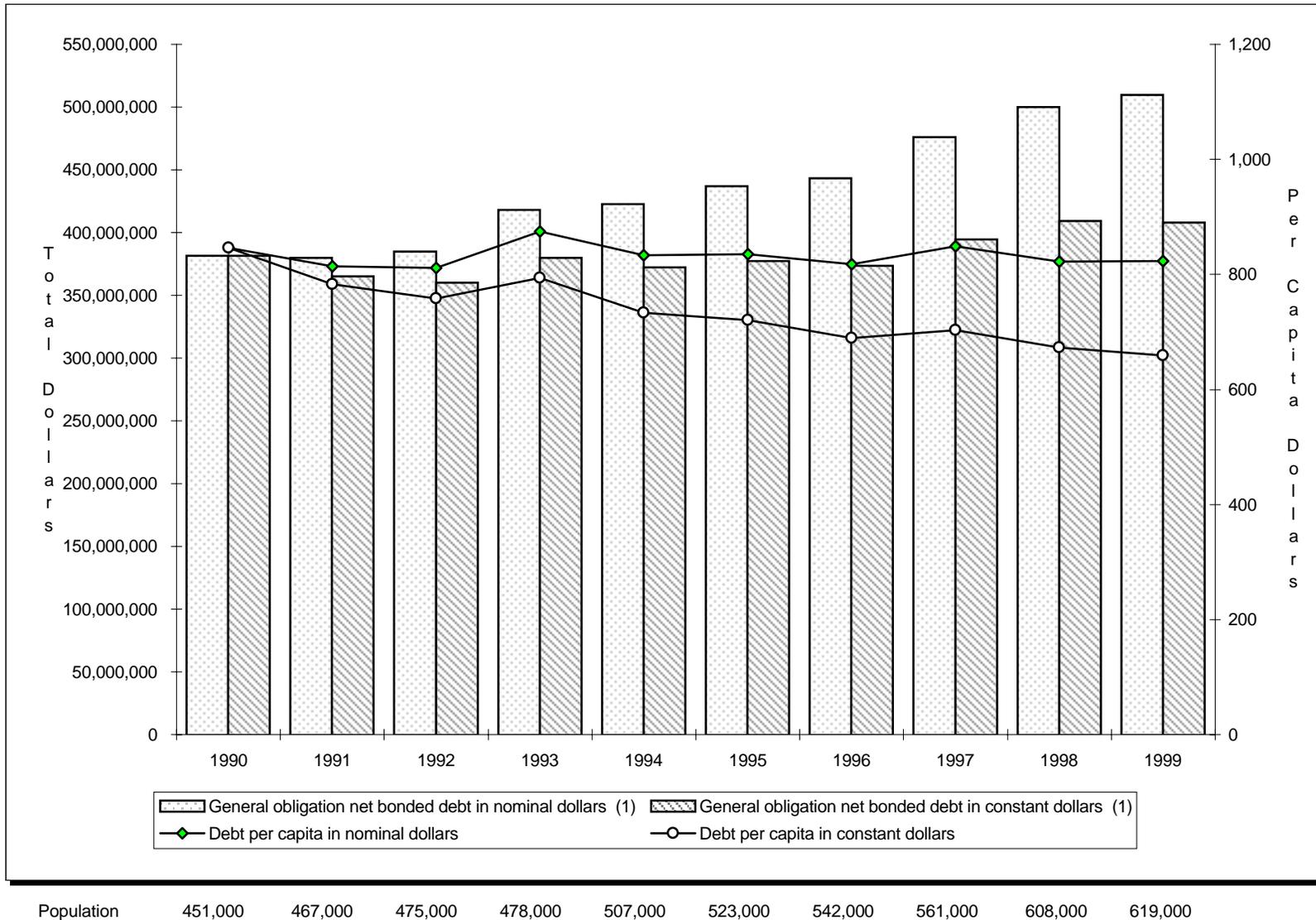


Population      451,000      467,000      475,000      478,000      507,000      523,000      542,000      561,000      608,000

(1) Certain expenditures shown in the General Fund prior to 1993 are now reported in internal service funds but are included in this exhibit for comparative purposes only. See Table 1 for more information.

**GENERAL OBLIGATION NET DEBT AND NET DEBT PER CAPITA  
1990-1999**  
In nominal and constant 1990 dollars

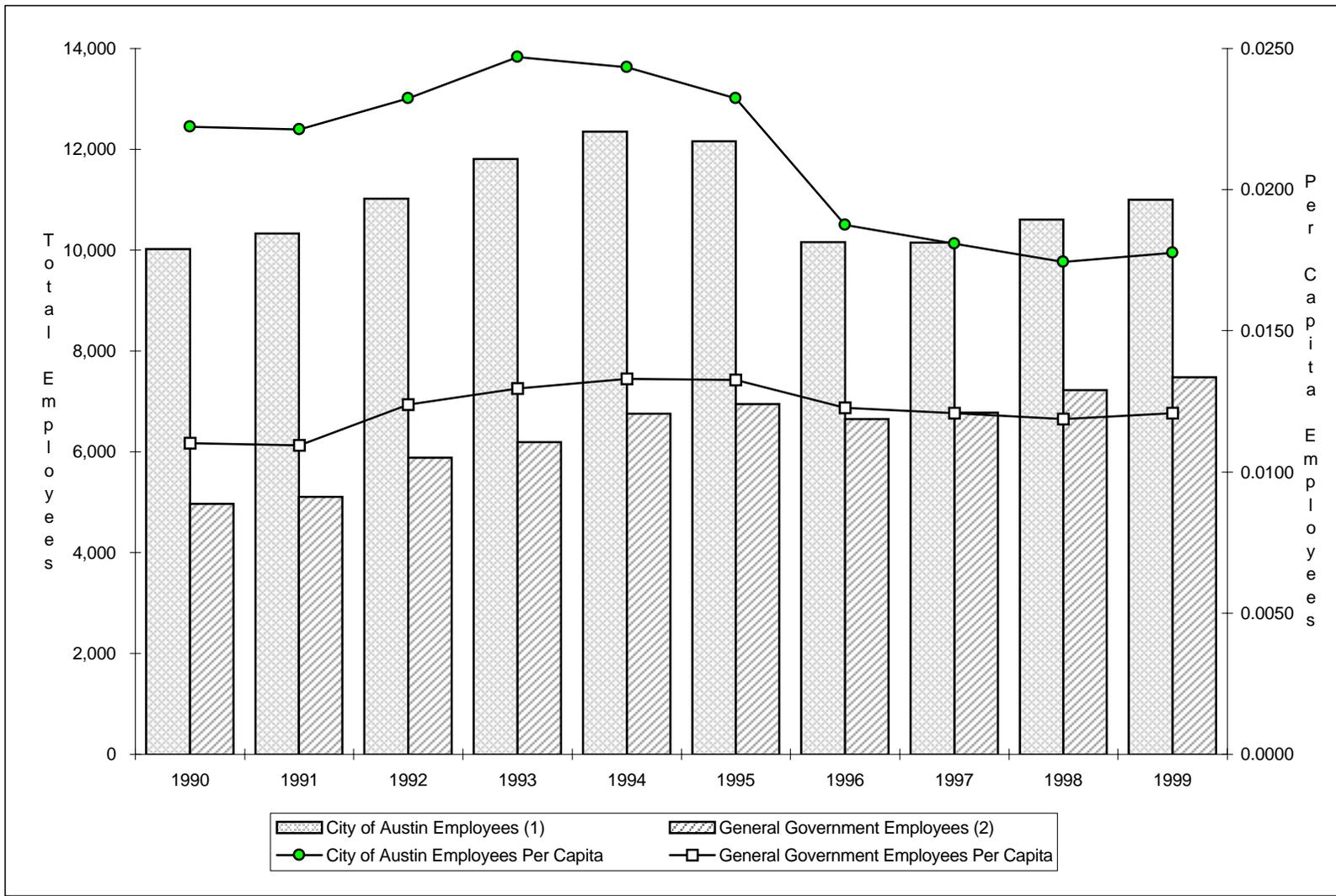
**CITY OF AUSTIN, TEXAS**  
**Exhibit 2**



(1) Beginning in 1991, net bonded debt is shown net of amounts supported by enterprise funds.

**CITY OF AUSTIN EMPLOYEES PER CAPITA  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Exhibit 3**



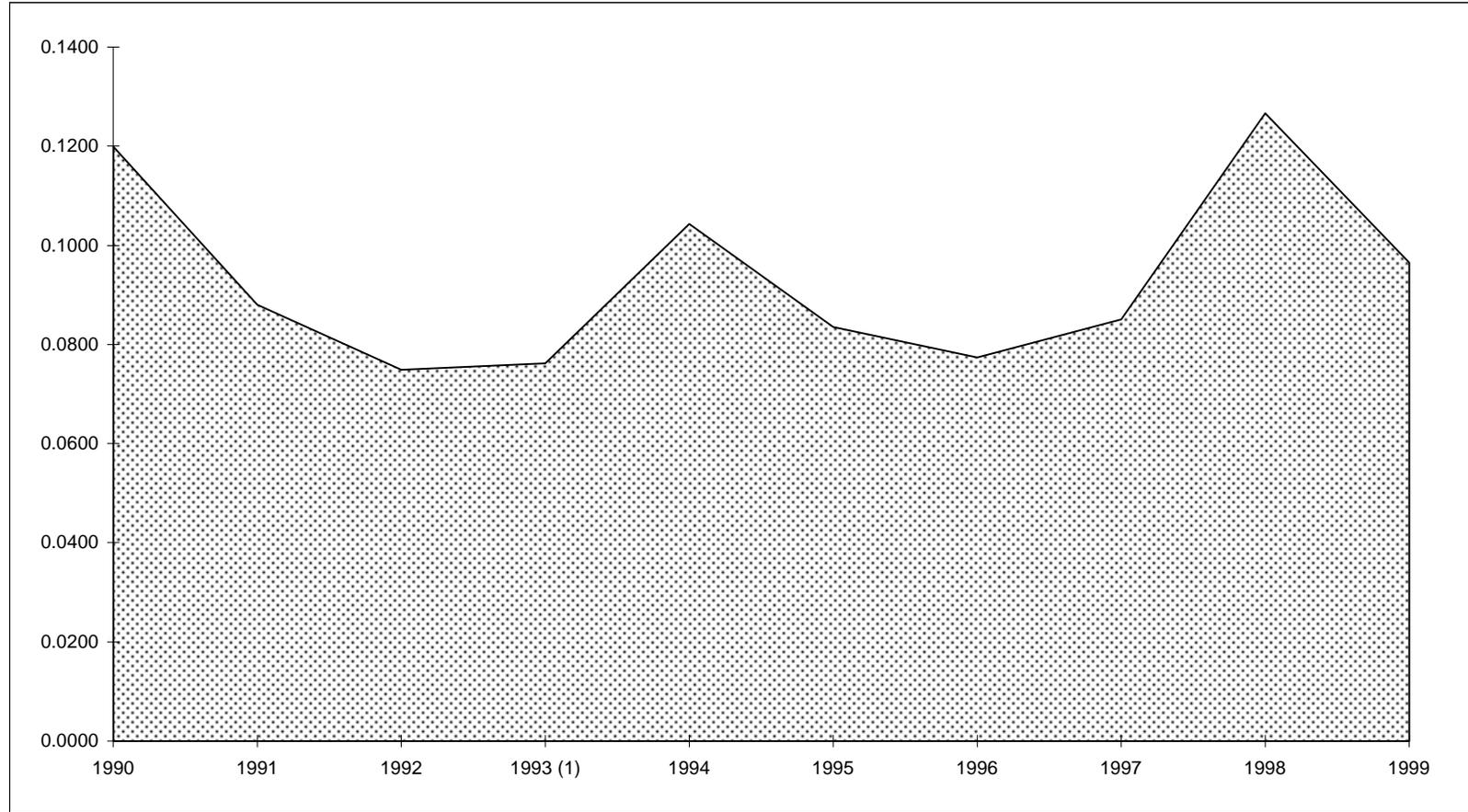
(1) Includes part-time employees

(2) Includes grant-funded employees and part-time employees

**RATIO OF GENERAL FUND UNRESERVED ENDING BALANCE  
TO GENERAL GOVERNMENT ANNUAL EXPENDITURES  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Exhibit 4**

	1990	1991	1992	1993 (1)	1994	1995	1996	1997	1998	1999
Unreserved fund balance \$	24,253,513	18,479,639	16,505,238	18,952,547	27,902,916	23,928,888	23,082,628	25,500,778	40,502,255	34,028,637
Annual expenditures \$	202,191,862	209,905,019	220,426,372	248,704,122	267,435,219	286,526,640	298,415,663	299,845,025	319,903,209	352,697,335



(1) Certain expenditures shown in the General Fund prior to 1993 are now reported in internal service funds but are included in this exhibit for comparative purposes only. See Table 1 for more information.

**GENERAL GOVERNMENT EXPENDITURES BY FUNCTION  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 1**

**EXPENDITURES BY FUNCTION**

Fiscal Year Ended Sept. 30	Total (1)	Administration	Fiscal Management	Public Safety	Public Services and Utilities	Public Health	Public Recreation and Culture		Social Services Management	Supportive Services	Urban Growth Management	Non Departmental
							Parks	Libraries				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1990	202,191,862	6,147,227	7,421,498	88,483,349	14,684,845	36,747,269	16,010,550	6,475,481	4,973,095	10,354,266	8,290,282 (2)	2,604,000
1991	209,905,019	6,335,913	7,223,267	94,898,960	12,559,047	38,955,330	16,601,559	7,390,735	5,418,179	11,394,880	7,948,749	1,178,400
1992	220,426,372	7,159,457	7,381,795	106,094,779	16,639,362	34,492,079 (3)	17,117,196	7,870,136	5,707,872	8,992,090 (4)	8,079,538	892,068
1993	248,704,122 (6)	9,102,518	10,496,320	111,994,491	13,888,153	40,539,969	17,569,271	8,615,651	6,825,339	18,812,906	9,246,220	1,613,284
1994	267,435,219	10,013,499	13,117,145	122,433,078	14,087,484	39,454,664 (5)	18,796,265	9,974,592	7,152,881	21,944,081	10,860,524	(398,994)
1995	286,526,640	9,186,152	12,499,259	131,742,620	15,550,020	40,431,597	19,257,877	10,616,810	7,334,861	20,450,561	11,401,778	8,055,105
1996	298,415,663	10,530,309	15,419,557	141,140,763	11,903,772	43,647,282	19,411,112	10,681,059	7,285,563	21,356,793	10,567,446	6,472,007
1997	299,845,025	10,660,570	16,250,379	144,288,202	9,675,512	43,189,920	21,283,492	11,481,048	6,738,940	22,512,873	7,501,086	6,263,003
1998	319,903,209	10,923,336	16,566,639	162,733,100	10,128,139	37,060,371	23,066,337	12,795,286	8,204,845	24,304,142	8,380,122	5,740,892
1999	352,697,335	13,044,612	19,628,467	173,962,836	11,098,958	40,677,762	26,027,564	14,901,499	8,627,050	29,992,967	9,129,217	5,606,403

(1) Total does not include transfers to other funds.

(2) Environmental Protection converted to Enterprise Fund from General Fund in fiscal year 1989-90.

(3) Emergency Medical Services was combined under Public Safety in fiscal year 1991-92.

(4) Communications was combined under Administration in fiscal year 1991-92.

(5) In 1994, the Federally Qualified Health Center was created and certain expenditures shown previously in Public Health are now reported in a special revenue fund.

(6) Beginning in 1993, certain expenditures for support services are reported in internal service funds but have been included in this table for comparative purposes only.

(The reader should also note that support service amounts shown prior to 1993 are net of expenses refunds).

**Reconciliation of Internal Service Fund expenses and General Fund expenditures**

	Administration	Fiscal Management	Supportive Services	Total
Internal Service Fund expenditures				
Mayor/Council	\$ 779,496			779,496
Management Services	2,695,124			2,695,124
City Clerk	1,720,130			1,720,130
Office of the City Auditor		1,457,499		1,457,499
Financial Services		18,170,968	15,077,412	33,248,380
Human Resources			6,426,716	6,426,716
Small and Minority Business Resources			1,907,115	1,907,115
City Attorney			6,581,724	6,581,724
Nondepartmental expenditures	210,000	28,000	12,000	250,000
Total Support Services Fund	5,404,750	19,656,467	30,004,967	55,066,184
General Government total expenses by function				352,697,335
Plus budget-basis adjustment for operating transfers (see Schedule B-5)				43,786,207
Less Internal Service Fund expenditures				(55,066,184)
Total General Fund expenditures (see Schedule B-2)				\$ 341,417,358

(continued)

**GENERAL GOVERNMENT EXPENDITURES BY FUNCTION  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 1  
(Continued)**

**EXPENDITURES BY FUNCTION AS A PERCENT OF TOTAL EXPENDITURES**

Fiscal Year Ended Sept. 30	Total (1) %	Administration %	Fiscal Management %	Public Safety %	Public Services and Utilities %	Public Health %	Public Recreation and Culture		Social Services Management %	Supportive Services %	Urban Growth Management %	Non Departmental %
							Parks	Libraries				
							%	%				
1990	100.00	3.04	3.67	43.76	7.26	18.18	7.92	3.20	2.46	5.12	4.10 (2)	1.29
1991	100.00	3.02	3.44	45.21	5.98	18.56	7.91	3.52	2.58	5.43	3.79	0.56
1992	100.00	3.25	3.35	48.13	7.55	15.65	7.76	3.57	2.59	4.08	3.67	0.40
1993	100.00	(6) 3.66	4.22	45.03	5.59	16.30	7.07	3.46	2.74	7.56	3.72	0.65
1994	100.00	3.74	4.90	45.78	5.28	14.75	7.04	3.73	2.67	8.21	4.06	-0.15
1995	100.00	3.21	4.36	45.98	5.43	14.11	6.72	3.70	2.56	7.14	3.98	2.81
1996	100.00	3.53	5.17	47.30	3.99	14.63	6.50	3.58	2.44	7.16	3.54	2.17
1997	100.00	3.56	5.42	48.11	3.23	14.40	7.10	3.83	2.25	7.51	2.50	2.09
1998	100.00	3.41	5.18	50.88	3.17	11.58	7.21	4.00	2.56	7.60	2.62	1.79
1999	100.00	3.70	5.57	49.32	3.15	11.52	7.38	4.23	2.45	8.50	2.59	1.59

(1) Total does not include transfers to other funds.

(2) Environmental Protection converted to Enterprise Fund from General Fund in fiscal year 1989-90.

(3) Emergency Medical Services was combined under Public Safety in fiscal year 1991-92.

(4) Communications was combined under Administration in fiscal year 1991-92.

(5) In 1994, the Federally Qualified Health Center was created and certain expenditures shown previously in Public Health are now reported in another special revenue fund.

(6) Beginning in 1993, certain expenditures for support services are reported in internal service funds but have been included in this table for comparative purposes only.

(The reader should also note that support service amounts shown prior to 1993 are net of expenses refunds).

The table on the facing page shows by function internal service funds expenses that are included above in 1999.

**GENERAL GOVERNMENT EXPENDITURES BY FUNCTION**  
**1990-1999**  
**In constant 1990 dollars**

**CITY OF AUSTIN, TEXAS**  
**Table 2**

	1990	1991	1992	1993 (6)	1994	1995	1996	1997	1998	1999
Administration	\$ 6,147,227	6,088,467	6,694,092	8,262,965	8,816,028	7,930,796	8,878,123	8,828,727	8,943,362	10,442,391
Fiscal management	7,421,498	6,941,166	6,901,978	9,528,213	11,548,522	10,791,142	13,000,258	13,458,020	13,563,754	15,712,857
Public safety	88,483,349	91,192,731	99,198,618	101,664,902	107,791,834	113,739,012	118,996,045	119,494,658	133,235,944	139,259,633
Public services and utilities	14,684,845	12,068,560	15,557,803	12,607,207	12,402,823	13,424,994	10,036,093	8,012,935	8,292,303	8,884,868
Public health	36,747,269	37,433,950	32,250,094 (3)	36,800,846	34,736,451 (5)	34,906,319	36,799,106	35,768,446	30,342,773	32,563,106
Parks	16,010,550	15,953,194	16,004,578	15,948,804	16,548,501	16,626,145	16,365,545	17,626,275	18,885,311	20,835,422
Libraries	6,475,481	7,102,094	7,358,577	7,821,004	8,781,774	9,165,944	9,005,221	9,508,220	10,476,000	11,928,854
Social services management	4,973,095	5,206,575	5,336,860	6,195,817	6,297,499	6,332,498	6,142,472	5,580,964	6,717,627	6,906,072
Support services	10,354,266	10,949,859	8,407,604 (4)	17,077,735	19,319,883	17,655,840	18,005,953	18,644,408	19,898,750	24,009,781
Urban growth management	8,290,282 (2)	7,638,315	7,554,368	8,393,413	9,561,761	9,843,640	8,909,434	6,212,148	6,861,133	7,308,063
Nondepartmental	2,604,000	1,132,378	834,084	1,464,486	(351,280)	6,954,315	5,456,561	5,186,809	4,700,292	4,488,002
Total (1)	<u>\$202,191,862</u>	<u>201,707,289</u>	<u>206,098,656</u>	<u>225,765,392</u>	<u>235,453,796</u>	<u>247,370,645</u>	<u>251,594,811</u>	<u>248,321,610</u>	<u>261,917,249</u>	<u>282,339,049</u>

- (1) Total does not include transfers to other funds.  
(2) Environmental Protection converted to Enterprise Fund from General Fund in fiscal year 1989-90.  
(3) Emergency Medical Services was combined under Public Safety in fiscal year 1991-92.  
(4) Communications was combined under Administration in fiscal year 1991-92.  
(5) In 1994, the Federally Qualified Health Center was created and certain expenditures shown previously in Public Health are now reported in a special revenue fund.  
(6) Beginning in 1993, certain expenditures for support services are reported in internal service funds but have been included in this table for comparative purposes only.  
(The reader should also note that support service amounts shown prior to 1993 are net of expenses refunds).

The table below shows by function internal service funds expenses that are included above in 1999.

<u>Department</u>	<u>Administration</u>	<u>Fiscal Management</u>	<u>Supportive Services</u>	<u>Total</u>
Mayor/Council	\$ 623,997			623,997
Management Services	2,157,486			2,157,486
City Clerk	1,376,988			1,376,988
Office of the City Auditor		1,166,748		1,166,748
Financial Services		14,546,109	12,069,675	26,615,784
Human Resources			5,144,674	5,144,674
Small and Minority Business Resources			1,526,672	1,526,672
City Attorney			5,268,760	5,268,760
Nondepartmental expenditures	168,108	22,414	9,606	200,128
Total Support Services Fund	<u>4,326,579</u>	<u>15,735,271</u>	<u>24,019,387</u>	<u>44,081,237</u>

Note: Numbers are actual expenditures adjusted by a Consumer Price Index (CPI) based on the Texas CPI.

**GENERAL FUND REVENUES AND OTHER FINANCING SOURCES BY SOURCE  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 3**

**REVENUES AND OTHER FINANCING SOURCES**

Fiscal Year Ended Sept. 30	Operating Transfers In				Property Tax	1% City Sales Tax	Mixed Drink Tax	Franchise Fees and Gross Receipts Tax	Fines and Forfeitures	Licenses and Permits	Charges for Services/ Goods	Interest and Other
	Total	Utility System Funds	Other Funds	Subtotal								
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1990	220,402,149	63,665,887	3,883,415	152,852,847	54,701,835	51,540,272	1,373,893	7,972,807	8,124,047	5,935,001	11,830,625	11,374,367
1991	217,244,562	63,054,576	2,488,632	151,701,354	51,617,232	55,400,628	1,555,304	9,569,452	7,140,162	6,486,418	7,626,280	12,305,878
1992	232,688,738	73,237,718	2,147,248	157,303,772	55,243,842	58,255,348	1,636,097	11,008,628	7,469,760	7,891,542	8,045,410	7,753,145
1993	239,998,196	68,581,868	--	171,416,328	58,755,948	67,054,207	1,724,069	11,241,961	9,501,047	10,306,752	7,238,465	5,593,879
1994	256,510,874	67,914,376	25,000	188,571,498	63,567,361	75,780,061	1,809,240	12,187,668	9,764,462	12,850,578	6,518,502	6,093,626
1995	270,534,111	71,110,681	203,248	199,220,182	66,252,760	80,474,693	1,927,844	12,416,705	10,966,311	13,074,490	8,021,247	6,086,132
1996	288,329,168	73,582,839	342,401	214,403,928	74,441,453	83,681,314	2,041,643	13,578,705	12,159,358	14,311,481	8,174,721	6,015,253
1997	298,031,786	71,449,866	255,994	226,325,926	80,528,871	88,150,309	2,187,385	14,987,003	12,570,388	12,888,265	9,427,193	5,586,512
1998	333,902,489	72,721,264	--	261,181,225	90,774,546	97,581,417	2,353,980	17,100,782	14,492,863	15,540,712	10,260,908	13,076,017
1999	361,114,238	74,204,480	--	286,909,758	106,233,499	106,839,032	2,584,518	19,899,588	16,205,548	17,252,024	11,533,686	6,361,863

**REVENUES AND OTHER FINANCING SOURCES  
AS A PERCENT OF TOTAL REVENUES AND SOURCES**

Fiscal Year Ended Sept. 30	Operating Transfers In				Property Tax	1% City Sales Tax	Mixed Drink Tax	Franchise Fees and Gross Receipts Tax	Fines and Forfeitures	Licenses and Permits	Charges for Services/ Goods	Interest and Other
	Total	Utility System Funds	Other Funds	Subtotal								
	%	%	%	%	%	%	%	%	%	%	%	%
1990	100.00	28.89	1.76	69.35	24.82	23.38	0.62	3.62	3.69	2.69	5.37	5.16
1991	100.00	29.02	1.15	69.83	23.76	25.50	0.72	4.40	3.29	2.99	3.51	5.66
1992	100.00	31.47	0.92	67.61	23.74	25.04	0.70	4.73	3.21	3.39	3.46	3.34
1993	100.00	28.58	--	71.42	24.48	27.94	0.72	4.68	3.96	4.29	3.02	2.33
1994	100.00	26.48	0.01	73.51	24.78	29.54	0.70	4.75	3.81	5.01	2.54	2.38
1995	100.00	26.29	0.08	73.63	24.49	29.75	0.71	4.59	4.05	4.83	2.96	2.25
1996	100.00	25.52	0.12	74.36	25.82	29.02	0.71	4.71	4.22	4.96	2.83	2.09
1997	100.00	23.98	0.09	75.93	27.02	29.58	0.73	5.03	4.22	4.32	3.16	1.87
1998	100.00	21.78	--	78.22	27.19	29.23	0.70	5.12	4.34	4.65	3.07	3.92
1999	100.00	20.55	--	79.45	29.41	29.59	0.72	5.51	4.49	4.78	3.19	1.76

**ASSESSED VALUATION, ESTIMATED MARKET VALUE, TAX RATES,  
TAX LEVIES, AND TAX COLLECTIONS  
1990-2000**

**CITY OF AUSTIN, TEXAS  
Table 4**

Fiscal Year Ended Sept. 30	Valuation Date (January 1)	Ratio of Assessed Value to Market Value	Assessed Valuation	Estimated Market Value	Percent of Growth in Market Value	Tax Rate (per \$100 Valuation)		
						General Fund	Debt Service Fund	Total
						\$	\$	\$
1990	1989	100	17,764,618,446	17,764,618,446	(7.3)	0.3069	0.2681	0.5750
1991	1990	100	17,189,792,203	17,189,792,203	(3.2)	0.2984	0.2711	0.5695
1992	1991	100	16,926,074,265	16,926,074,265	(1.5)	0.3265	0.2762	0.6027
1993	1992	100	16,977,306,423	16,977,306,423	0.3	0.3460	0.2950	0.6410
1994	1993	100	18,237,532,094	18,237,532,094	7.4	0.3462	0.2763	0.6225
1995	1994	100	20,958,589,300	20,958,589,300	14.9	0.3132	0.2493	0.5625
1996	1995	100	23,303,015,047	23,303,015,047	11.2	0.3177	0.2269	0.5446
1997	1996	100	25,823,385,257	25,823,385,257	10.8	0.3117	0.2134	0.5251
1998	1997	100	27,493,058,735	27,493,058,735	6.5	0.3304	0.2097	0.5401
1999	1998	100	32,458,349,755	32,458,349,755	18.1	0.3265	0.1877	0.5142
2000 (1)	1999	100	35,729,236,369	35,729,236,369	10.1	0.3222	0.1812	0.5034

Fiscal Year Ended Sept. 30	Valuation Date (January 1)	Total Tax Levy (October 1)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy								
										\$	\$	%	\$	\$	%	\$	%
										1990	1989	102,146,556	99,448,384	97.36	2,142,423	101,590,807	99.46
1991	1990	97,895,866	95,259,049	97.31	1,949,802	97,208,851	99.30	5,827,042	5.95								
1992	1991	102,013,450	99,780,652	97.81	1,830,260	101,610,912	99.60	6,419,300	6.29								
1993	1992	108,824,534	106,677,219	98.03	1,594,988	108,272,207	99.49	6,765,751	6.22								
1994	1993	113,528,637	112,118,783	98.76	1,491,539	113,610,322	100.07	6,660,770	5.87								
1995	1994	117,892,065	116,714,522	99.00	1,292,960	118,007,482	100.10	6,554,774	5.56								
1996	1995	126,908,220	125,670,964	99.03	1,124,436	126,795,400	99.91	6,497,489	5.12								
1997	1996	135,598,596	134,188,550	98.96	696,317	134,884,867	99.47	6,709,208	4.95								
1998	1997	148,490,010	146,707,221	98.80	844,378	147,551,599	99.37	6,945,055	4.68								
1999	1998	166,900,834	165,044,814	98.89	1,137,274	166,182,088	99.57	7,317,015	4.38								
2000 (1)	1999	179,860,975	**	**	**	**	**	**	**								

\*\* Information not yet available for tax year 1999

(1) Assessed valuation for tax year 1999 is subject to change pending additional exemptions and appeals. Accordingly, the tax levy represents an estimate.

**PRINCIPAL TAXPAYERS**  
**September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Table 5**

Taxpayer	Type of Property	January 1,	Percent of
		1998 Assessed	Total Assessed
		Valuation	Valuation of
		\$	\$32,458,349,755
			%
Motorola, Inc.	Manufacturing	967,520,870	2.98
Advanced Micro Devices, Inc.	Manufacturing	654,463,306	2.02
Samsung	Manufacturing	388,564,940	1.20
IBM Corporation	Manufacturing	376,103,386	1.16
Applied Material Inc.	Manufacturing	296,176,744	0.91
Southwestern Bell Telephone Company	Telephone Utility	281,712,005	0.87
Minnesota Mining & Manufacturing	Manufacturing	239,361,943	0.74
Crescent Real Estate Equities	Commercial	208,834,298	0.64
Security Capital Pacific Trust	Commercial	137,004,328	0.42
Dell Computer Corporation	Manufacturing	104,843,829	0.32
		<u>3,654,585,649</u>	<u>11.26</u>

Source: Travis Central Appraisal District

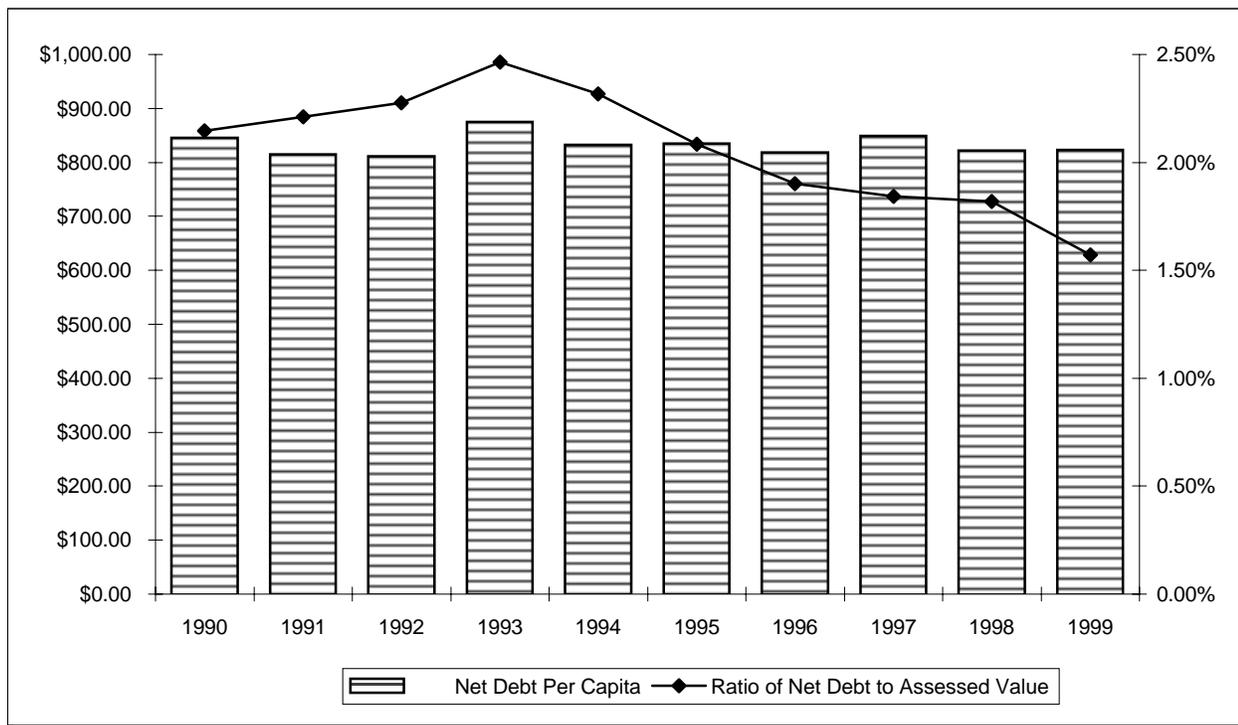
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 6**

Fiscal Year Ended Sept. 30	Population Estimate	Assessed Value	Gross Bonded Debt (1)	Amount Available in Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to		Net Debt Per Capita
						Assessed Value	Market Value	
		\$	\$	\$	\$	%	%	\$
1990	450,830 (2)	17,764,618,446	389,476,509	8,069,923	381,406,586	2.15	2.15	846.01
1991	466,530	17,189,792,203	387,208,567	7,298,835	379,909,732	2.21	2.21	814.33
1992	474,715	16,926,074,265	391,025,600	5,996,676	385,028,924	2.27	2.27	811.07
1993	478,254	16,977,306,423	424,686,831	6,453,738	418,233,093	2.46	2.46	874.50
1994	507,468	18,237,532,094	429,260,808	6,522,820	422,737,988	2.32	2.32	833.03
1995	523,352	20,958,589,300	445,802,719	8,934,818	436,867,901	2.08	2.08	834.75
1996	541,889	23,303,015,047	451,722,180	8,475,146	443,247,034	1.90	1.90	817.97
1997	560,939	25,823,385,257	483,676,552	7,529,385	476,147,167	1.84	1.84	848.84
1998	608,214	27,493,058,735	507,296,990	7,269,980	500,027,010	1.82	1.82	822.12
1999	619,038	32,458,349,755	517,628,853	7,869,714	509,759,139	1.57	1.57	823.47

(1) Excludes general obligation bonds, public property finance contractual obligations, and certificates of obligation issued for proprietary funds. Excludes revenue bonds.

(2) Estimate based on U.S. Census Bureau data modified for full-purpose area.

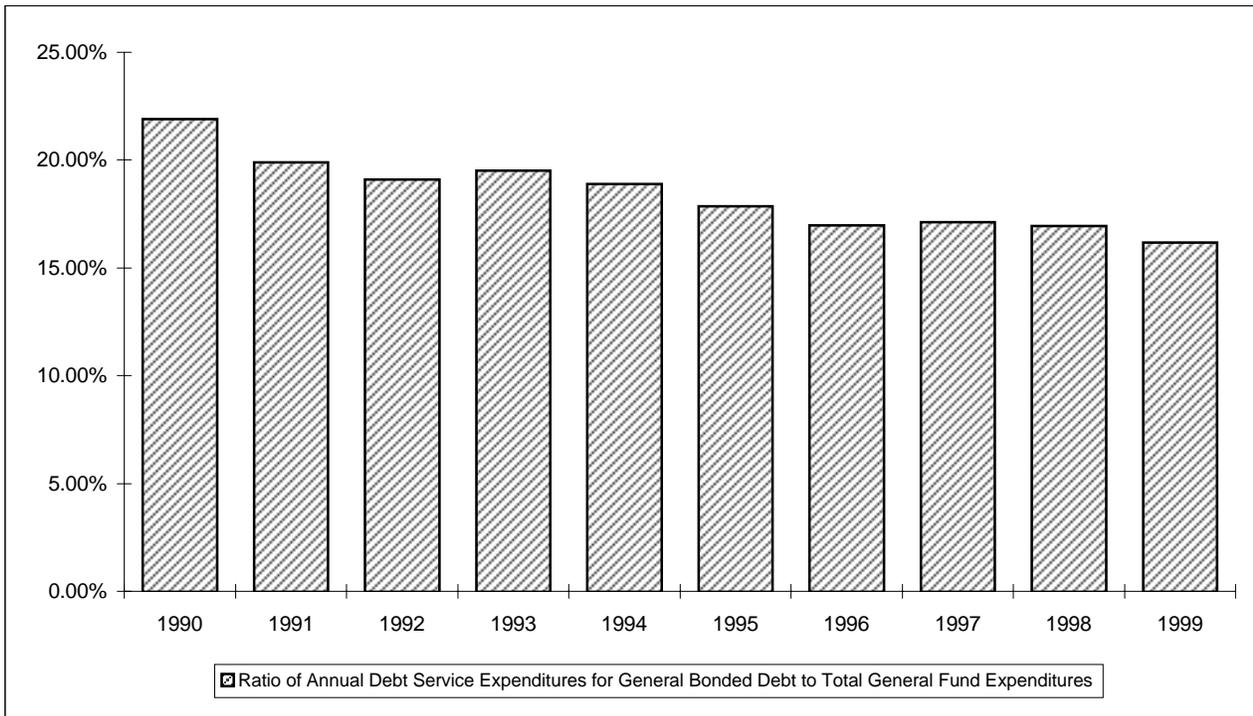


**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES 1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 7**

Fiscal Year Ended Sept. 30	Principal (2) (3)	Interest and Paying Agents' Commissions (2) (3)	Total Debt Service	Total General Fund Expenditures (4)	Total Debt Service plus Total General Fund Expenditures	Ratio of Debt Service to Total (1)
	\$	\$	\$	\$	\$	%
1990	24,210,000	32,494,854	56,704,854	202,191,862	258,896,716	21.90
1991	21,607,942	30,491,982	52,099,924	209,905,019	262,004,943	19.89
1992	22,412,341	29,645,676	52,058,017	220,426,372	272,484,389	19.10
1993	26,479,680	25,676,027	52,155,707	215,064,378	267,220,085	19.52
1994	28,329,565	24,604,771	52,934,336	227,410,704	280,345,040	18.88
1995	22,023,089	32,214,134	54,237,223	249,615,058	303,852,281	17.85
1996	22,722,983	35,038,577	57,761,560	282,773,007	340,534,567	16.96
1997	21,502,464	38,481,239	59,983,703	290,577,756	350,561,459	17.11
1998	22,570,196	40,751,170	63,321,366	310,195,219	373,516,585	16.95
1999	23,780,716	42,130,072	65,910,788	341,417,358	407,328,146	16.18

- (1) Ratio of total debt service to total debt service plus total General Fund.
- (2) Prior to 1991, includes payments for enterprise fund general obligation debt. Subsequent to 1990, excludes such payments.
- (3) In 1999, excludes loan principal and interest.
- (4) Amounts shown prior to 1993 include certain expenditures now shown in internal service funds. See Table 1 for more information.



**COMPUTATION OF LEGAL DEBT MARGIN**  
**September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Table 8**

Assessed value (100% of estimated market value) as of January 1, 1998		<u>\$ 32,458,349,755</u>
Debt limit		\$ 4,541,203,499
Amount of debt applicable to debt limit:		
Total general obligation bonds, contractual obligations, and certificates of obligation excluding enterprise fund balances of \$54,764,829	\$ 517,628,853	
Less: Amount available in Debt Service Fund	<u>7,869,714</u>	
Debt applicable to debt limit		<u>509,759,139</u>
Legal debt margin		<u>\$ 4,031,444,360</u>

Note - Ad valorem tax limitations:      The City is permitted by Article II, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including payment of principal and interest on general obligation long-term debt. However, under the City Charter, a limitation on taxes levied for general governmental services, exclusive of payments of principal and interest on general obligation long-term debt, has been established at \$1.00 per \$100 of assessed valuation. A practical limitation on taxes levied for debt service of \$1.50 per \$100 of assessed valuation is established by referring to the State Statute and City Charter limitations.

Assuming the maximum tax rate for debt service of \$1.50 on January 1, 1998 and assessed valuation of \$32,458,349,755 at 95% collection, tax revenues of \$462,531,485 would be produced. This revenue could service the debt on \$4,541,203,499 issued as 8% - 20 year serial bonds with level debt service payments.

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**September 30, 1999**

**CITY OF AUSTIN, TEXAS**  
**Table 9**

Name of Governmental Unit	Total Debt Outstanding as of September 30, 1999 (in 000's)	Percent Applicable to City of Austin (1)	Amount Applicable to City of Austin (in 000's)
	\$	%	\$
City of Austin	517,629	100.00	517,629
<b>Greater than 10%</b>			
Austin Community College	27,660	88.00	24,341
Austin Independent School District	535,569	90.00	482,012
Del Valle Independent School District	41,955	78.00	32,725
North Austin MUD #1	17,605	100.00	17,605
Northwest Austin MUD #1	8,000	100.00	8,000
Northwest Travis County RD #3	6,680	100.00	6,680
Travis County	351,189	75.00	263,392
<b>Less than 10%</b>			
Anderson Mill MUD #1	665	1.49	10
Eanes Independent School District	60,648	3.33	2,020
Leander Independent School District	171,267	0.67	1,147
Manor Independent School District	38,584	1.38	532
Pflugerville Independent School District	123,989	1.87	2,319
Round Rock Independent School District	284,831	4.79	13,643
Williamson County	44,005	2.62	1,153
Total direct and overlapping debt			<u>1,373,208</u>
Ratio of total direct and overlapping debt to assessed valuation (2)		4.23 %	
Per capita overlapping debt (3)		\$ 2,218.29	

(1) Source: Taxing jurisdictions

(2) Based on assessed valuation of \$32,458,349,755

(3) Based on 1999 estimated population of 619,038

**PROPERTY TAX RATES AND TAX LEVIES  
FOR DIRECT AND OVERLAPPING GOVERNMENTS WITH APPLICABLE PERCENTAGES OVER 10%  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 10**

<b>Tax Rates (per \$100 Assessed Value) for Fiscal Year Ended September 30</b>										
<b>Government</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1994</b>	<b>1993</b>	<b>1992</b>	<b>1991</b>	<b>1990</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
City of Austin	0.5142	0.5401	0.5251	0.5446	0.5625	0.6225	0.6410	0.6027	0.5695	0.5750
Austin Community College	0.0500	0.0500	0.0500	0.0482	0.0466	0.0482	0.0482	0.0500	0.0500	0.0500
Austin Independent School District	1.4319	1.4010	1.3110	1.2832	1.3450	1.4623	1.5508	1.4696	1.2660	1.1935
Del Valle Independent School District	1.6140	1.6800	1.4750	1.4900	1.4928	1.4411	1.3208	1.2500	1.1100	0.9653
North Austin MUD #1	0.7100	0.7100	0.7500	--	--	--	--	--	--	--
Northwest Austin MUD #1	0.3620	0.4000	0.3926	0.3926	0.4000	0.3800	0.4000	0.4300	0.4300	0.4000
Northwest Travis County RD #3	0.2500	0.2700	0.3500	0.3541	0.4500	0.7500	1.7562	2.0695	1.0217	0.8200
Travis County (1)	0.5143	0.4938	0.4950	0.5186	0.5552	0.5966	0.5762	0.5132	0.4090	0.3862

<b>Tax Levies (in 000's) for Fiscal Year Ended September 30</b>										
<b>Government</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1994</b>	<b>1993</b>	<b>1992</b>	<b>1991</b>	<b>1990</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
City of Austin	166,901	148,490	135,599	126,908	117,892	113,529	108,825	102,013	97,896	102,147
Austin Community College	15,255	13,971	13,900	11,951	9,458	8,641	7,824	8,510	8,510	8,754
Austin Independent School District	385,064	348,753	321,567	277,255	272,094	251,813	239,317	225,212	211,411	199,063
Del Valle Independent School District	27,620	25,674	20,454	14,546	11,836	10,083	9,267	9,057	9,464	9,302
North Austin MUD #1	2,372	2,372	2,390	--	--	--	--	--	--	--
Northwest Austin MUD #1	659	645	125	509	434	323	198	157	102	65
Northwest Travis County RD #3	607	539	576	428	388	343	742	739	229	459
Travis County (1)	196,160	168,089	157,852	149,801	143,659	135,027	121,694	108,443	89,174	88,310

Note: Initial tax levies were as follows: Austin Community College - 1988, Northwest Travis County RD#3 - 1990, Northwest Austin MUD #1 - 1989 and Austin MUD #2 - 1991.

(1) Includes taxes and levies for Travis County and Farm to Market Roads.

Source: Travis Central Appraisal District and taxing entity.

**CITY SALES TAX  
TAX LEVIED EFFECTIVE JANUARY 1, 1968  
1968-1999**

**CITY OF AUSTIN, TEXAS  
TABLE 11**

Fiscal Year Ended Sept. 30	1st	2nd	3rd	4th	Total	Percent Base Year	Annual Percent Increase (Decrease)	Percent of	
	Quarter Oct. - Dec.	Quarter Jan. - Mar.	Quarter Apr. - Jun.	Quarter Jul. - Sept.				Tax Levy	Equivalent Tax Rate
	\$	\$	\$	\$	\$	%	%	%	¢
1968 (1)	--	--	--	1,457,957	1,457,957	100.00	0.00	14.58	19.54
1969	875,858	906,029	851,768	917,593	3,551,248	243.58	143.58	34.07	43.96
1970	973,702	1,088,570	951,522	1,041,129	4,054,923	278.12	14.18	35.08	45.25
1971	1,128,941	1,245,226	1,137,359	1,234,512	4,746,038	325.53	17.04	34.41	44.39
1972	1,308,930	1,464,787	1,339,538	1,414,787	5,528,042	379.16	16.48	35.50	45.80
1973	1,569,320	1,715,523	1,591,553	1,691,794	6,568,190	450.51	18.82	38.37	48.73
1974	1,730,025	1,946,199	1,695,216	1,887,840	7,259,280	497.91	10.52	38.45	48.82
1975	1,961,267	1,972,355	2,327,542	1,644,231	7,905,395	542.22	8.90	36.05	42.89
1976	2,241,741	2,318,177	2,045,637	2,560,088	9,165,643	628.66	15.94	36.17	45.94
1977	1,797,941	3,173,023	2,653,062	3,867,237	11,491,263	788.18	25.37	35.92	45.62
1978	3,022,385	3,500,951	3,154,677	3,852,911	13,530,924	928.07	17.75	40.00	49.60
1979	3,815,525	3,908,796	3,486,853	4,066,500	15,277,674	1047.88	12.91	45.75	43.92
1980	3,792,600	4,269,264	3,721,919	6,000,029	17,783,812	1219.78	16.40	49.42	47.44
1981	3,792,138	5,652,320	5,033,556	7,102,891	21,580,905	1480.22	21.35	56.20	32.03
1982	4,483,423	6,283,622	5,625,486	8,024,660	24,417,191	1674.75	13.14	53.86	33.39
1983	5,170,854	7,089,595	6,784,754	9,051,752	28,096,955	1927.15	15.07	53.02	29.81
1984	6,331,036	8,823,690	8,962,819	12,755,753	36,873,298	2529.11	31.24	57.00	37.05
1985	7,916,721	11,289,037	10,921,876	14,506,719	44,634,353	3061.43	21.05	61.53	28.98
1986	8,378,407	11,393,785	10,435,305	13,741,340	43,948,837	3014.41	-1.54	49.24	26.00
1987	7,668,943	10,352,615	9,677,073	12,189,597	39,888,228	2735.90	-9.24	35.23	17.01
1988	7,317,701	10,596,174	10,651,574	14,359,464	42,924,913	2944.18	7.61	37.92	20.16
1989	8,038,526	9,426,849	14,140,172	15,566,564	47,172,111	3235.49	9.89	46.43	24.61
1990	12,381,190	13,276,731	8,918,588	16,963,763	51,540,272	3535.10	9.26	50.46	29.01
1991	12,762,277	10,538,818	13,577,375	18,522,158	55,400,628	3799.88	7.49	56.59	32.23
1992	9,303,794	14,712,861	14,231,541	20,007,152	58,255,348	3995.68	5.15	57.11	34.42
1993	10,868,639	17,392,838	15,971,215	22,821,515	67,054,207	4599.19	15.10	61.62	39.50
1994	11,896,613	19,225,170	18,072,107	26,586,171	75,780,061	5197.69	13.01	66.75	41.55
1995	13,198,475	21,627,680	18,836,109	26,812,429	80,474,693	5519.69	6.20	68.26	38.40
1996	5,643,150	22,055,837	20,293,853	35,688,474	83,681,314	5739.63	3.98	65.94	35.91
1997	5,570,840	23,258,686	20,849,873	38,470,910	88,150,309	6046.15	5.34	65.01	34.14
1998	8,334,970	23,187,979	24,054,142	42,004,326	97,581,417	6693.02	10.70	65.72	35.50
1999	14,684,293	20,636,819	26,050,700	45,467,220	106,839,032	7328.00	9.49	64.01	32.91

(1) 1% City sales tax levied effective January 1, 1968. This tax is collected and remitted to the City by the State Comptroller.

**ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
MISCELLANEOUS STATISTICS  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Table 12**

**ELECTRIC FUND**

Plant capacity -- 2 plants with a combined capacity of 1,450 net MW and two joint venture power plants with a capacity of 970 net MW at 100% power factor.

Service area peak demand -- maximum 2,169

Distribution --

2,308	miles primary overhead distribution lines (12KV)
3,129	miles secondary overhead distribution lines (12KV)
1,862	miles primary underground distribution lines (12KV)
1,746	miles secondary underground distribution lines (12KV)
55	miles transmission lines (Fayette Power Project 345KV)
61	miles transmission lines (Fayette Power Project 345KV) (50% ownership with LCRA)
94	miles transmission lines (South Texas Power Project 345KV)
327	miles transmission lines (69KV and 138KV)

**WATER AND WASTEWATER FUND**

Source of supply -- 150 mile long network of lakes created along the Colorado River by six dams with a combined storage capacity in excess of 3,300,000 acre-feet of water.

Water treatment plants	3
Rated peak daily capacity	227,000,000 gallons
Average daily consumption	113,046,997 gallons
Average daily consumption per capita	179 gallons (based on 1999 population)
Water distribution --	3,580 miles of mains
	24 booster pump stations
Water connections --	173,038 metered services
	23,391 fire hydrants
Wastewater treatment plants	4
Combined daily capacity	130,000,000 gallons
Average daily volume	93,968,184 gallons
Collection : Sanitary sewer mains	2,635 miles
Connections	159,157
Lift stations	114

**ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
FIVE-YEAR COMPARATIVE OPERATING STATEMENT  
1995-1999**

**CITY OF AUSTIN, TEXAS  
Table 13**

	Fiscal Year Ended September 30				
	1999	1998	1997	1996	1995
	\$	\$	\$	\$	\$
<b>REVENUE</b>					
<b>Electric</b>					
Domestic and rural residential	256,617,222	252,740,995	224,232,524	227,156,977	207,675,076
Commercial general	344,147,629	328,596,713	308,508,479	301,859,452	281,744,433
City utility departments	12,806,356	13,428,444	12,017,703	11,865,185	10,962,725
Public street lighting	4,325,777	4,464,664	4,441,797	4,460,674	4,374,329
City general government departments	4,591,923	4,106,850	4,191,198	3,856,689	3,847,215
Sales to other utilities (including capacity contract)	51,565,929	56,566,516	31,236,225	35,603,644	6,746,380
Rent from electric property	878,071	870,118	696,701	580,053	838,786
Customers' forfeited discounts and penalties	3,964,346	3,982,395	3,928,675	3,880,369	3,421,037
Miscellaneous	3,190,335	3,614,356	5,077,852	24,385,379	3,141,133
Total electric	682,087,588	668,371,051	594,331,154	613,648,422	522,751,114
<b>Water</b>					
Urban	91,861,270	88,970,989	73,284,637	79,983,878	70,647,422
Rural	5,581,758	5,860,807	5,200,271	6,440,999	5,180,951
City utility departments	309,925	369,646	286,698	322,100	380,833
City general government departments	1,086,946	1,206,260	1,065,464	1,286,521	917,740
Sales to other water utilities	6,386,790	7,452,052	7,177,235	8,435,906	6,061,370
Water connections	232,980	249,250	259,616	270,584	255,349
Customers' forfeited discounts and penalties	605,178	630,236	598,582	636,517	568,874
Miscellaneous	3,556,202	1,157,918	1,075,847	1,246,025	664,393
Total water	109,621,049	105,897,158	88,948,350	98,622,530	84,676,932
<b>Wastewater</b>					
Urban	91,671,869	83,179,862	77,745,986	76,258,100	73,231,305
Rural	2,228,573	1,862,117	2,172,354	1,989,925	1,885,000
City utility departments	546,246	501,761	662,706	664,106	508,948
City general government departments	41,788	258,645	43,994	48,714	45,497
Sales to other sewer utilities	3,030,741	3,102,116	4,010,258	3,191,700	3,221,366
Sewer connections	216,338	231,447	241,072	251,256	237,110
Customers' forfeited discounts and penalties	573,446	539,652	585,706	548,926	529,122
Miscellaneous	6,112,737	6,219,036	5,520,010	4,853,869	3,745,480
Total wastewater	104,421,738	95,894,636	90,982,086	87,806,596	83,403,828
Interest	30,561,222	48,345,300	37,924,320	31,293,078	26,399,616
<b>Total operating and interest revenues</b>	<b>926,691,597</b>	<b>918,508,145</b>	<b>812,185,910</b>	<b>831,370,626</b>	<b>717,231,490</b>

(continued)

**ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
FIVE-YEAR COMPARATIVE OPERATING STATEMENT  
1995-1999**

**CITY OF AUSTIN, TEXAS  
Table 13  
(Continued)**

	Fiscal Year Ended September 30				
	1999	1998	1997	1996	1995
	\$	\$	\$	\$	\$
<b>EXPENSE</b>					
<b>Electric (1)</b>					
Production, excluding joint facilities	113,394,397	147,644,118	104,781,995	106,264,915	62,277,286
Joint facilities production	110,279,402	94,894,787	118,057,789	127,827,485	132,500,524
System control	4,855,147	5,644,060	4,594,380	4,723,237	5,005,160
Transmission and distribution	54,803,507	28,676,536	28,773,121	27,932,260	27,346,986
Jobbing and contract work	153,705	(212,629)	524,455	84,577	178,327
Customer accounting and collection	23,637,699	16,979,134	11,731,914	14,074,658	13,956,115
Customer services	12,109,810	14,409,267	15,258,610	1,499,284	16,237,044
Administrative and general	23,680,353	24,950,325	24,367,715	21,151,178	16,073,327
Total electric	<u>342,914,020</u>	<u>332,985,598</u>	<u>308,089,979</u>	<u>303,557,594</u>	<u>273,574,769</u>
<b>Water</b>					
Purification	12,649,706	14,457,475	12,077,872	12,431,682	11,377,660
Distribution	15,575,024	13,601,407	15,189,496	14,349,046	13,803,750
Customer accounting and collection	3,908,047	3,194,097	3,009,229	3,489,300	5,892,612
Jobbing and contract work	(27,468)	16,855	17,431	30,877	(35,263)
Design engineering	1,251,519	1,203,702	629,797	1,041,740	856,405
Administrative and general	10,764,449	10,866,801	9,314,654	9,898,132	10,563,975
Total water	<u>44,121,277</u>	<u>43,340,337</u>	<u>40,238,479</u>	<u>41,240,777</u>	<u>42,459,139</u>
<b>Wastewater</b>					
Sewer lines	8,562,780	8,588,828	6,203,528	7,022,371	7,580,057
Sewage treatment plant	17,633,822	16,041,275	15,730,827	14,769,358	14,771,860
Customer accounting and collection	2,482,971	2,235,435	2,143,126	2,438,384	3,658,869
Jobbing and contract work	55,906	43,233	11,769	15,927	6,073
Design engineering	2,312,461	1,991,976	3,018,212	2,344,178	2,281,847
Administrative and general	11,842,412	8,711,831	7,685,425	9,018,513	7,670,025
Total wastewater	<u>42,890,352</u>	<u>37,612,578</u>	<u>34,792,887</u>	<u>35,608,731</u>	<u>35,968,731</u>
<b>Total expenses (2)</b>	<u>429,925,649</u>	<u>413,938,513</u>	<u>383,121,345</u>	<u>380,407,102</u>	<u>352,002,639</u>
<b>Net revenue available for debt service</b>	<u>496,765,948</u>	<u>504,569,632</u>	<u>429,064,565</u>	<u>450,963,524</u>	<u>365,228,851</u>

(1) Electric operating expenses were reallocated to different categories in September 1995.

(2) Interest expense, depreciation, amortization and other nonoperating items are not included in total expense.

**ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
PLANT COST AND EQUITY IN UTILITY SYSTEMS  
1995-1999**

**CITY OF AUSTIN, TEXAS  
Table 14**

	Fiscal Year Ended September 30				
	1999	1998	1997	1996	1995
	\$	\$	\$	\$	\$
<b>PLANT COST</b>					
Utility systems					
Electric	2,693,237,524	2,625,217,308	2,572,557,667	2,486,095,321	2,412,069,533
Water	1,003,650,278	893,668,714	821,502,655	776,444,397	751,582,994
Wastewater	976,681,032	921,580,649	867,001,907	842,267,292	808,005,591
Total cost	4,673,568,834	4,440,466,671	4,261,062,229	4,104,807,010	3,971,658,118
Allowance for depreciation:					
Electric	972,367,880	895,154,272	818,396,311	745,058,632	680,744,173
Water	220,477,506	202,674,479	182,053,656	165,534,650	150,767,689
Wastewater	280,008,297	256,629,792	230,946,972	209,687,758	189,861,891
Total depreciation	1,472,853,683	1,354,458,543	1,231,396,939	1,120,281,040	1,021,373,753
Cost after depreciation	3,200,715,151	3,086,008,128	3,029,665,290	2,984,525,970	2,950,284,365
<b>EQUITY IN UTILITY SYSTEMS</b>					
Utility systems	4,673,568,834	4,440,466,671	4,261,062,229	4,104,807,010	3,971,658,118
Plus:					
Inventories, materials and supplies (1)	32,227,327	31,950,001	30,687,913	31,374,457	31,758,310
Net construction assets and unamortized bond issue cost (2)	145,027,887	129,476,175	134,997,115	113,231,834	103,174,715
	4,850,824,048	4,601,892,847	4,426,747,257	4,249,413,301	4,106,591,143
Less:					
Allowance for depreciation	1,472,853,683	1,354,458,543	1,231,396,939	1,120,281,040	1,021,373,753
Construction contracts payable	2,127,799	2,222,064	2,889,429	3,272,515	3,442,474
	1,474,981,482	1,356,680,607	1,234,286,368	1,123,553,555	1,024,816,227
Utility systems, net	3,375,842,566	3,245,212,240	3,192,460,889	3,125,859,746	3,081,774,916
Revenue bonds and other debt outstanding (3)	2,865,320,460	2,818,680,622	2,780,846,233	2,743,087,222	2,717,960,775
Less:					
Bond retirement and reserve funds (4)	160,866,775	169,005,087	160,527,625	160,900,333	161,593,286
Net debt	2,704,453,685	2,649,675,535	2,620,318,608	2,582,186,889	2,556,367,489
Equity in utility systems	671,388,881	595,536,705	572,142,281	543,672,857	525,407,427
Percentage of equity in utility systems	19.89%	18.35%	17.92%	17.39%	17.05%

(1) Does not include fuel oil or coal inventories of approximately \$17,501,807 at September 30, 1999. Consists primarily of spare parts inventory at Fayette Plant and South Texas Project.

(2) Includes investment in municipal utility districts of \$2,431,298.

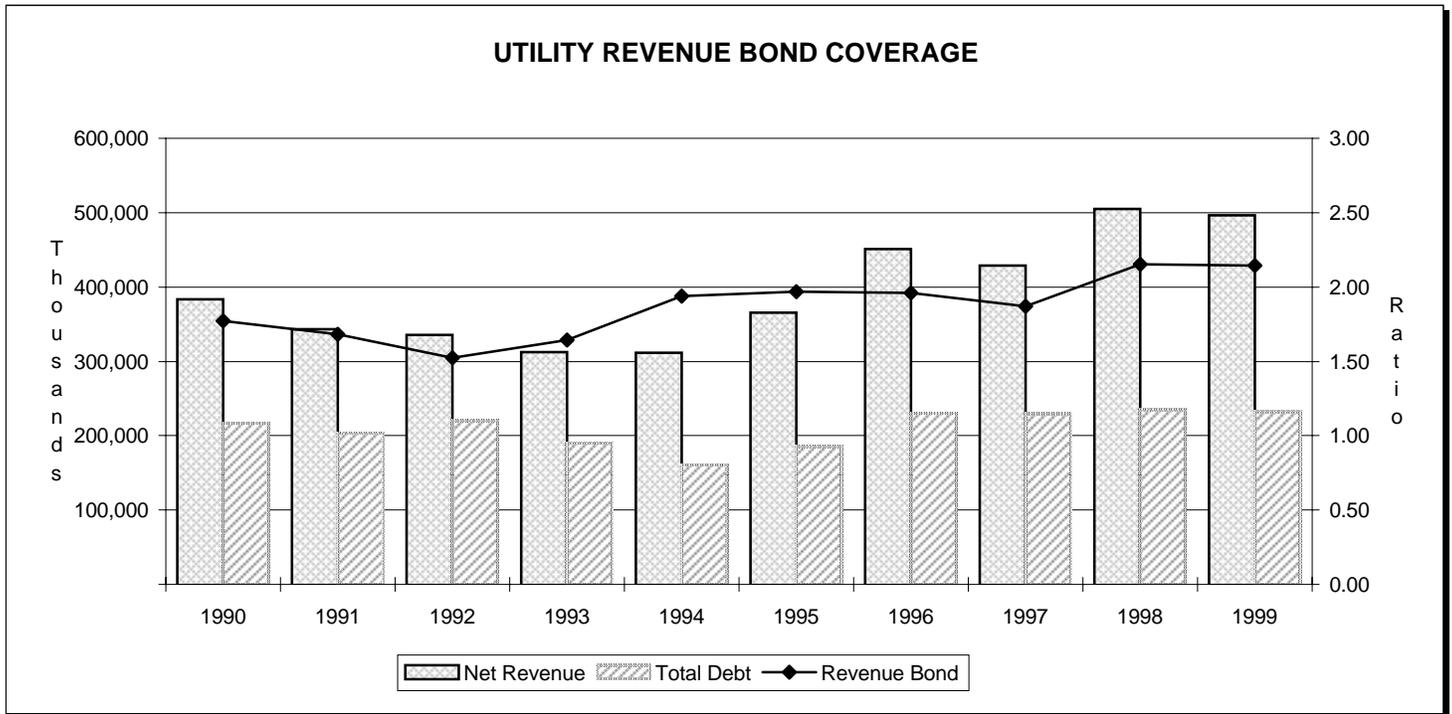
(3) Includes Revenue Bonds and Tax/Revenue Bonds of \$2,394,918,424 (net of discounts and inclusive of premiums); Contract Revenue Bonds of \$101,394,775; Capital Lease Obligations of \$21,600,000; Water District Bonds of \$1,096,000; Commercial Paper of \$333,147,181 (net of discounts); General Obligation Bonds of \$4,827,131; and Contractual Obligation Bonds of \$8,336,949.

(4) Includes MUD Reserves of \$332,623 that are not included elsewhere in the financial statements.

**SCHEDULE OF COMBINED UTILITY SYSTEMS  
ELECTRIC, WATER, AND WASTEWATER  
REVENUE BOND COVERAGE  
1990-1999**

Fiscal Year Ended Sept. 30	Net Revenue Available for Debt Service			Debt Service Requirements (3)		Total Debt Service	Revenue Bond Coverage (4)
	Total Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest		
	\$	\$	\$	\$	\$	\$	\$
1990	638,931,733	255,122,157	383,809,576	33,650,000	183,148,383	216,798,383	1.77
1991	614,691,145	271,461,552	343,229,593	22,020,000	181,868,568	203,888,568	1.68
1992	610,003,346	274,749,207	335,254,139	29,005,000	190,946,822	219,951,822	1.52
1993	670,277,492	358,279,919	311,997,573	19,810,000	170,224,959	190,034,959	1.64
1994	684,559,883	372,994,681	311,565,202	14,885,000	145,844,823	160,729,823	1.94
1995	717,231,490	352,002,639	365,228,851	34,547,200	150,951,667	185,498,867	1.97
1996	831,370,626	380,407,102	450,963,524	75,520,330	154,727,958	230,248,288	1.96
1997	812,185,910	383,121,345	429,064,565	82,540,580	146,997,910	229,538,490	1.87
1998	918,508,145	413,938,513	504,569,632	93,922,453	140,541,178	234,463,631	2.15
1999	926,691,597	429,925,649	496,765,948	100,083,871	131,627,342	231,711,213	2.14

- (1) Operating revenue and interest income.
- (2) Operating expenses other than interest on debt, depreciation and amortization.
- (3) Debt service calculations are done on a cash basis rather than the accrual basis used in preparation of the financial statements.
- (4) Revenue bond coverage is equal to net revenue available for debt service divided by total principal and interest payments made during each fiscal year. Coverage includes prior and subordinate lien bonds only.



**TRANSFERS FROM ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
TO GENERAL FUND  
1980-1999**

**CITY OF AUSTIN, TEXAS  
Table 16**

<b>Fiscal Year</b>	<b>Operating Revenue</b>	<b>Other Revenue</b>	<b>Total Revenue</b>	<b>Transfers to General Fund</b>	<b>Percentage of Total Revenue</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
1980	242,003,693	16,982,350	258,986,043	25,426,000	9.82
1981	322,290,425	11,504,342	333,794,767	30,293,933	9.08
1982	388,676,515	17,855,612	406,532,127	37,082,911	9.12
1983	364,544,307	24,715,181	389,259,488	40,836,300	10.49
1984	451,145,965	31,330,815	482,476,780	46,057,000	9.55
1985	447,699,487	42,189,950	489,889,437	50,524,900	10.31
1986	516,724,133	51,724,247	568,448,380	56,089,577	9.87
1987	525,349,519	56,137,604	581,487,123	60,203,227	10.35
1988	556,355,820	42,873,171	599,228,991	63,740,768	10.64
1989	542,515,706	50,230,792	592,746,498	64,459,956	10.87
1990	585,184,149	53,747,584	638,931,733	63,665,887	9.96
1991	571,816,378	42,874,767	614,691,145	63,054,576	10.26
1992	578,276,283	31,038,077	609,314,360	73,237,718	12.02
1993	645,075,003	25,202,489	670,277,492	68,581,868	10.23
1994	662,806,554	21,753,329	684,559,883	67,914,376	9.92
1995	690,831,874	26,399,616	717,231,490	71,110,681	9.91
1996	800,077,548	31,293,078	831,370,626	73,582,839	8.85
1997	774,261,590	37,924,320	812,185,910	71,449,866	8.80
1998	870,162,845	48,345,300	918,508,145	72,721,264	7.92
1999	896,130,375	30,561,222	926,691,597	74,204,480	8.01

**ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
STATISTICAL DATA  
Year ended September 30, 1999  
With comparative totals for year ended September 30, 1998**

**CITY OF AUSTIN, TEXAS  
Table 17**

	Electric Sales (KWH)		Number of Metered Customers	
	1999	1998	1999	1998
<b>Electric:</b>				
Residential - multi-fuel	2,110,321,817	2,061,696,520	189,055	186,807
Residential - single-fuel	1,305,020,516	1,239,426,064	122,284	119,233
General service	5,901,725,285	5,393,425,379	51,038	49,503
Public street lighting	33,226,385	28,174,152	3	3
Other public authorities	95,255,030	84,043,151	570	505
Interdepartmental	195,756,743	204,290,381	222	215
Sales to other utilities	354,082,000	533,754,000	6	16
	<u>9,995,387,776</u>	<u>9,544,809,647</u>	<u>363,178</u>	<u>356,282</u>

	1999		1998	
	Average Customers	Thousand Gallons	Average Customers	Thousand Gallons
<b>Water and Wastewater:</b>				
Thousands of gallons pumped		46,679,391 (1)		46,668,512 (1)
Less: Sales to other utilities		<u>3,146,201</u>		<u>3,797,257</u>
Thousand gallons to system		<u>43,533,190</u>		<u>42,871,255</u>
<b>Water sales:</b>				
Urban	159,625	35,594,247	152,545	36,026,412
Rural	10,607	1,852,000	10,131	1,968,939
	<u>170,232</u>	<u>37,446,247</u>	<u>162,676</u>	<u>37,995,351</u>
City departments	379	619,553	481	705,983
	<u>170,611</u>	<u>38,065,800</u>	<u>163,157</u>	<u>38,701,334</u>
Used by utility		1,422,526		1,418,185
Loss and unaccounted for		4,044,864		2,751,736
Thousand gallons to system		<u>43,533,190</u>		<u>42,871,255</u>
Maximum daily use		204,746		206,371
Average daily consumption		119,269		117,455

(1) Pumpage includes the Davenport WTP estimate provided by ST Environmental Services.

**ELECTRIC FUND AND  
WATER AND WASTEWATER FUND  
LARGE CUSTOMERS  
FIVE-YEAR COMPARATIVE DATA (1995-1999)**

**CITY OF AUSTIN, TEXAS  
Table 18**

	Fiscal Year Ended September 30 (dollars in thousands)									
	1999		1998		1997		1996		1995	
	MWh	Revenue	MWh	Revenue	MWh	Revenue	MWh	Revenue	MWh	Revenue
		\$		\$		\$		\$		\$
<b>LARGE ELECTRIC CUSTOMERS</b>										
Ten Largest Electric Customers (1)	1,348,925	55,892	1,257,565	53,600	1,133,043	48,145	862,919	39,247	715,425	32,190
Percent of Service Area:										
MWh Sales/Revenue	14.0	9.0	14.0	8.9	13.5	8.7	10.6	7.1	9.4	6.3

(1) A list of specific customers is omitted from this table due to the proprietary nature of sales and other customer related data in a competitive environment.

	Fiscal Year Ended September 30 (dollars in thousands)									
	1999		1998		1997		1996		1995	
	Gallons	Revenue	Gallons	Revenue	Gallons	Revenue	Gallons	Revenue	Gallons	Revenue
		\$		\$		\$		\$		\$
<b>LARGE WATER CUSTOMERS</b>										
Motorola, Inc. (1)	1,781,016	3,855	1,904,313	3,927	1,894,879	3,918	1,887,195	4,036	1,640,673	3,646
Advanced Micro Devices	1,186,752	2,570	1,250,741	2,584	1,151,306	2,384	1,114,446	2,385	904,760	2,011
The University of Texas at Austin (2)	908,424	2,056	824,213	1,784	824,049	1,767	909,263	2,003	738,460	1,657
Water District 10	699,180	1,416	737,810	1,509	579,175	999	754,505	1,380	537,982	901
Wells Branch MUD	544,046	1,107	559,016	1,013	463,043	851	482,172	828	372,745	599
Anderson Mill MUD	510,713	872	542,058	899	467,978	799	485,628	803	509,011	804
Samsung (3)	353,927	768	363,761	812	48,002	91	--	--	--	--
North Austin MUD	297,789	622	323,138	658	276,784	557	285,922	546	219,282	373
Lost Creek	282,637	600	320,721	655	237,423	497	321,987	660	252,385	485
Shady Hollow MUD	217,346	576	266,715	671	195,505	494	276,374	660	199,871	424
	6,781,830	14,442	7,092,486	14,512	6,138,144	12,357	6,517,492	13,301	5,375,169	10,900

(1) Totals for Motorola, Inc. include the east Austin plant site and the west Austin plant sites.

(2) Totals for The University of Texas at Austin are citywide for the years 1996-1999. Prior to 1996, the totals include the central campus area only.

(3) These facilities have no comparative data prior to 1997.

**CITY OF AUSTIN  
SCHEDULE OF INSURANCE IN FORCE  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Table 19**

<b>Department and Policy</b>	<b>Expires</b>	<b>Annual Premium</b>	<b>Insurer</b>	<b>Limits of Coverage</b>	<b>Coverage Overview</b>
City Wide (Excluding Austin Energy Services) <ul style="list-style-type: none"> <li>All-Risk Property</li> <li>Boiler and Machinery</li> </ul>	10/1/99	\$723,929	Arkwright	\$1,000,000,000	Provides replacement cost coverage for loss or damage to City buildings, and contents due to fire, wind storm, hail, or other perils. Subject to a \$100,000 per occurrence deductible. Provides coverage for fine arts owned or on loan subject to \$1,000 deductible per claim. Covers Cable TV equipment with \$1,000 deductible. Covers damages from boiler and fired pressure vehicle accidents with a \$10,000 deductible.
City Wide <ul style="list-style-type: none"> <li>Commercial Crime</li> </ul>	10/20/99	\$17,044	United States Fire Insurance Company	\$5,000,000	Covers loss of funds through public employee dishonesty. Subject to \$5,000 deductible.
			United States Fire Insurance Company	\$1,000,000	Covers loss of funds through forgery or alteration of, on, or in any covered instrument. Subject to \$5,000 deductible.
City Wide Selected Capital Improvement Projects <ul style="list-style-type: none"> <li>Hired and Nonowned Auto</li> </ul>	11/1/99	Premium is for a 4 year term; \$1,000 paid in 1997	St. Paul Insurance	\$1,000,000 per occurrence	Provides bodily injury and property damage coverage to the City and contractors signed up in the Rolling Owner Controller Insurance Program (ROCIP). Coverage is provided for nonowned and hired vehicles and is intended to be excess over primary auto coverage.
City Wide Selected Capital Improvement Projects <ul style="list-style-type: none"> <li>Commercial General Liability</li> </ul>	11/1/99	\$2,812,770 Premium is for a 4 year term. Premium may vary based on experience.	St. Paul Insurance	\$2,000,000 per occurrence; \$2,000,000 general aggregate	Provides bodily injury, property damage, and completed operations coverage to the City and contractors signed up in the ROCIP program. Coverage is provided only at specified Capital Improvement project sites participating in the program.
City Wide Selected Capital Improvement Projects <ul style="list-style-type: none"> <li>Workers Compensation and Employers Liability</li> </ul>	11/1/99	Premium included in Commercial General Liability above and is for a 4 year term. Premium may vary based on experience.	St. Paul Insurance	Workers' compensation: Statutory Employers' Liability: \$1,000,000 each accident \$1,000,000 policy limit \$1,000,000 each employee	Provides workers' compensation and employers' liability coverage to all contractors working on specified Capital Improvement project sites participating in the ROCIP program.

(continued)

**CITY OF AUSTIN  
SCHEDULE OF INSURANCE IN FORCE  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Table 19  
(Continued)**

<b>Department and Policy</b>	<b>Expires</b>	<b>Annual Premium</b>	<b>Insurer</b>	<b>Limits of Coverage</b>	<b>Coverage Overview</b>
City Wide Selected Capital Improvement Projects • Excess Liability	11/1/99	\$140,160 Premium is for a 4 year term.	St. Paul Insurance	\$8,000,000	Provides excess coverage over the primary auto, employers' liability, and general liability coverage. Self-insured retention is \$25,000.
Austin Energy Services • All-Risk Property including Boiler and Machinery	10/1/99	\$866,813	Cigna	\$909,555,695/ \$450,000,000 location sublimit	Provides replacement cost coverage for loss or damage to Austin Energy Services buildings or contents due to fire, wind storm, hail or other perils. Also covers damages from boiler and fired pressured vehicle accidents and electrical apparatus and equipment used to generate, transmit or use electrical power. Subject to a \$100,000 deductible.
Aviation • Airport Liability	3/24/00	\$86,000	National Union Fire Insurance Company	\$100,000,000	Provides liability protection for operations at the airport. \$100,000,000 per occurrence. Personal injury limits of \$25,000,000.
Finance • Fidelity Bond	5/6/00	\$569	Western Surety	\$100,000	Covers loss of funds through employee dishonesty for the Director of Finance and City Treasurer. No deductible applicable.
Health and Human Services Department (HHSD) • Medical Malpractice	5/20/00	\$58,898	Texas Medical Liability Trust	\$200,000 per occurrence; \$600,000 aggregate	Provides medical malpractice coverage for physicians. Coverage is on a claims made basis and is offered as a benefit for physicians employed by the City in the HHSD clinics.
Police • Airplane Liability	8/21/00	\$650	Signal Aviation Underwriters, Inc.	\$100,000 per person, \$1,000,000 per occurrence	Aircraft physical damage; liability to others; medical expense.
Public Works • Commercial General Liability	5/12/00	\$14,248	USF Insurance Company	\$1,000,000 per occurrence; \$2,000,000 general aggregate	Provides bodily injury and property damage coverage to the City. Coverage is provided only for 505 Barton Springs Road, One Texas Center. Purchased for compliance with tenant lease agreements.
Austin Energy Services • Excess Liability	12/31/99	\$258,273	Aegis	\$25,000,000 per occurrence	Provides bodily injury and property damage coverage for the Austin Energy Services of the City. Excess coverage is provided for general liability, automobile liability, and employers liability.

**HOTEL-MOTEL OCCUPANCY TAX  
TAX LEVIED EFFECTIVE JANUARY 1, 1971  
1971-1999**

**CITY OF AUSTIN, TEXAS  
TABLE 20**

Fiscal Year Ended Sept. 30	1st Quarter Oct. - Dec.	2nd Quarter Jan. - Mar.	3rd Quarter Apr. - Jun.	4th Quarter Jul. - Sept.	Total	Percent Base Year	Annual Increase (Decrease)
	\$	\$	\$	\$	\$	%	%
1971 (1)	--	--	69,071	73,184	142,255	100.00	--
1972	76,984	66,993	72,548	79,457	295,982	208.06	108.06
1973	81,045	72,409	86,576	92,679	332,709	233.88	12.41
1974	93,177	80,532	86,948	99,453	360,110	253.14	8.24
1975	99,215	94,190	96,739	113,131	403,275	283.49	11.99
1976	117,374	102,840	123,474	148,508	492,196	346.00	22.05
1977 (2)	151,665	136,046	185,907	138,515	612,133	430.31	24.37
1978	184,781	214,007	237,216	293,196	929,200	653.19	51.80
1979	288,919	272,772	307,652	353,143	1,222,486	859.36	31.56
1980	341,993	321,153	361,385	401,138	1,425,669	1,002.19	16.62
1981	409,762	362,559	443,138	481,192	1,696,651	1,192.68	19.01
1982	548,825	435,653	507,105	602,974	2,094,557	1,472.40	23.45
1983	630,232	519,503	648,948	699,246	2,497,929	1,755.95	19.26
1984 (3)	689,264	641,817	767,887	917,109	3,016,077	2,120.19	20.74
1985	941,893	1,491,967	1,557,235	1,923,513	5,914,608	4,157.75	96.10
1986	1,705,665	1,438,165	1,597,429	1,554,359	6,295,618	4,425.59	6.44
1987	1,674,558	1,223,621	1,681,665	1,569,008	6,148,852	4,322.42	(2.33)
1988	1,379,099	1,329,160	1,522,765	1,709,054	5,940,078	4,175.65	(3.40)
1989	1,674,823	1,683,558	1,907,258	2,126,998	7,392,637	5,196.75	24.45
1990	1,878,569	1,620,368	1,918,927	2,151,947	7,569,811	5,321.30	2.40
1991	1,942,450	1,860,253	2,154,340	2,350,986	8,308,029	5,840.24	9.75
1992	2,224,053	1,957,134	2,317,423	2,622,315	9,120,925	6,411.67	9.78
1993	2,463,470	2,260,375	2,778,975	3,011,457	10,514,277	7,391.15	15.28
1994	2,727,486	2,408,591	2,896,697	3,443,893	11,476,667	8,067.67	9.15
1995	3,115,451	2,869,919	3,500,988	3,653,908	13,140,266	9,237.12	14.50
1996	3,494,394	3,202,865	3,762,935	3,799,614	14,259,808	10,024.12	8.52
1997	3,536,872	3,353,333	3,859,507	4,468,147	15,217,859	10,697.59	6.72
1998 (4)	4,538,958	4,284,084	4,936,295	5,061,261	18,820,598	13,230.18	23.67
1999	5,611,823	5,551,731	6,375,290	7,073,269	24,612,113	17,301.40	30.77

- (1) 3% tax levied effective January 1, 1971. Section 32-32(a) of Article V of Chapter 32 of the 1967 Code of the City of Austin.
- (2) Tax levy increased to 4% effective October 1, 1977. Ordinance No. 770901-1 amended Section 32-32(a) of Article V of Chapter 32 of the 1967 Code of the City of Austin.
- (3) Tax levy increased to 7% effective October 1, 1984. Ordinance No. 840712-U amended Section 5-3-2(a) of Chapter 5-3 of Title V of the 1981 Code of the City of Austin.
- (4) Tax levy increased to 9% effective August 1, 1998. Ordinance No. 980709-G amended Section 5-3-2(a) of Chapter 5-3 of Title V

MISCELLANEOUS STATISTICAL DATA

CITY OF AUSTIN, TEXAS

Table 21

Date of Incorporation:	December 27, 1839	<b>Police protection:</b>	
Date first Charter adopted:	December 27, 1839	Number of employees	1,596
Date present Charter adopted:	January 31, 1953	Number of law offenses	112,367
Form of Government:	Council - Manager	Number of arrests	40,424
Number of Employees:	10,995	Vehicle patrol units	260
		Number of employees per 1,000 population (1)	2.5782
<b>Elections:</b>		<b>Library:</b>	
Number of registered voters,		Central and branch libraries	21
November 3, 1998	499,696 Travis County	Volumes in collection	1,332,754
May 1, 1999	397,026 City of Austin	Materials circulated	2,989,256
		Registered borrowers	450,788
Number of votes cast in:		<b>Recreation:</b>	
Last general election,		District parks	12
November 3, 1998	177,079	Metropolitan parks	9
		Natural preserves	10
Last bond election, November 3, 1998	126,926	Neighborhood parks	77
Last municipal election, May 1, 1999	34,211	Special parks (museums and miscellaneous)	22
		Greenbelts	23
Percentage of registered voters voting in:		Golf courses	5
Last general election,		Swimming pools	47
November 3, 1998	35.43%	Recreation centers	15
Last bond election, November 3, 1998	31.00%	Youth Entertainment Complex	1
Last municipal election, May 1, 1999	8.36%	Senior activity sites	20
		Athletic fields	88
<b>Fire protection:</b>		Tennis courts	106
Number of stations	38	Open fields	88
Number of employees	980	Senior activity centers	3
Number of alarms answered	49,543	Veloway	3.1 miles
Number of employees per 1,000 population (1)	1.5831	Hike and bike trails	44.2 miles

**POPULATION ANALYSIS**

Year	Austin (1)		Travis County (1)		Texas (2)		United States (2)	
	Population	Percentage Change %	Population	Percentage Change %	Population	Percentage Change %	Population	Percentage Change %
1940	87,930	--	111,053	--	6,414,824	--	132,165,000	--
1950	132,459	50.64	160,980	44.96	7,711,194	20.21	151,326,000	14.50
1960	186,545	40.83	212,136	31.78	9,579,677	24.23	179,323,000	18.50
1970	253,539	35.91	295,516	39.30	11,198,655	16.90	203,302,000	13.37
1980	345,496	36.27	419,573	41.98	14,228,383	27.05	222,110,000	9.25
1985	406,584	17.68	527,120	25.63	16,370,000	15.05	238,740,000	7.49
1990	450,830	10.88	576,407	9.35	16,986,510	3.77	249,632,692	4.56
1991	466,530	3.48	585,731	1.62	17,349,000	2.13	252,177,000	1.02
1992	474,715	1.75	594,560	1.51	17,615,745	1.54	255,020,000	1.13
1993	478,254	0.75	600,427	0.99	17,805,566	1.08	257,592,000	1.01
1994	507,468	6.11	636,991	6.09	18,291,000	2.73	261,212,000	1.41
1995	523,352	3.13	656,979	3.14	18,724,000	2.37	262,755,000	0.59
1996	541,889	3.54	681,654	3.76	19,128,000	2.16	265,410,000	1.01
1997	560,939	3.52	703,717	3.24	19,439,337	1.63	267,792,000	0.90
1998	608,214	8.43	725,669	3.12	19,759,614	1.65	271,685,044	1.45
1999	619,038	1.78	744,857	2.64	20,044,141	1.44	272,690,813	0.37

(1) All years are estimates from the City's Department of Development and Review based on full purpose area as of December 31. Census years are modified to conform to U.S. Bureau of the Census data. Estimates for 1985 were revised in 1990 based on the 1990 census.

(2) U.S. Bureau of the Census official estimates as of July 31, except for census years.

**MISCELLANEOUS STATISTICAL DATA  
ECONOMIC AND GROWTH INDICATORS  
1990-1999**

**CITY OF AUSTIN, TEXAS  
Table 22**

Year	Area of Incorporation (Sq. Miles)	Population (1)	Utility Connection (2)			Effective Buying Income (EBI) (4)	
			Electric (3)	Water	Gas	Median	Per
						Household EBI	Capita EBI
						\$	\$
1990	186.44	450,830	275,840	137,936	111,114	22,711	13,917
1991	189.98	466,530	281,926	142,721	131,713	24,809	14,585
1992	190.12	474,715	286,413	141,210	139,529	28,679	15,475
1993	193.15	478,254	291,896	146,396	143,088	29,662	16,965
1994	192.16	507,468	298,662	148,148	142,373	32,062	17,487
1995	196.68	523,352	306,670	149,867	147,023	33,981	18,490
1996	195.74	541,889	319,518	151,757	148,124	29,803	16,685
1997	232.26	560,939	326,816	156,397	156,752	31,362	17,494
1998	253.67	608,214	342,263	168,907	165,274	33,690	18,999
1999	252.30	619,038	348,721	173,038	173,150	36,532	18,973
1990-1999 Change	35.33%	37.31%	26.42%	25.45%	55.83%	60.86%	36.33%

Year	Building Permits			Retail Sales (Austin) (5)	Austin Area Home Sales (6)	
	Federal, State and Municipal	Taxable	Total		Average Sale Price	Number of Homes Sold
	\$	\$	\$		\$	
1990	48,312,493	309,999,799	358,312,292	4,804,199,274	84,744	7,672
1991	33,619,419	327,777,503	361,396,922	5,063,115,033	89,263	8,336
1992	5,162,800	435,053,697	440,216,497	5,644,034,689	106,265	8,914
1993	70,976,449	607,717,144	678,693,593	6,253,828,689	114,908	11,104
1994	19,643,501	840,043,119	859,686,620	6,784,452,526	120,161	10,833
1995	11,087,831	870,446,315	881,534,146	7,286,274,112	126,726	8,436
1996	89,945,847	1,246,232,619	1,336,178,466	7,932,937,305	132,699	9,773
1997	2,574,539	1,023,114,762	1,025,689,301	8,513,655,224	146,763	8,094
1998	46,722,845	1,434,660,615	1,481,383,460	10,842,488,373	155,600	10,536
1999	54,399,189	1,501,435,229	1,555,834,418	11,279,844,061	166,272	12,284
1990-1999 Change	12.60%	384.33%	334.21%	134.79%	96.21%	60.11%

Note: All numbers are as of fiscal year ended September 30, except where noted.

- (1) Figures represent full purpose population as of December 31 for each year.
- (2) Figures 1991 through 1999 are as of September 30.
- (3) Figures exclude nightwatchman billings.
- (4) Source: 1999 Survey of Buying Power, Sales and Marketing Management.
- (5) Source: State of Texas Comptroller's Office. Amount is an estimate based on State of Texas Comptroller's Office data.
- (6) Source: Austin Board of Realtors.

**MISCELLANEOUS STATISTICAL DATA  
EMPLOYMENT CHARACTERISTICS**

**CITY OF AUSTIN, TEXAS  
Table 23**

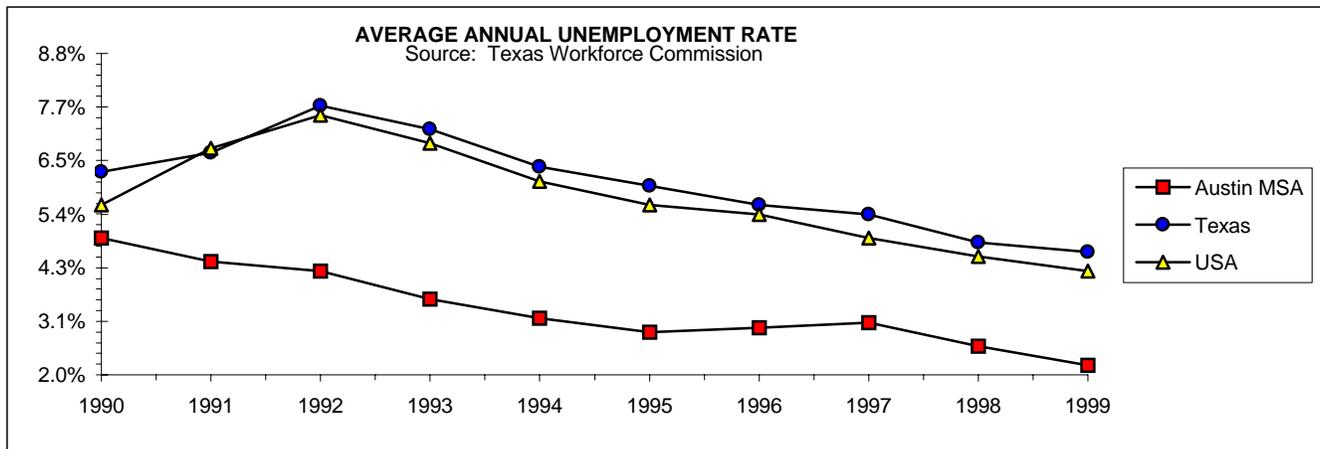
**EMPLOYMENT BY INDUSTRY IN THE AUSTIN  
METROPOLITAN STATISTICAL AREA (1)**

Industrial Classification	1999		1998		1997		1970	
	Number	% of Total						
Manufacturing	78,779	12.9	81,871	13.8	75,485	13.5	13,300	10.3
Government	131,592	21.6	130,036	21.9	127,151	22.7	51,150	39.5
Trade	137,251	22.5	128,552	21.6	121,548	21.8	26,100	20.2
Services and miscellaneous	175,210	28.7	168,985	28.4	156,173	27.9	19,600	15.1
Finance, insurance and real estate	31,357	5.1	30,587	5.1	29,083	5.2	6,150	4.7
Contract construction	35,069	5.8	33,758	5.7	29,954	5.4	8,750	6.8
Transportation and utilities	19,775	3.2	19,451	3.3	18,501	3.3	4,000	3.1
Mining	1,221	0.2	1,308	0.2	1,224	0.2	450	0.3
<b>Totals</b>	<b>610,254</b>	<b>100.0</b>	<b>594,548</b>	<b>100.0</b>	<b>559,119</b>	<b>100.0</b>	<b>129,500</b>	<b>100.0</b>

Source: Texas Workforce Commission (TWC)

(1) Austin MSA includes Travis, Bastrop, Caldwell, Hays, and Williamson Counties.

Numbers for 1999 are an estimate based on TWC and the Bureau of Labor Statistics, and U.S. Department of Labor data as of March 30, 1999.



**TEN LARGEST EMPLOYERS  
September 30, 1999**

Employer	Product or Service	Number of Employees	% of Total (2)
The University of Texas at Austin	Education and research	20,277	3.3
Dell Computer Corporation	Computers	19,500	3.2
City of Austin	City government	10,995	1.8
Motorola, Inc.	Electronic components	10,500	1.7
Austin Independent School District	Education	9,417	1.5
HEB Grocery	Grocery/pharmacy	7,500	1.2
IBM Corporation	Office machines	7,500	1.2
Seton Medical Center	Hospital	6,756	1.1
Internal Revenue Service	Federal agency	5,800	1.0
Advanced Micro Devices	Computers	4,300	0.7
		<b>102,545</b>	<b>16.7</b>

Source: Austin Chamber of Commerce

(2) Total refers to total work force of 610,254 as stated in the 'Employment by Industry' Table, above.

**ELEMENTS OF BUDGET FUND BALANCE  
FOR SELECTED OPERATING FUNDS  
September 30, 1999**

**CITY OF AUSTIN, TEXAS  
Table 24**

	Reserve for Encumbrances	Inception-to-Date Change in Fair Value
<b>General Fund</b>	7,172,887	(300,517)
<b>Special Revenue Funds:</b>		
Disproportionate Share	1,708,225	(8,238)
Federally Qualified Health Center	243,753	(5,947)
Fiscal Surety--Land Development	0	(267,475)
Subdivision Participation	0	(14,431)
<b>Enterprise Funds:</b>		
Electric	7,952,892	(743,909)
Water-Wastewater:		
Water	1,016,722	(235,974)
Wastewater	1,561,353	(214,273)
Hospital	22,112	130,688
Solid Waste Services	756,545	(99,440)
Airport	509,047	(199,947)
Convention Center	179,925	(457,862)
Drainage	676,826	(100,493)
Transportation	1,941,885	(16,468)
Performance Contracting	192,974	0
Golf	127,252	(10,122)
Parks and Recreation:		
Softball	45,083	(146)
Recreation Centers	22,886	(3,231)
<b>Internal Service Funds:</b>		
Fleet:		
Operating	732,600	(18,243)
Designated for acquisition	3,464,518	(18,105)
Support Services	2,521,639	(12,843)
Employee Benefits	16,011	0
Liability Reserve	37,743	0
Radio Communication	116,265	(80)
Infrastructure Support Services	184,637	(6,350)
Capital Projects Management	177,674	(6,073)