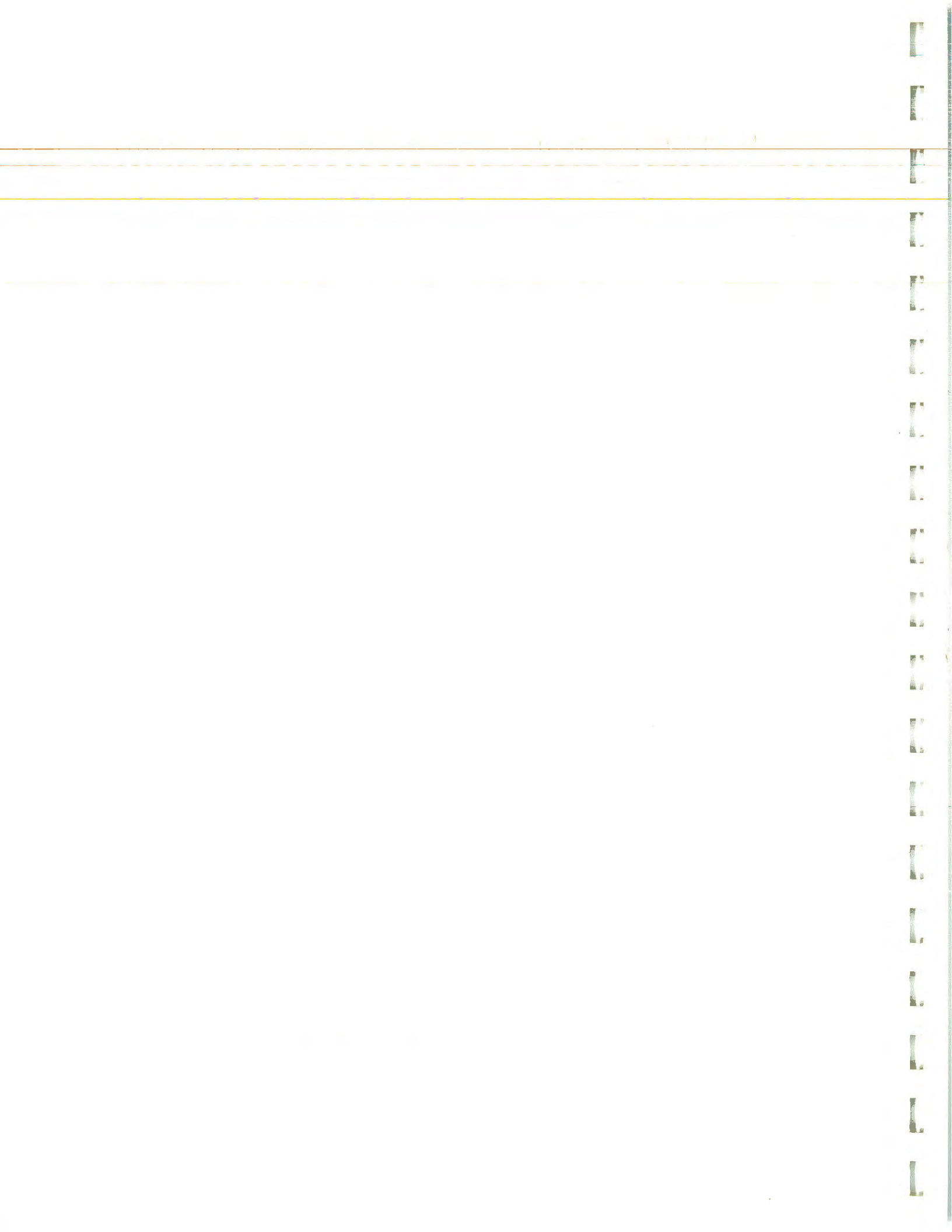


COMPREHENSIVE ANNUAL FINANCIAL REPORT
DALLAS COUNTY, TEXAS



FOR THE YEAR ENDED
SEPTEMBER 30, 1998

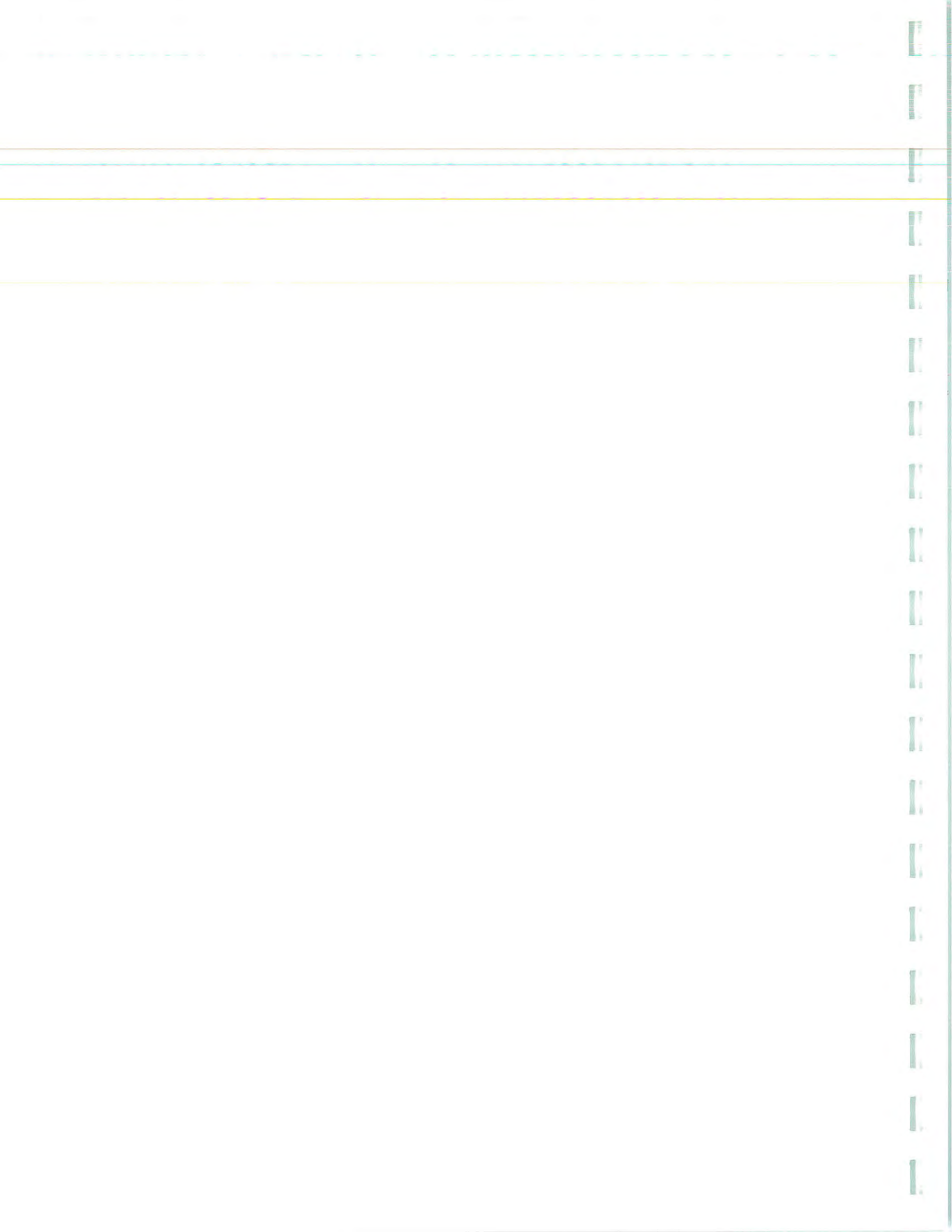


DALLAS COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 1998

Prepared by:

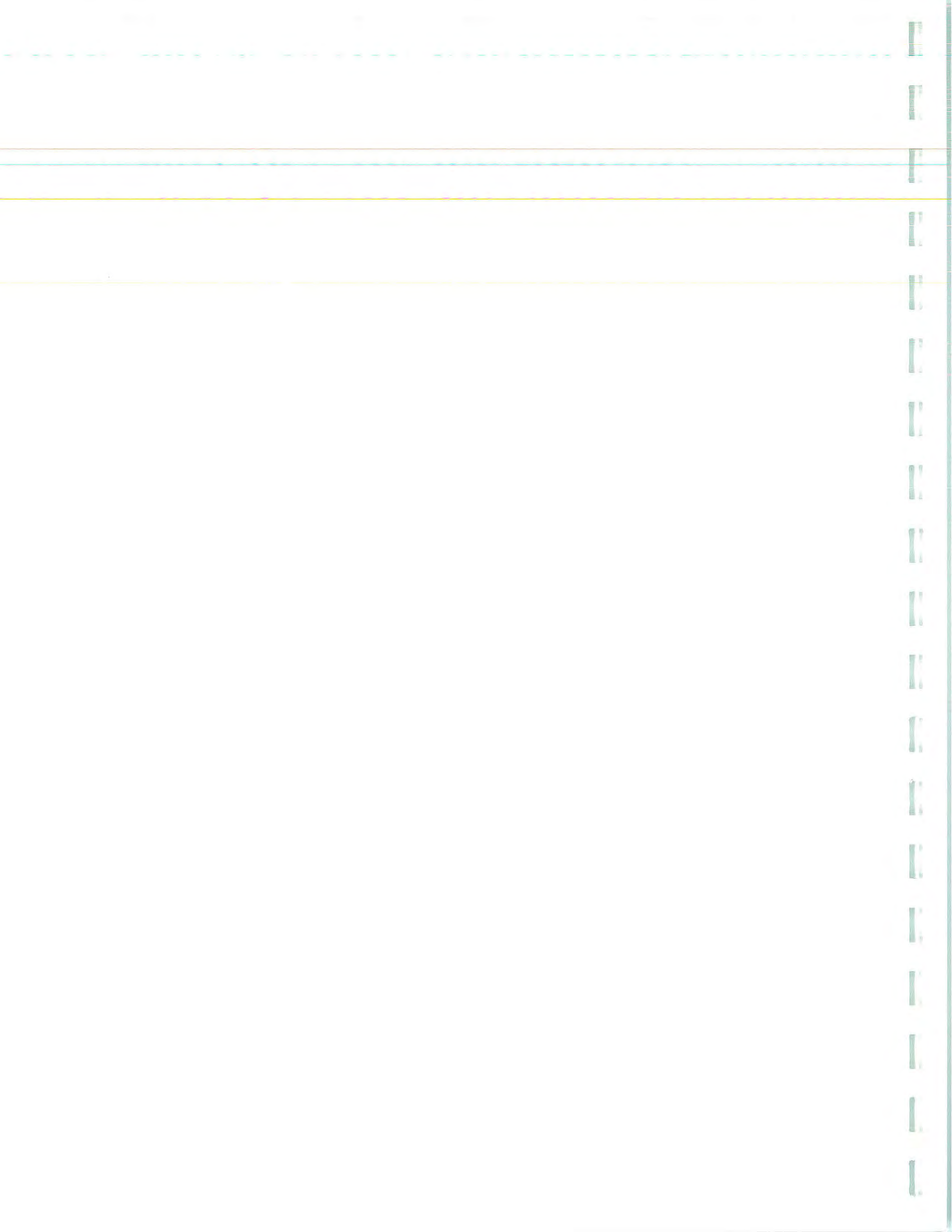
Virginia Porter, CPA
County Auditor
509 Main, Suite 407
Dallas, Texas 75202



DALLAS COUNTY, TEXAS
 Comprehensive Annual Financial Report
 Fiscal Year Ended September 30, 1998

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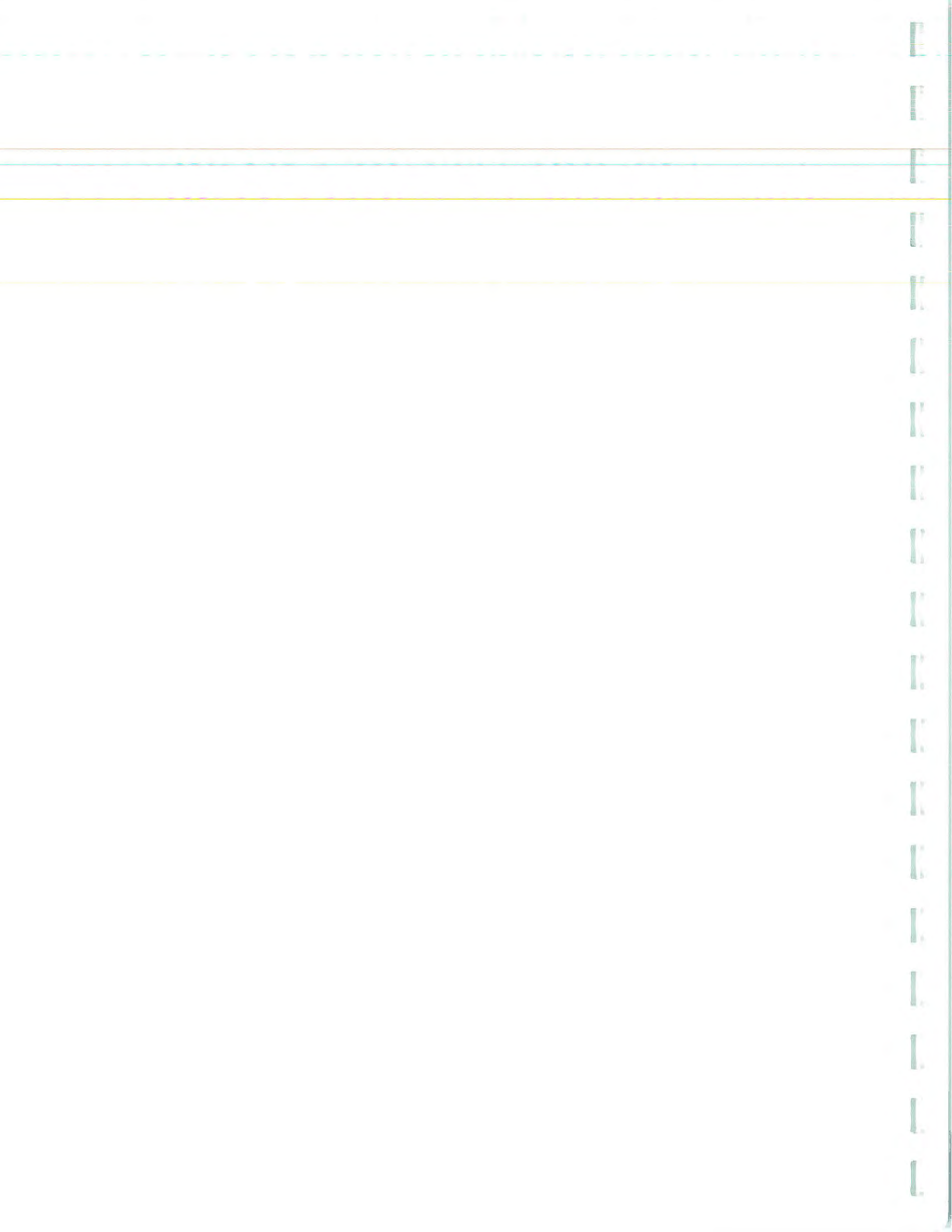


DALLAS COUNTY, TEXAS

Comprehensive Annual Financial Report
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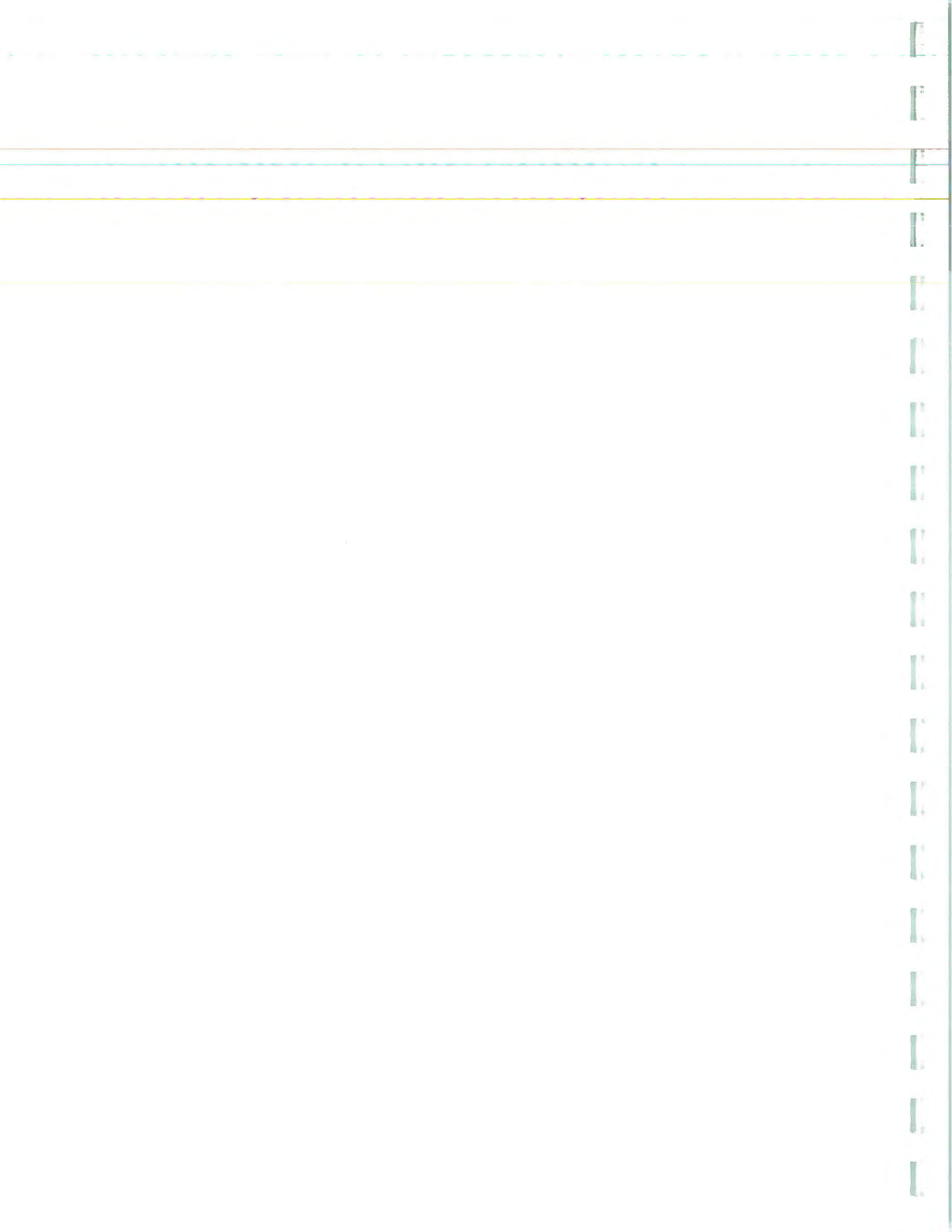
DALLAS COUNTY, TEXAS

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 1998

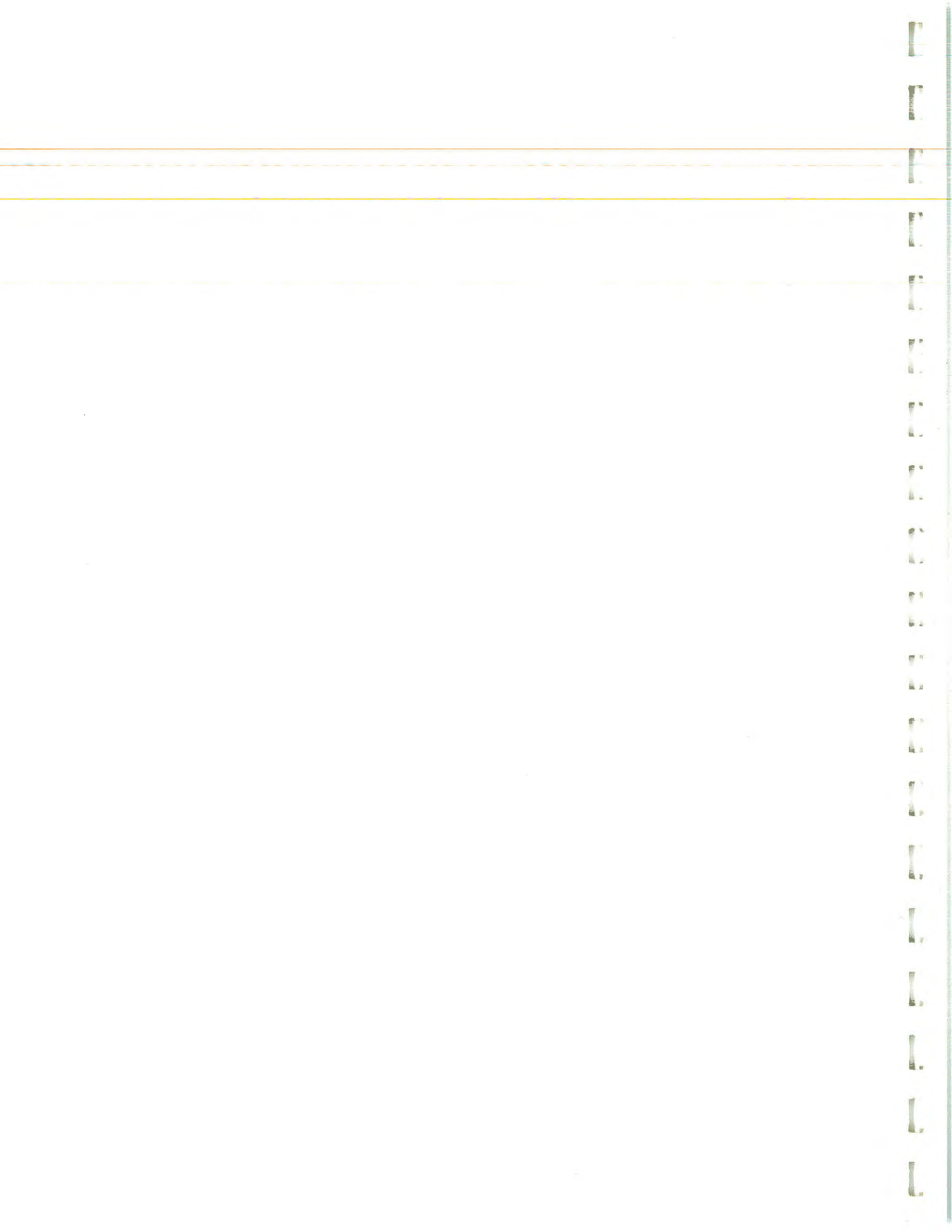
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INTRODUCTORY SECTION



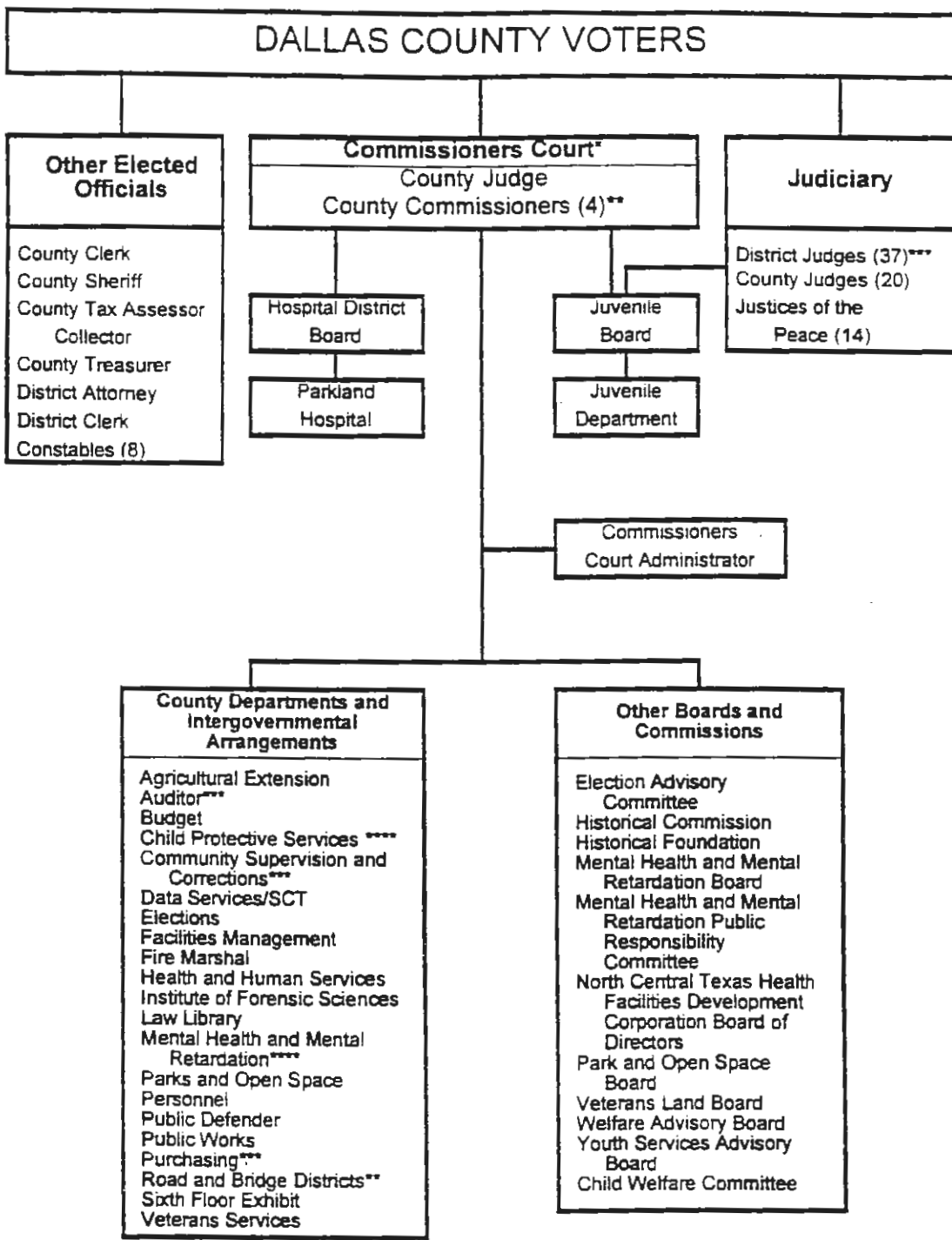
DALLAS COUNTY, TEXAS

PRINCIPAL OFFICIALS

As of September 30, 1998

<u>Official Title</u>	<u>Incumbent</u>
County Judge	Lee F. Jackson
Commissioner, Precinct 1	Jimmy L. Jackson
Commissioner, Precinct 2	Mike Cantrell
Commissioner, Precinct 3	John Wiley Price
Commissioner, Precinct 4	Kenneth A. Mayfield
County Auditor	Virginia Porter
County Treasurer	Bill Melton
Assessor-Collector of Taxes	David Childs
County Clerk	Earl C. Bullock, Jr.
District Attorney	John Vance
District Clerk	William R. Long
Sheriff	James C. Bowles

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* Members of the Commissioners Court serve on the following regional boards: Dallas Central Appraisal District, North Central Texas Council of Governments, Dallas Regional Mobility Coalition, Public Health Advisory Board, Regional Transportation Council, NCTCOG Air Carrier Policy Council, Loop 9 Policy Advisory Group, Mental Health Task Force, Community Justice Council, IH 35 Corridor Coalition, Dallas County Housing Finance Corporation, Youth and Family Impact Centers, Tnity River Corridor Steering Committee, and Dalhoma Trail Advisory Committee

** Each of the four County Commissioners directly supervises a Road and Bridge District.

*** The 37 District Judges appoint the County Auditor and participate in selecting the Directors of the Juvenile Department, Community Supervision and Corrections Department and the Purchasing Agent.

**** CPS and MHMR are independent agencies with important County programmatic connections.

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DALLAS COUNTY
COUNTY AUDITOR

February 19, 1999

Honorable District Judges of Dallas County and
Honorable Members of the Dallas County Commissioners Court:

The Comprehensive Annual Financial Report of Dallas County, Texas, for the year ended September 30, 1998, is submitted herewith. This report was prepared by the County Auditor's Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures rests with Dallas County, Texas (the "County"). We believe the data as presented is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operation of the County as measured by the financial activity of its various funds and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activity have been included. The report was prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board and is in compliance with Paragraph 114.025 of Vernon's Texas Codes Annotated ("V.T.C.A.") Local Government Code.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the County's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules in addition to the report of the independent auditors on the financial statements and schedules. The statistical section includes selected financial and demographic information which is generally presented on a multiyear basis.

This report includes all funds and account groups of the County. The County provides many services not ordinarily provided by any other entity of government and provides additional services in cooperation with other local governmental units. A primary service is the administration of justice, which includes the civil and criminal county and district courts, justices of the peace, constables, district attorney, investigators, clerks of the courts, sheriff, jail, fire marshal, medical examiner, crime laboratory and grand jury bailiffs. Other functions performed by the County include the construction and maintenance of roads and bridges, either independently or in cooperation with other entities; administration of public health services; assistance to indigents; funding of County libraries; and the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children.

The County is a public corporation and political subdivision of the State of Texas. The general governing body of the County is the elected five-member Commissioners Court in accordance with Article 5, Paragraph 18 of the Texas Constitution. As required by generally accepted accounting principles, these financial statements include the County and its component unit, the Dallas County Hospital District (the "District"). The District is included in the County's reporting entity because of the significance of its operational and financial relationship with the County as detailed below.

Blended Component Units - For reporting purposes, the Dallas County Housing Finance Corporation ("HFC") and North Central Texas Health Facilities Development Corporation ("HFDC") qualify as blended component units. The Commissioners Court sits as the governing board of the HFC and appoints the governing board of the HFDC. The only activity of the HFC has been the issuance of single-family mortgage bonds that are disclosed as conduit debt in footnote H. The HFDC has no financial activity since all debt issuances are by and in the name of the individual approved health facilities.

Discretely Presented Component Unit - The District is under the direction of a seven-member board of managers who are appointed by the Commissioners Court. Although the Commissioners Court approves the District's budget and sets its tax rate, the District is an organization separate from the County. The District operates under different statutory and constitutional authority. The District also has a separate constitutional tax limitation, the independent power of eminent domain and the individual right of ownership of property. The District maintains a medical facility which provides service to indigents and serves as the major teaching hospital for the University of Texas Southwestern Medical School. These factors dictate the inclusion of the District in the County's financial statements. It is presented in a separate column to emphasize that it is legally separate from the County.

Related Organizations - Although the Commissioners Court is also responsible for appointing all or part of the boards of Mental Health and Mental Retardation, the Dallas County Local Workforce Development Board, the Youth Services Advisory Board, the Literature Review Committee and various levee districts, the County's accountability for these organizations does not extend beyond making the appointments. Therefore, these are not included in the County's financial statements.

ECONOMIC CONDITION AND OUTLOOK

The County is located in north central Texas, and is strategically central to the economic region, including the states of Texas, Louisiana, Arkansas, Oklahoma and New Mexico. The County is also centrally located within the United States. The County region was opened for settlement by the Mexican colonization laws and was included in an impresario grant before 1836, but actual settlement was delayed until 1841. The first Texas legislature created the County from parts of Robertson and Nacogdoches counties on March 30, 1846, and designated the town of Dallas (a post office since 1844) as temporary "seat of Justice." The act does not state whom the County's name honors; it probably was George M. Dallas, then vice president of the United States. Two elections were held in 1850 to fix the City of Dallas as the permanent county seat. The County encompasses an area of 900 square miles. The 1990 Census reported a population of 1,852,820. The County had an estimated 1998 population of 2,023,140.

Dallas first began building its diversified economy as an agricultural trade center in the mid-1800s and has since developed into the wholesale and retail market center for the entire southwest. Passage of the North American Free Trade Agreement ("NAFTA") has strengthened the metro area's trade sector. Dallas' strength as a trade center has allowed the finance, insurance and manufacturing industries to grow, building strong ties to petroleum by becoming the industry's banker. To date, Dallas remains the headquarters of many oil and gas companies.

The area's diversified industrial structure provided some protection to the economy against the mid-1980s oil bust. Although the national recession did not impact Dallas as much as the rest of the nation, employment growth remained slow. Recently, economic growth in Dallas has accelerated. As a result, the area remains a favorite for long-term development due in part to its transportation infrastructure, cost of doing business and work force.

The following paragraphs and tables contain statistical information pertaining to the County and areas which include the County, such as the Dallas/Fort Worth Consolidated Metropolitan Statistical Area, which consists of the Dallas/Fort Worth SMSA plus Hood and Wise Counties. Whenever available, Countywide information was used in lieu of city or multicounty information.

Top Private Employers

Over 138,000 businesses are located in the Dallas area. There are approximately 34,000 corporations with over 6,500 headquartered in the area. Below are the top 20 employers located within the Dallas/Fort Worth Consolidated Metropolitan Statistical Area, as reported by the Dallas Chamber of Commerce:

<u>Company</u>	<u>Product</u>	<u>Employees</u>
AMR Corp.	Airline Technology and Transportation Services	27,000
Texas Instruments, Inc.	Electronics	19,000
Dallas Public Schools	Public Independent School District	17,169
City of Dallas	Municipality	12,324
U.S. Postal Services	Federal Agency	12,000
Baylor Health Care System	Health Care to Dallas and North Texas	11,900
Electronic Data Systems	Information Technology Services	10,000
J.C. Penney Co., Inc.	Retail Sales	10,000
Kroger Co., Dallas Marketing Area, The	Grocery Store Chain	9,000
Tom Thumb Food and Pharmacy	Grocery Store Chain	9,000
Baylor University Medical Center	Healthcare and Medical Training	8,108
Columbia Healthcare	Healthcare Service	8,000
Southwestern Bell Telephone Company	Telephone Utility	7,749
GTE Corporation	Telecommunications	7,400
Minyard Food Stores, Inc.	Retail Grocery Store Chain	7,000
NationsBank Texas	Financial Services	7,000
Delta Airlines, Inc.	Commercial Airline	6,600
Bell Helicopter Textron, Inc.	Military and Commercial Vertical Flight Aircraft	6,300
AT&T Corporation	Global Telecommunications Corporation	6,000
Brinker International, Inc.	Restaurant Corporation	6,000

Source: Dallas Chamber of Commerce

Sales Taxes

The City of Dallas, along with 14 of its suburbs, pays an 8.25% retail sales tax comprised of a 6.25% state tax, a 1.00% local tax and a 1.00% Regional Transit Authority tax.

Income Taxes

Neither the State of Texas, the County nor any city in the County has a personal or corporate income tax.

Labor Force

Civilian Labor Force Estimates

	Annual				
	1998*	1997	1996	1995	1994
Dallas Metropolitan Statistical Area (Actual):					
Total civilian labor force	1,892,300	1,839,200	1,764,900	1,723,600	1,672,596
Total unemployment	63,600	70,700	62,000	79,700	88,472
Percent unemployed	3.4%	3.8%	3.5%	4.6%	5.3%
Total employment	1,828,700	1,768,500	1,702,900	1,643,900	1,584,124
State of Texas (Actual):					
Total civilian labor force	10,196,400	9,996,200	9,738,300	9,654,900	9,384,000
Total unemployment	505,800	534,200	474,200	590,600	604,000
Percent unemployed	5.0%	5.3%	4.9%	6.1%	6.4%
Total employment	9,690,600	9,462,000	9,264,100	9,064,300	8,780,000
United States (Actual):					
Total civilian labor force	137,903,000	137,459,000	135,016,000	132,008,000	131,061,800
Total unemployment	6,039,000	6,594,000	6,577,000	6,872,000	7,996,600
Percent unemployed	4.4%	4.8%	4.9%	5.2%	6.1%
Total employment	131,864,000	130,865,000	128,439,000	125,136,000	123,065,200

Source: Texas Employment Commission

* As of September 30, 1998

Fortune/Forbes 500 Companies

The Dallas/Fort Worth area is home to the headquarters of 17 of the nation's *Fortune* 500 companies and 20 of the nation's *Forbes* 500 companies. Many additional *Fortune* and *Forbes* 500 companies maintain U.S. administrative offices in the Dallas/Fort Worth area, although their corporate headquarters are located elsewhere.

Fortune 500 Headquarters in the Dallas/Fort Worth Area (Publicly Held Companies)

Number	Company	Revenues (\$ Millions)
1	Exxon	\$119,434.0
2	J.C. Penney Co., Inc.	23,649.0
3	GTE	21,339.2
4	AMR	17,753.0
5	Kimberly-Clark	13,149.1
6	Texas Instruments	11,713.0
7	Union Pacific	10,051.0
8	Burlington Northern	8,187.0
9	Halliburton	7,385.0
10	Dresser Industries	6,561.5
11	Texas Utilities	6,550.9
12	Central & South West Corporation	6,285.5
13	Tandy Corporation	5,517.0
14	Avatex	5,502.3
15	CompUSA	3,829.8
16	Southwest Airlines	3,406.2
17	Centex	3,103.0

Source: *Fortune*, April 28, 1997 - Revenues are as of 1996

MAJOR INITIATIVES

FOR THE YEAR

Juvenile Justice - The County and the Juvenile Board of the County continue work to improve housing and educational services for youths involved in the juvenile justice system. A contract was approved for operation of the 96-bed Youth Village Secure Facility constructed largely with state funds. A 44-bed post-adjudication program will serve as a "last chance" for juveniles who commit technical violations of their probation. A 52-bed detention overflow program will be actuated in increments as warranted.

Excess Jail Capacity - Contracts with the Commonwealth of Massachusetts and the State of New Mexico to house inmates relieving overcrowded conditions within prison systems for these states continued to provide revenue to the County. (The contract with the State of New Mexico expired July 1998 and the number of prisoners housed for Massachusetts dropped by the end of the fiscal year.) The County continued to experience a large increase in the number of Immigration and Naturalization System prisoners housed by the Sheriff in fiscal year 1998. Total earnings were \$14.4 million from holding non-County prisoners in fiscal year 1998.

Computer Technology - A data processing migration plan from a centralized mainframe computer system to a distributed open computing environment was approved in fiscal year 1995. Implementation of the Civil Courts Management module continued but significant problems remain. A comprehensive assessment of the County's exposure to year 2000 issues was completed in fiscal year 1997, was updated during fiscal year 1998 and efforts were expended to replace, rebuild or convert each of the County's computer programs. Contracts were negotiated for an elections system and a basic financial system comprised of General Ledger, Purchasing and Accounts Payable modules. Both systems are expected to go "live" in fiscal year 1999. Beginning in fiscal year 1998, 0.5 cents of the tax rate was dedicated to projects associated with the improvement of the County's computer systems.

Public Works - The County, with the Texas Department of Transportation, continued the Congestion Mitigation and Air Quality Improvement Program ("CMAQ") for the mitigation and remediation of environmental problems associated with highway construction projects. When CMAQ projects are completed, over 1,500 intersections will have improved physical layout and signalization. During fiscal year 1998, the County received from the state over \$4.4 million in reimbursements - about 80% of costs incurred.

Sale of Bonds - The County sold \$8,000,000 Combination Tax and Revenue Certificates of Obligation Series 1997-B to finance major elevator upgrades, computer infrastructure upgrades, and repairs to Old Red and other County buildings. The County continued to receive favorable interest rates on the borrowing because of its outstanding credit rating.

Indigent Health Care - Funding responsibility for indigent health care has been transferred to the hospital District according to State law mandates. Charges for health services to inmates of Dallas County jails, juveniles committed to custody and mental health services are billed to the District. The County received over \$4.0 million in reimbursements from the District.

Employee Benefits Insurance Cooperative - The County formed a cooperative with Tarrant County and the Turnpike Association to better administer employee insurance programs. A joint benefits committee was established to handle special PEBC appeals and exceptions. Local issues and decisions remain the responsibility of the individual entities.

Old Red Foundation - The Old Red Foundation was created by Commissioners Court to develop the building into a public space with a museum and related functions. The County will utilize Certificates of Obligation

proceeds to improve the building and negotiate a sublease with the Convention and Visitors Bureau to manage the visitors center and fund finishing costs for the building.

Tax Abatements - The County's Tax Abatement Policy was reviewed in fiscal year 1998 in efforts to encourage development in "under-utilized" areas. The new category allows for two project types and stipulates specific tax base and employment increases. Two new abatement projects were approved in fiscal year 1998.

Certificates of Obligation ("CO's") - The County strictly limits its issuance of CO's. The Series 1998-B CO's (\$8,700,000) will include funding for a new energy improvement plan, major elevator upgrades, computer infrastructure and improvements to County buildings.

FOR THE FUTURE

Juvenile Justice - An application for Charter School status was submitted with the Texas Education Agency that would create an Independent School District within the Juvenile Department. The Charter School would comprise all residential institutions and the Substance Abuse Day Treatment Program. Significant funding allotments would be available to enhance education and increase revenues.

Tax Rates - The taxable value of all County property reached \$97.7 billion in 1998. The property tax rate was set at 19.72 cents per \$100 value for fiscal year 1999, providing for large County staff pay increases and for funding new programs. Efforts included a coordination with the District to fund additional health costs through money received from the tobacco lawsuit settlement.

Workforce Investment - In November 1998, the County's pay structures were increased 6% to 21% based on an extended study of the competitive market for employment. Other increases for law enforcement staff were approved in fiscal year 1998 in concert with organization and staffing changes instituted by the Sheriff.

Grant Writing and Consulting Contract - The County is negotiating a contract with a consulting firm to conduct a search for new federal grants to fund identified programmatic and operational priorities.

RISK MANAGEMENT

The County insures through private carriers against catastrophic losses to its infrastructure and certain major items of personal property. Items so insured include buildings and contents, data media and computer-related equipment, radio transmission towers and related equipment and monies and securities in the Tax Office and County Treasurer's Office.

The County has elected to self-insure against the risks arising from tort claims, workers' compensation benefits due employees who are injured while on duty, losses of funds by theft or mysterious disappearances in all fee offices of the County (with the exception of the Tax Office and County Treasurer's Office) and any and all other claims asserted by employees and/or third parties against the County arising out of the normal conduct of County business.

The County has chosen to be a reimbursing employer under the unemployment compensation program administered by the Texas Employment Commission.

The District and County Clerks have statutory funds authorized by the State legislature and established by order of the Commissioners Court to provide the resources to indemnify third persons for losses due to errors and omissions on the part of employees of these offices.

The County budgets resources on an annual basis to provide payment of claims in those risk areas in which the County has chosen to self-insure. Because of the County's aggressive defense against such asserted claims, it is the opinion of management that payment of such claims as incurred will not have a drastic negative impact on the overall budget and financial position of the County. The County has chosen not to create a special self-insurance fund from which to pay such claims, but does maintain an unappropriated fund balance in excess of \$20 million in the General Fund should a large claim need to be paid for which adequate budgeted funds had not been routinely provided.

FINANCIAL INFORMATION

The County's accounting records for general governmental operations are maintained and the financial statements are presented on a modified accrual basis. The financial operating controls are shared by the Commissioners Court, which is the governing body, and the County Auditor, who is appointed by the District Judges. The County Auditor has the basic responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County funds prior to their submission to the Commissioners Court for approval. The Commissioners Court sets the tax rates, establishes policies for County operations, approves contracts for the County and develops and adopts the County budget within the resources as estimated by the County Auditor.

In developing the County's accounting systems, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding 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 therefrom and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The District's accounting records are maintained on the accrual basis. Management and control of the District's records are the responsibility of the Board of Managers in accordance with Chapter 281 of the Health and Safety Code (V.T.C.A.) which states, in part, "(a) The Commissioners Court may prescribe: (1) the method of making purchases and expenditures by and for the District; and (2) accounting and control procedures for the District; (b) the Commissioners Court by resolution or order may delegate its powers under Subsection (a) to the Board." Since the Commissioners Court has adopted such an order, the Board of Managers has the power to make purchases and expenditures for the District and to prescribe all accounting and control procedures. All accounting records of the District are maintained by the District, are audited by an independent audit firm and are reported upon in greater detail in the District's Annual Financial Report.

Budgetary Controls - The County maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body. Activities of the General Fund, Special Revenue Funds (except the District Attorney Special, Auto Theft and Forfeiture Funds) and Debt Service Funds (except the Parking Garage Reserve and Contingency Funds) are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. According to the budget laws of the State of Texas, expenditures may not exceed the amount appropriated for each fund. Dallas County maintains an

encumbrance accounting system as one method of accomplishing budgetary control. Unencumbered appropriations lapse at the close of the budget period and outstanding obligations are reappropriated in the subsequent budget period.

As demonstrated by the financial statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

All amounts presented in the remainder of this letter of transmittal are expressed in thousands of dollars unless otherwise noted.

General Governmental Functions - The following schedule presents a summary of General Fund, Special Revenue Funds and Debt Service Funds revenues for the fiscal year ended September 30, 1998, as well as the amount and percentage of increases and decreases in relation to the prior year's revenues:

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1997</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 179,592	45.9%	\$ 5,073	2.9 %
Highway license fees	31,228	8.0	3,158	11.3
Fines and forfeitures	16,346	4.2	3,489	27.1
Investments and rentals	19,686	5.1	(305)	(1.5)
Intergovernmental revenues	49,794	12.7	9,061	22.2
Charges for current services	85,247	21.8	8,803	11.5
Other revenues	9,085	2.3	1,879	26.1
Total	\$ 390,978	100.0%	\$ 31,158	8.7 %

Assessed valuations of \$116,578,051 for ad valorem taxes represent an increase of 8.1% from the 1997 valuations. The assessed valuations do not include amounts in dispute of \$929,373 in 1998 and \$241,842 in 1997.

Current tax collections for general governmental functions were 97.44% of the tax levy compared to 98.00% for the preceding year. The ratio of total collections (current and delinquent) to the current tax levy was 99.75%, a decrease of .23% from the preceding year. Allocations of property tax by purpose for 1998 and the preceding two fiscal years are as follows (amounts per hundred dollars of assessed value):

<u>Purpose</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
General Fund	\$.14530	\$.14910	\$.15570
Special Revenue Funds	.00690	.00690	.00380
Debt Service Funds	.04500	.04500	.05050
Total General Governmental Tax Rate	\$.19720	\$.20100	\$.21000

Charges for current services represent a major source of revenues for the County. The County is continuing its efforts to finance services it provides with fees allowed by statutes to be charged to users of the services.

The following schedule presents a summary of General Fund, Special Revenue Funds and Debt Service Funds expenditures for the fiscal year ended September 30, 1998, and the percentage of increases and decreases in relation to the prior year's amounts:

<u>Function</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1997</u>	<u>Percent of Increase (Decrease)</u>
General Government	\$133,869	34.9%	\$ 4,999	3.9 %
Judicial	7,424	1.9	2,668	56.1
Public Safety	121,382	31.7	8,117	7.2
Streets and Highways	8,937	2.3	66	0.7
Health	28,484	7.4	1,072	3.9
Public Welfare	26,240	6.8	6,964	36.1
Debt Service	57,409	15.0	(1,034)	(1.8)
Other Expenditures	57	0.0	4	7.5
Total	\$383,802	100.0%	\$22,856	6.3 %

The increase in general government expenditures is due primarily to increases in election expense, tax collecting costs and additional services. The increase in public safety is due to an increase in the number of prisoners housed in County jail facilities during fiscal year 1998. Increases in Judicial and Public Welfare resulted from increases in grant expenditures; a portion included weatherization grant.

Fund equity and other credits in the major operating funds were maintained at adequate levels. The General Fund balance of \$58,471 was up \$2,825 from last year, the Debt Service Funds balance of \$21,397 was up \$569 from the preceding year and the Special Revenue Funds balance of \$33,400 was up \$3,569 from last year.

General Fund Equity - The fund equity of the General Fund increased 5.0% in 1998. The major reasons for the increase in fund equity are the increases in the collections and charges for current services. The fund balance is the equivalent of 2.6 months of expenditures. This fund balance continues to demonstrate sound financial management and keeps the County on a solid foundation for future operations.

Component Unit - The County's discretely presented component unit is the District. In the fiscal year ended September 30, 1998, the District received approximately 30% of its support from ad valorem taxes. While maintaining adequate reserve funds, the District was able to adopt a tax rate of \$.17990 per hundred dollars assessed valuation, a decrease of .00587 from 1997. Approximately 95.3% of the ad valorem taxes received is used to support the operations of the District. The remaining 4.7% is deposited as direct additions to the General Fund balances for retirement of the outstanding general obligation bonded debt of the District.

Total operating revenues for the District were \$377,506 for the year ended September 30, 1998. Operating expenses for the fiscal year were \$534,296.

The District's long-term debt at September 30, 1998, is \$23,372, of which \$2,650 is due within one year.

The District's general obligation bond issues rate among the highest in the United States for hospitals - AA+ by Standard & Poor's Corporation and Aa-1 by Moody's Investors Services, Inc. on general obligation bonded indebtedness.

Debt Administration - At September 30, 1998, the County had unlimited tax and limited tax general obligation bonds outstanding in the amount of \$305,536. According to Texas statutes, the County has two debt limits. Bonds issued under Article 3, Section 52e of the Texas Constitution amount to \$166,871 and bonds issued under Article 722 of Vernon's Civil Statutes amount to \$138,665. The debt limits for the two authorizations are \$23,759,565 (25% of real property assessed valuation) and \$5,828,903 (5% of assessed valuation of all taxable property); therefore, the County has legal debt margins on general obligation debt of \$23,604,381 and \$5,699,948, respectively.

Cash Management - The Commissioners Court has adopted a formal investment policy for the County consistent with State statutes governing the investment of County funds. The general objectives set forth in the policy provide for financial security and optimum liquidity of County funds while achieving the maximum yield on funds invested and maximum levels of invested funds.

Authorized investments in our policy are consistent with those investments authorized by State law for Texas counties. Generally, the County has limited its investments to bank certificates of deposit with the County Depository Bank, U.S. Government Securities, commercial paper and fully collateralized repurchase agreements.

The County Treasurer, by policy, is the designated Investment Officer for the County. Interest earnings deposited for the County in all funds for 1998 totaled \$17,961 and were equal to revenues generated by 2.00 cents on the 1997 current tax rate.

During fiscal year 1998, the District invested a portion of its demand deposits in TexPool, which is a public funds investment pool sponsored by the Comptroller of Public Accounts and managed by the Texas Treasury Safekeeping Trust Company. TexPool's portfolio normally consists of U.S. Treasury bills and notes, U.S. Government Agencies notes, collateralized certificates of deposit and repurchase agreements. At September 30, 1998, the carrying amount of the District's investment in TexPool was \$43,255.

The District's investment policy includes purchases of U.S. Treasury and Agency securities. The carrying amount of such investments was \$186,394 at September 30, 1998.

The investments at September 30, 1998, for all County funds and the component unit consisted of the following:

U.S. Government Securities	\$ 208,096	65.2%
Commercial Paper	36,639	11.5
Repurchase Agreements	74,163	23.3
	<u> </u>	<u> </u>
Total	<u>\$ 318,898</u>	<u>100.0%</u>

The County's demand deposits and bank certificates of deposit are at all times fully covered by qualified and approved collateral held by the County's agent, Federal Reserve Bank of Dallas, in the County's name.

OTHER INFORMATION

Independent Audit - V.T.C.A. Local Government Code Paragraph 115.045 requires an annual audit by a "disinterested, competent, experienced public accountant or Certified Public Accountant." Dallas County has complied with this requirement. Deloitte & Touche LLP, Certified Public Accountants, have concluded their audit of the financial statements of Dallas County for the year ended September 30, 1998. The

independent auditor's report on the general purpose financial statements and combining and individual fund and account group financial statements and schedules is included in the financial section of this report.

Awards - The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Dallas County for its comprehensive annual financial report ("CAFR") for the fiscal year ended September 30, 1997. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

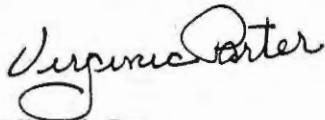
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The County has received a Certificate of Achievement for the last 17 consecutive years (fiscal years ended 1981 through 1997). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the staff of the County Auditor's Office. We express our appreciation to all members of the office who assisted in and contributed to its preparation. We also thank the members of the Commissioners Court and their staff and all other County officials and employees who have given their support in planning and conducting the financial operations of the County in a responsible manner.

Respectfully submitted,



Virginia Porter
County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Dallas County,
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 1997

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.



Douglas R. Ellsworth
President

Jeffrey L. Esser
Executive Director

FINANCIAL SECTION





Honorable Commissioners Court
Dallas County, Texas

We have audited the accompanying general purpose financial statements of Dallas County, Texas (the "County"), as of and for the year ended September 30, 1998, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. 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 Dallas County, Texas, at September 30, 1998, and the results of its operations and the cash flows of its proprietary and discretely presented component unit for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated February 19, 1999, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The year 2000 supplementary information on pages 51-52 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and did not express an opinion on such information. Further, we were unable to apply to this information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the County is or will be year 2000 compliant, that the County's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the County does business are or will become year 2000 compliant.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Dallas County, Texas. Such information

has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the County. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and accordingly, we express no opinion on it.

Deloitte + Touche LLP

February 19, 1999, except for footnote Q,
as to which the date is April 12, 1999



COMBINED FINANCIAL STATEMENTS
(“LIFTABLE” GENERAL PURPOSE FINANCIAL STATEMENTS)

DALLAS COUNTY, TEXAS
 COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND
 DISCRETELY PRESENTED COMPONENT UNIT

SEPTEMBER 30, 1998
 (in thousands of dollars)

	Governmental Fund Types				Proprietary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Internal Service
ASSETS AND OTHER DEBITS					
ASSETS:					
Cash and investments	\$ 73,088	\$ 32,610	\$ 20,958	\$ 77,571	\$ 797
Deferred compensation investment	-	-	-	-	-
Receivables (net of allowances for uncollectibles of \$64,588 for primary government and \$51,700 for component unit):					
Taxes	141,603	6,616	44,109	-	-
Accounts	3,017	343	298	-	-
Accrued interest	151	1	67	-	-
Premium and deductions	-	-	-	-	-
Due from other funds	1,312	959	-	1,292	-
Due from other government units	4,993	6,476	-	1,203	-
Inventories	691	773	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Grants and other receivables	-	-	-	-	-
Bail bond collateral	-	-	-	-	-
Assets limited as to use:					
Cash and cash equivalents	-	-	-	-	-
Property, plant and equipment, net of accumulated depreciation	-	-	-	-	-
OTHER DEBITS:					
Amount available for debt service	-	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-	-
	-	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 224,855</u>	<u>\$ 47,778</u>	<u>\$ 65,432</u>	<u>\$ 80,066</u>	<u>\$ 797</u>

The notes to the financial statements are an integral part of this statement.

Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	Component Unit	Totals (Memorandum Only) Reporting Entity	
	General Fixed Assets	General Long- Term Debt	Primary Government		September 30	
Agency					1998	1997
\$ 89,910	\$ -	\$ -	\$ 294,934	\$ 126,544	\$ 421,478	\$ 435,827
-	-	-	-	-	-	33,167
-	-	-	192,328	3,029	195,357	184,376
-	-	-	3,658	37,772	41,430	46,233
64	-	-	283	-	283	1,665
-	-	-	-	-	-	140
21	-	-	3,584	-	3,584	3,530
-	-	-	12,672	-	12,672	13,294
-	-	-	1,464	20,708	22,172	13,875
-	-	-	-	6,460	6,460	4,554
-	-	-	-	1,377	1,377	2,035
6,451	-	-	6,451	-	6,451	5,610
-	-	-	-	100,888	100,888	82,589
-	464,367	-	464,367	202,474	666,841	641,268
-	-	21,397	21,397	-	21,397	20,828
-	-	299,243	299,243	-	299,243	335,735
<u>\$ 96,446</u>	<u>\$ 464,367</u>	<u>\$ 320,640</u>	<u>\$ 1,300,381</u>	<u>\$ 499,252</u>	<u>\$ 1,799,633</u>	<u>\$ 1,824,726</u>

(Continued)

DALLAS COUNTY, TEXAS
 COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND
 DISCRETELY PRESENTED COMPONENT UNIT--CONTINUED

SEPTEMBER 30, 1998
 (in thousands of dollars)

	Governmental Fund Types				Proprietary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Internal Service
LIABILITIES, EQUITY AND OTHER CREDITS					
LIABILITIES:					
Accounts payable	\$ 21,671	\$ 2,957	\$ 2	\$ 1,312	\$ 7
Other current liabilities	-	-	-	-	-
Compensated absences	175	-	-	-	-
Liability for workers' compensation	373	-	-	-	-
Arbitrage rebate	654	-	-	-	-
Fee office accounts payable	-	-	-	-	-
Accrued liabilities	-	-	-	-	143
Accrued interest payable	-	-	-	-	-
Due to other funds	24	911	1	1,659	-
Due to other governmental units	263	71	-	-	-
Deferred revenue	143,224	10,439	44,032	-	-
Current maturities of long-term debt	-	-	-	-	-
General obligation bonds payable	-	-	-	-	-
Revenue bonds payable	-	-	-	-	-
Capital lease obligations	-	-	-	-	-
Other long-term liabilities	-	-	-	-	-
Liability for future benefits	-	-	-	-	3,552
Deferred compensation benefits	-	-	-	-	-
TOTAL LIABILITIES	<u>166,384</u>	<u>14,378</u>	<u>44,035</u>	<u>2,971</u>	<u>3,702</u>
EQUITY AND OTHER CREDITS:					
Investments in general fixed assets	-	-	-	-	-
Retained earnings (deficit):					
Reserved for named activities by donors	-	-	-	-	-
Unreserved	-	-	-	-	(2,905)
Fund balances:					
Reserved for encumbrances	11,929	5,348	-	14,746	-
Reserved for inventory of supplies	-	773	-	-	-
Reserved for payroll, escrow and change funds	98	-	-	-	-
Reserved for debt service	-	-	21,253	-	-
Unreserved:					
Designated for subsequent budget periods	6,535	1,348	144	-	-
Undesignated	39,909	25,931	-	62,349	-
TOTAL EQUITY (DEFICIT) AND OTHER CREDITS	<u>58,471</u>	<u>33,400</u>	<u>21,397</u>	<u>77,095</u>	<u>(2,905)</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 224,855</u>	<u>\$ 47,778</u>	<u>\$ 65,432</u>	<u>\$ 80,066</u>	<u>\$ 797</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT A-1

Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	Component Unit	Totals (Memorandum Only)	
	General	General Long-	Primary		Reporting Entity	
	Fixed Assets	Term Debt	Government		September 30	
Agency					1998	1997
\$ 42,632	\$ -	\$ -	\$ 68,581	\$ 41,037	\$ 109,618	\$ 100,905
-	-	-	-	1,209	1,209	1,195
-	-	8,195	8,370	-	8,370	8,282
-	-	1,739	2,112	-	2,112	3,546
-	-	-	654	-	654	342
52,825	-	-	52,825	-	52,825	46,888
-	-	170	313	11,588	11,901	11,954
-	-	-	-	451	451	513
989	-	-	3,584	-	3,584	3,530
-	-	-	334	-	334	214
-	-	-	197,695	-	197,695	191,745
-	-	-	-	2,650	2,650	5,642
-	-	305,536	305,536	-	305,536	336,793
-	-	-	-	20,181	20,181	22,474
-	-	-	-	541	541	835
-	-	5,000	5,000	11,189	16,189	19,292
-	-	-	3,552	-	3,552	3,097
-	-	-	-	-	-	33,167
<u>96,446</u>	<u>-</u>	<u>320,640</u>	<u>648,556</u>	<u>88,846</u>	<u>737,402</u>	<u>790,414</u>
-	464,367	-	464,367	-	464,367	455,641
-	-	-	-	4,293	4,293	3,375
-	-	-	(2,905)	406,113	403,208	379,713
-	-	-	32,023	-	32,023	27,531
-	-	-	773	-	773	878
-	-	-	98	-	98	99
-	-	-	21,253	-	21,253	20,536
-	-	-	8,027	-	8,027	8,304
-	-	-	128,189	-	128,189	138,235
<u>-</u>	<u>464,367</u>	<u>-</u>	<u>651,825</u>	<u>410,406</u>	<u>1,062,231</u>	<u>1,034,312</u>
<u>\$ 96,446</u>	<u>\$ 464,367</u>	<u>\$ 320,640</u>	<u>\$ 1,300,381</u>	<u>\$ 499,252</u>	<u>\$ 1,799,633</u>	<u>\$ 1,824,726</u>

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DALLAS COUNTY, TEXAS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

EXHIBIT A-2

FISCAL YEAR ENDED SEPTEMBER 30, 1998
 (in thousands of dollars)

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	September 30	
					1998	1997
REVENUES:						
Taxes	\$ 133,094	\$ 6,059	\$ 40,439	\$ -	\$ 179,592	\$ 174,519
Highway license fees	-	31,228	-	-	31,228	28,070
Licenses and permits	390	-	-	-	390	381
Fines and forfeiture	7,138	9,208	-	-	16,346	12,857
Investments and rentals	10,787	2,075	6,824	-	19,686	19,991
Intergovernmental revenues	1,784	48,002	8	-	49,794	40,733
Charges for current services	80,849	4,398	-	-	85,247	76,444
Miscellaneous	8,394	301	-	-	8,695	6,825
Total Revenues	242,436	101,271	47,271	-	390,978	359,820
EXPENDITURES:						
Current:						
General government	130,550	3,319	-	-	133,869	128,870
Judicial	1,807	5,617	-	-	7,424	4,756
Public safety	113,449	7,933	-	-	121,382	113,265
Streets and highways	-	8,937	-	-	8,937	8,871
Health	12,337	16,147	-	-	28,484	27,412
Public welfare	6,633	19,607	-	-	26,240	19,276
Libraries	57	-	-	-	57	53
Capital outlay	-	-	-	20,268	20,268	17,315
Debt service:						
Debt issuance cost	-	-	-	-	-	220
Principal retirement	-	-	41,785	-	41,785	41,005
Interest and fiscal agents fees	-	-	15,624	-	15,624	17,438
Total Expenditures	264,833	61,560	57,409	20,268	404,070	378,481
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,397)	39,711	(10,138)	(20,268)	(13,092)	(18,661)
OTHER FINANCING SOURCES (USES):						
Proceeds from refunding bonds	-	-	-	-	-	37,599
Proceeds from sale of bonds	-	-	-	8,000	8,000	38,600
Operating transfers in	27,539	2,436	10,707	-	40,682	38,150
Operating transfers out	(2,286)	(38,396)	-	-	(40,682)	(38,150)
Other	(256)	148	-	85	(23)	(738)
Payment to refunding bond escrow agent	-	-	-	-	-	(37,379)
Total Other Financing Sources (Uses)	24,997	(35,812)	10,707	8,085	7,977	38,082
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,600	3,899	569	(12,183)	(5,115)	19,421
FUND BALANCES AT BEGINNING OF FISCAL YEAR	55,646	29,831	20,828	89,278	195,583	176,146
CHANGE IN INVENTORY - PURCHASES METHOD	-	(105)	-	-	(105)	16
RESIDUAL EQUITY TRANSFER	225	(225)	-	-	-	-
FUND BALANCES AT END OF FISCAL YEAR	\$ 58,471	\$ 33,400	\$ 21,397	\$ 77,095	\$ 190,363	\$ 195,583

The notes to the financial statements are an integral part of this statement.

DALLAS COUNTY, TEXAS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Taxes	\$131,853	\$133,094	\$ 1,241
Highway license fees	-	-	-
Licenses and permits	350	390	40
Fines and forfeitures	5,311	7,138	1,827
Investments and rentals	10,468	10,787	319
Intergovernmental revenues	1,173	1,784	611
Charges for current services	77,535	80,849	3,314
Miscellaneous	6,320	8,394	2,074
Total revenues	<u>233,010</u>	<u>242,436</u>	<u>9,426</u>
EXPENDITURES:			
Current:			
General government	140,383	130,550	9,833
Judicial	1,861	1,807	54
Public safety	124,401	113,449	10,952
Streets and highways	-	-	-
Health	13,821	12,337	1,484
Public welfare	7,978	6,633	1,345
Libraries	62	57	5
Debt service:			
Principal retirement	-	-	-
Interest and fiscal agents fees	-	-	-
Total expenditures	<u>288,506</u>	<u>264,833</u>	<u>23,673</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(55,496)</u>	<u>(22,397)</u>	<u>33,099</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	29,977	27,539	(2,438)
Operating transfers out	(2,726)	(2,286)	440
Other	-	(256)	(256)
Total other financing sources (uses)	<u>27,251</u>	<u>24,997</u>	<u>(2,254)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(28,245)</u>	<u>2,600</u>	<u>30,845</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR	55,646	55,646	-
CHANGE IN INVENTORY - PURCHASES METHOD	-	-	-
RESIDUAL EQUITY TRANSFER	<u>225</u>	<u>225</u>	-
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 27,626</u>	<u>\$ 58,471</u>	<u>\$ 30,845</u>

The notes to the financial statements are an integral part of this statement.

Budgeted Special Revenue Funds			Debt Service Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 6,000	\$ 6,059	\$ 59	\$40,007	\$40,439	\$ 432	\$177,860	\$179,592	\$ 1,732
29,983	31,228	1,245	-	-	-	29,983	31,228	1,245
-	-	-	-	-	-	350	390	40
8,327	9,208	881	-	-	-	13,638	16,346	2,708
1,756	2,075	319	6,135	6,824	689	18,359	19,686	1,327
70,715	48,002	(22,713)	3	8	5	71,891	49,794	(22,097)
4,024	4,398	374	-	-	-	81,559	85,247	3,688
23	301	278	-	-	-	6,343	8,695	2,352
<u>120,828</u>	<u>101,271</u>	<u>(19,557)</u>	<u>46,145</u>	<u>47,271</u>	<u>1,126</u>	<u>399,983</u>	<u>390,978</u>	<u>(9,005)</u>
5,321	3,319	2,002	-	-	-	145,704	133,869	11,835
8,962	5,617	3,345	-	-	-	10,823	7,424	3,399
13,320	7,933	5,387	-	-	-	137,721	121,382	16,339
16,322	8,937	7,385	-	-	-	16,322	8,937	7,385
24,483	16,147	8,336	-	-	-	38,304	28,484	9,820
25,038	19,607	5,431	-	-	-	33,016	26,240	6,776
-	-	-	-	-	-	62	57	5
-	-	-	41,785	41,785	-	41,785	41,785	-
-	-	-	15,717	15,624	93	15,717	15,624	93
<u>93,446</u>	<u>61,560</u>	<u>31,886</u>	<u>57,502</u>	<u>57,409</u>	<u>93</u>	<u>439,454</u>	<u>383,802</u>	<u>55,652</u>
<u>27,382</u>	<u>39,711</u>	<u>12,329</u>	<u>(11,357)</u>	<u>(10,138)</u>	<u>1,219</u>	<u>(39,471)</u>	<u>7,176</u>	<u>46,647</u>
2,876	2,436	(440)	10,707	10,707	-	43,560	40,682	(2,878)
(37,267)	(38,396)	(1,129)	-	-	-	(39,993)	(40,682)	(689)
-	(1)	(1)	-	-	-	-	(257)	(257)
<u>(34,391)</u>	<u>(35,961)</u>	<u>(1,570)</u>	<u>10,707</u>	<u>10,707</u>	<u>-</u>	<u>3,567</u>	<u>(257)</u>	<u>(3,824)</u>
(7,009)	3,750	10,759	(650)	569	1,219	(35,904)	6,919	42,823
28,807	28,807	-	20,828	20,828	-	105,281	105,281	-
-	(105)	(105)	-	-	-	-	(105)	(105)
<u>(225)</u>	<u>(225)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 21,573</u>	<u>\$ 32,227</u>	<u>\$ 10,654</u>	<u>\$20,178</u>	<u>\$21,397</u>	<u>\$ 1,219</u>	<u>\$ 69,377</u>	<u>\$112,095</u>	<u>\$ 42,718</u>

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COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS--CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998

(in thousands of dollars)

RECONCILIATION OF SPECIAL REVENUE FUNDS - BUDGET AND
ACTUAL - TO ENTITY BALANCE (EXHIBIT A-2)

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - EXHIBIT A-2	\$ 39,711
OTHER FINANCING SOURCES (USES)	
Exhibit A-3	(35,961)
Exhibit C-2 nonbudgeted funds:	
District Attorney - Special	141
District Attorney - Unadjudicated Forfeitures	-
District Attorney - Forfeiture - FN	21
District Attorney - Forfeiture - OL	(22)
District Attorney - Forfeiture - Auto Theft	<u>9</u>
Total other financing sources (uses) - Exhibit A-2	<u>(35,812)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES - EXHIBIT A-2	3,899
FUND BALANCES AT BEGINNING OF FISCAL YEAR:	
Exhibit A-3	28,807
District Attorney - Special	279
District Attorney - Forfeiture - FN	107
District Attorney - Forfeiture - OL	622
District Attorney - Unadjudicated Forfeitures	4
District Attorney - Escrow - Auto Theft	4
District Attorney - Auto Theft	<u>8</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR - EXHIBIT A-2	29,831
CHANGE IN INVENTORY - PURCHASES METHOD	(105)
RESIDUAL EQUITY TRANSFER	<u>(225)</u>
FUND BALANCES AT END OF FISCAL YEAR - EXHIBIT A-2	<u>\$ 33,400</u>

The notes to the financial statements are an integral part of this statement.

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED
EARNINGS (DEFICIT) - PROPRIETARY FUND TYPE AND
DISCRETELY PRESENTED COMPONENT UNIT

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Proprietary Fund Type	Component Unit	Total (Memorandum Only)	
			Reporting Entity	
			September 30	
	Internal Service		1998	1997
OPERATING REVENUES:				
Patient service revenue (net of charity, contractual allowances and provisions for uncollectible accounts of \$51,700 in 1998 and \$42,618 in 1997)	\$ -	\$ 355,032	\$ 355,032	\$ 365,184
Premiums and reimbursements	10,830	-	10,830	11,173
Other operating revenue	-	22,474	22,474	19,840
Total operating revenues	10,830	377,506	388,336	396,197
OPERATING EXPENSES:				
Salaries and wages	-	239,405	\$ 239,405	221,473
Supplies and other	-	192,932	192,932	183,468
Depreciation and amortization	-	26,116	26,116	23,617
Benefit payments	10,633	-	10,633	10,059
Administration	1,842	-	1,842	1,246
Provision for bad debts	-	75,843	75,843	111,054
Total operating expenses	12,475	534,296	546,771	550,917
OPERATING LOSS	(1,645)	(156,790)	(158,435)	(154,720)
NONOPERATING REVENUES (EXPENSES):				
Ad valorem tax support	-	166,241	166,241	161,738
Interest expense	-	(1,148)	(1,148)	(1,480)
Interest income and other	96	16,584	16,680	14,656
NET INCOME (LOSS)	(1,549)	24,887	23,338	20,194

The notes to the financial statements are an integral part of this statement.

(Continued)

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED
EARNINGS (DEFICIT) - PROPRIETARY FUND TYPE AND
DISCRETELY PRESENTED COMPONENT UNIT -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Proprietary Fund Type	Component	Total	
			(Memorandum Only)	
	Internal	Unit	Reporting Entity	
	Service		September 30	
			1998	1997
OTHER EQUITY CHANGES:				
Donated assets and other	\$ -	\$ 157	\$ 157	\$ 481
Restricted funds activities:				
Contributions and investment income	-	3,209	3,209	2,594
Expenses	-	(2,291)	(2,291)	(2,236)
Net restricted funds activities	-	918	918	358
Total other equity changes	-	1,075	1,075	839
RETAINED EARNINGS (DEFICIT)				
AT BEGINNING OF FISCAL YEAR	(1,356)	384,444	383,088	362,055
RETAINED EARNINGS (DEFICIT)				
AT END OF FISCAL YEAR	<u>\$ (2,905)</u>	<u>\$ 410,406</u>	<u>\$ 407,501</u>	<u>\$ 383,088</u>

The notes to the financial statements are an integral part of this statement.

COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
AND DISCRETELY PRESENTED COMPONENT UNIT

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Proprietary Fund Type		Totals (Memorandum Only)	
	Internal Service	Component Unit	Reporting Entity	
			September 30	
			1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from patients	\$ -	\$ 358,366	\$ 358,366	\$ 369,122
Cash received from participants	10,911	-	10,911	11,683
Cash payments to suppliers for goods and services	-	(257,932)	(257,932)	(280,462)
Cash payments to employees for services	-	(239,405)	(239,405)	(221,473)
Cash payments for benefit claims	(10,179)	-	(10,179)	(10,118)
Cash payments for administrative fees	(1,799)	-	(1,799)	(1,256)
Other operating revenues	66	22,474	22,540	19,914
Net cash provided (used) in operating activities	<u>(1,001)</u>	<u>(116,497)</u>	<u>(117,498)</u>	<u>(112,590)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Ad valorem tax support	-	166,110	166,110	161,457
Net cash provided by noncapital financing activities	<u>-</u>	<u>166,110</u>	<u>166,110</u>	<u>161,457</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Interest paid on bonds and equipment contracts	-	(1,479)	(1,479)	(1,723)
Purchase of property, plant and equipment	-	(43,094)	(43,094)	(25,171)
Repayment of long-term debt and capital lease obligations	-	(5,579)	(5,579)	(4,904)
Net cash used for capital and related financing activities	<u>-</u>	<u>(50,152)</u>	<u>(50,152)</u>	<u>(31,798)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of investment securities	-	(20,994)	(20,994)	(6,126)
Interest and dividends on investments	96	15,199	15,295	13,730
Net cash provided (used) in investing activities	<u>96</u>	<u>(5,795)</u>	<u>(5,699)</u>	<u>7,604</u>
Net increase (decrease) in cash and cash equivalents	(905)	(6,334)	(7,239)	24,673
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,702</u>	<u>46,397</u>	<u>48,099</u>	<u>23,426</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 797</u>	<u>\$ 40,063</u>	<u>\$ 40,860</u>	<u>\$ 48,099</u>

The notes to the financial statements are an integral part of this statement.

(Continued)

COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
AND DISCRETELY PRESENTED COMPONENT UNIT--CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Proprietary		Totals	
	Fund Types		(Memorandum Only)	
	Internal	Component	Reporting Entity	
Service	Unit	1998	1997	
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH USED BY OPERATING				
ACTIVITIES:				
Operating loss	\$ (1,645)	\$(156,790)	\$(158,435)	\$(154,720)
Adjustments to reconcile operating loss to				
net cash provided (used) in operating activities:				
Provision for bad debts	-	75,843	75,843	111,054
Depreciation	-	26,116	26,116	23,617
Loss on disposal of assets	-	288	288	303
Changes in operating assets and liabilities:				
(Decrease) increase in other current liabilities	-	14	14	282
(Decrease) increase in other long-term liabilities	-	(103)	(103)	4,676
(Increase) decrease in accounts receivable	140	(72,509)	(72,369)	(106,532)
(Increase) in supplies and other assets	-	(8,216)	(8,216)	(452)
Decrease (increase) in due from restricted fund	-	229	229	(290)
Increase (decrease) in due to third-party				
reimbursement programs	-	1,311	1,311	974
(Decrease) increase in accounts payable and				
accrued expenses	504	257	761	(3,862)
Other	-	17,063	17,063	12,360
Net cash provided (used) in operating activities	<u>\$ (1,001)</u>	<u>\$(116,497)</u>	<u>\$(117,498)</u>	<u>\$(112,590)</u>
SUPPLEMENTAL DISCLOSURES OF ACTIVITIES				
THAT AFFECT ASSETS OR LIABILITIES:				
Donated assets of \$157 and \$481 were received in				
1998 and 1997, respectively.				
The District incurred obligations of \$968 in 1998,				
pursuant to capital leasing agreements.				
RECONCILIATION OF CASH, INVESTMENTS AND				
CASH EQUIVALENTS FOR COMPONENT UNIT:				
Cash and cash equivalents, Exhibit A-5		\$ 40,063		
Investments		86,481		
Cash, investments and cash equivalents not				
available for operations:				
Restricted assets		100,888		
Parkland Foundation		6,460		
TOTAL CASH, INVESTMENTS AND CASH				
EQUIVALENTS		<u>\$ 233,892</u>		

The notes to the financial statements are an integral part of this statement.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. General Statement

Primary Government-- Dallas County (the "County") was incorporated in 1846 as a public corporation and political subdivision of the State of Texas. The Commissioners Court is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: justice administration (courts, juries, constables, district attorney, clerks, investigators, sheriff, jail, fire marshal, medical examiner and crime laboratory), roads and bridges, juvenile services, assistance to indigents and county libraries.

Discretely Presented Component Unit-- The Dallas County Hospital District (the "District") is a special taxing district created in 1954 by a vote of the taxpayers of the County in accordance with the provisions of Article 9, Section 4 of the Constitution of the State of Texas. The District comprises Parkland Memorial Hospital (the "Hospital"), Community Oriented Primary Care ("COPC") and the Parkland Foundation (the "Foundation"). The operating hospital has approximately 687 beds and 132 bassinets, operates an outpatient clinic and emergency room, provides service to indigents and serves as the major teaching hospital for the University of Texas Southwestern Medical School. In addition, COPC operates clinics in the community and on the Hospital campus.

II. Summary of Significant Accounting Policies

The accounting and reporting policies of the County 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 are those promulgated by the Governmental Accounting Standards Board ("GASB") in *Governmental Accounting and Financial Reporting Standards* issued as of June 30, 1998, and subsequent pronouncements of GASB. The following represent the more significant accounting and reporting policies and practices used by the County:

- a. Reporting Entity - In defining the reporting entity of the County for financial reporting purposes, the County conforms with the criteria of GASB Statement No. 14, "The Financial Reporting Entity." This report includes the financial statements of the County's primary government and its discretely presented component unit in accordance with generally accepted accounting principles (GAAP).

Blended Component Units - For reporting purposes, the Dallas County Housing Finance Corporation ("HFC") and North Central Texas Health Facilities Development Corporation ("HFDC") qualify as component units. The Commissioners Court sits as the governing board of the HFC and appoints the governing board of the HFDC. The only activity of the HFC has been the issuance of single family revenue bonds that are disclosed as conduit debt in footnote G. The HFDC has no financial activity

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

since all debt issuances are by and in the name of the individual approved health facilities. Additional financial information on the HFC may be obtained from:

Dallas County Commissioners Court
Administration Building
411 Elm Street, Second Floor
Dallas, Texas 75202

Discretely Presented Component Unit-- The component unit column in the combined financial statements presents the financial data of the District. It is reported in a separate column to emphasize that it is legally separate from the County. The Commissioners Court of the County appoints the seven-member board of managers, approves the budget and sets the tax rate for the District; however, the District operates under different statutory and constitutional authority. The District also has a separate constitutional tax limitation; the independent power of eminent domain; and the individual right of ownership of property. Complete financial statements for the District may be obtained from:

Office of the Controller
Parkland Memorial Hospital
5201 Harry Hines Boulevard
Dallas, Texas 75235

Related Organizations--The Commissioners Court appoints all or part of the boards of Mental Health and Mental Retardation, the Dallas County Local Workforce Development Board, the Youth Services Advisory Board, the Literature Review Committee and various levee districts. The County's accountability for these organizations does not extend beyond the board appointment function. Therefore, these organizations are not included in the County's financial statements.

- b. Basis of Presentation-- The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (or expenses, as appropriate). Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into three generic fund types and two account groups:
1. Governmental Fund Types are those through which most governmental functions of the County are financed. The governmental fund measurement focus is upon determination of financial

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. The following are the County's governmental funds:

- i) The General Fund is the general operating fund of the County and is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, public welfare, health services and capital acquisition.
 - ii) Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. When a Special Revenue Fund is not an operating fund, transfers are made from the Special Revenue Fund to the operating funds authorized to make the expenditures.
 - iii) Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The primary revenue source is property taxes levied specifically for debt service. Interest earnings from temporary investments of idle funds of the Capital Projects Funds are deposited and recorded in the Debt Service Funds to aid in bonded debt retirement. The County maintains two nonbudgetary debt service funds: Parking Garage Reserve and Contingency Funds. These funds are contractually required to be maintained for emergency use until the parking garage bonds are retired. The fund balances only are included on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual--General, Special Revenue and Debt Service Funds for continuity of information throughout the financial statements. No transactions occur in these funds.
 - iv) 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 the Enterprise Fund). The funding source is bond sale proceeds.
2. Proprietary Fund Types are used to account for activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The County's only Proprietary Fund is the Internal Service Fund used to account for the County's group medical self-insurance program and the flexible spending accounts of employees who participate in the medical and dependent care flexible spending option of the County's cafeteria plan. Revenues are derived from County and employee premiums and/or payroll deductions. Expenditures are for claims and administrative expenses.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

3. Fiduciary Fund Types are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. All the County's fiduciary funds are agency funds.
4. Account Groups are used to establish accounting control and accountability for the County's general fixed assets and general long-term debt. The two account groups are not "funds." They are concerned only with the measurement of financial position and are not involved with measurement of results of operations. The following are the County's account groups:

- i) General Fixed Assets Account Group--Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group rather than in governmental funds. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, are not included in the General Fixed Assets Account Group. The title to right-of-way purchased by the County for the State of Texas in connection with its highway construction program is retained by the State. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair values on the date donated.

- ii) General Long-Term Debt Account Group--Long-term liabilities of the governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Liabilities included in the General Long-Term Debt Account Group are general obligation bonded debt, compensated absences, accrual for arbitrage rebate liabilities and long-term liabilities from court judgments.
- c. Discretely Presented Component Unit-- The resources of the District are classified as either general or restricted funds. General funds include resources that the Board of Managers may use for the operations of the District. Restricted funds at September 30, 1998, consist of amounts held by the Foundation. The District uses the accrual method of accounting and revenue is recognized in the accounting period when services are rendered.

The District applies all Governmental Accounting Standards board ("GASB") pronouncements as well as Financial Accounting Standards Board ("FASB") pronouncements issued on or before November 30, 1989, unless the FASB pronouncements contradict or conflict with GASB pronouncements.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

- d. Basis of Accounting-- The accounting and reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to the timing of recognition of revenues and expenditures in the accounts and financial statements, regardless of the measurement focus applied. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The Proprietary Fund is accounted for on a cost of service or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity is on its balance sheet. Its operating statements present increases (revenues) and decreases (expenses) in net total assets.

All governmental funds are accounted for using the modified accrual basis of accounting as follows:

1. Revenues are recognized when they become susceptible to accrual (both measurable and available as net current assets). Major revenue types which have been accrued are property taxes levied to finance the budget of the current fiscal period, revenue from the investment of idle funds, intergovernmental revenue and charges for services. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Property taxes which were levied prior to September 30, 1998, and became due October 1, 1998 have been assessed to finance the budget of the fiscal year beginning October 1, 1998 and, accordingly, have been reflected as deferred revenue and taxes receivable in the combined financial statements at September 30, 1998.
2. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include 1) principal and interest on general long-term debt is recognized when due; 2) expenditures for insurance and similar services are accounted for as expenditures in the period of acquisition; and (3) inventory costs are recorded when purchased in the Road and Bridge Fund (a Special Revenue Fund) and when used in the General Fund. The net change in inventories accounted for using the purchases method is reported as a change in fund balance in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

The Proprietary Fund is accounted for using the accrual basis of accounting as follows:

1. Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
2. Current-year contributions, administrative expenses and benefit payments which are not received or paid until the subsequent year are accrued.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

The Agency Funds' assets and liabilities are accounted for on the modified accrual basis of accounting.

Under the provisions of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," the County has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

- e. Budgetary Data --The budget is prepared in accordance with generally accepted accounting principles by the County Budget Officer and approved by the Commissioners Court following a public hearing. Annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all Capital Projects Funds.

Appropriated budgets are approved and employed as a management control device during the year for the General Fund, all Special Revenue Funds except the District Attorney Special, Auto Theft and Forfeiture Funds, the Countywide General Obligation Debt Service Fund and the Parking Garage Revenue Debt Service Fund. The District Attorney Forfeiture Funds are controlled by nonappropriated budgets which are filed with the Commissioners Court. Formal budgetary integration is not applied on an annual basis in the Capital Projects Funds since the budget of these funds is for the life of the project (sale of bonds to completion of project). The Capital Projects Funds' budget is established by the Commissioners Court when bonds are sold based upon the terms of the sale as authorized by the voters of the County and/or state statutes. This budget, with amendments as approved by the Commissioners Court, is the control against expenditures for the life of the project. Accordingly, no annual budget is adopted for Capital Projects Funds.

- f. Encumbrances -- Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds and Capital Projects Funds. Encumbrances outstanding at year-end are reported as a reservation of fund balance since they do not constitute expenditures or liabilities.
- g. Investments -- Investments with maturities of one year or less at the time of purchase are recorded at amortized cost in accordance with provisions of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." All of the County's investments had maturities of one year or less at the time of purchase and are recorded at amortized cost. All investment income is recognized as revenue in the appropriate fund's statement of activity.
- h. Inventory --Inventory is valued at average cost. Inventory in the General and Special Revenue Funds consists of expendable supplies held for consumption. In the General Fund, the cost is recorded as an expenditure at the time the inventory items are used. In the Special Revenue Funds, the cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventories of the

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

Special Revenue Funds are equally offset by a reservation of fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

- i. Vacation and Sick Leave --The County's permanent, full-time employees accrue 6.66 hours of vacation per month from date of employment to six years of service, ten hours per month from 6 years to 15 years of service, and 13.33 hours per month in excess of 15 years of continuous employment. The maximum accrual is four, five or six weeks of vacation for the respective accrual categories specified. Upon termination from County employment, an employee shall be entitled to payment for total accrued but unused hours of vacation.

No accrued vacation leave is expected to be liquidated with expendable available financial resources. Amounts of accrued vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

The County's permanent, full-time employees accrue sick leave at the rate of eight hours per month. Sick leave is paid to current employees if the employees are absent from work due to illness, injury or other situations requiring medical attention. An employee who leaves the employment of the County for any reason prior to five years of service shall receive no compensation for accrued sick leave. Employees who terminate their employment after five years of continuous service shall be paid a percentage of the balance of their accrued but unused sick leave that ranges from 5% for five to ten years service to 50% for over 50 years of service.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences," no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that the County estimates will be paid at termination or retirement. Those amounts expected to be liquidated with expendable available financial resources are recorded as liabilities in the Governmental Funds. The remaining liability is recorded in the General Long-Term Debt Account Group.

- j. Accrued Revenue Reporting -- State law prohibits the appropriation of revenue unless it is expected to be collected by the end of the fiscal period for which it is appropriated. Because of this restriction on the County, revenues accrued but not collected at September 30, 1998, have been included in fund balance designated for subsequent budget period.
- k. Accounts Receivable -- Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time reimbursable costs are incurred. Reimbursements for services performed are recorded as receivables and revenues when they

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

become susceptible to accrual. Revenues received in advance of the costs being incurred are recorded as deferred revenue.

- l. Unemployment and Workers' Compensation Benefits -- The County is a reimbursing employer for unemployment compensation benefits. Reimbursements are made on the basis of regular billings received from the Texas Employment Commission. The County also processes workers' compensation payments through a third-party administrator as the claims become due. These obligations are budgeted and paid from current resources (see Note M).
- m. Comparative Total Data-- Comparative total data for the prior year have been presented in the accompanying combined financial statements to provide an understanding of changes in the County's financial position and operations.

However, comparative (i.e., presentation of prior-year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

- n. Reclassifications-- Certain amounts reported in the 1997 financial statements have been reclassified to conform with 1998 classifications.
- o. Total Columns on Combined Statements-- Total columns on the combined financial statements are captioned Memorandum Only to indicate that 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. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of these data.
- p. Property, Plant and Equipment - Discretely Presented Component Unit-- Property, plant and equipment are recorded at cost or, if donated, at fair market value at the date of receipt. Costs of major renewals and betterments which extend useful lives are capitalized while maintenance and repairs are charged to current operations. Disposals are removed at carrying cost less accumulated depreciation with any resulting gain or loss included in other revenue. Depreciation is recorded on the straight-line method over the estimated useful lives of the assets. The estimated useful lives for buildings are 10 to 40 years and 3 to 20 years for equipment. Equipment under capital lease is amortized on the straight-line method over the lesser of the useful life of the equipment or the lease term. Such amortization is included in depreciation in the financial statements.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

Property, plant and equipment at September 30, 1998, are summarized as follows:

Land and improvements	\$ 16,042
Buildings	266,250
Fixtures and equipment	136,761
Equipment under capital lease	<u>1,616</u>
	420,669
Accumulated depreciation and amortization	<u>(233,472)</u>
	187,197
Construction in process	<u>15,277</u>
Property, plant and equipment, net	<u>\$ 202,474</u>

The District capitalizes interest cost net of any interest earned on temporary investments of the proceeds for construction projects funded by tax-exempt borrowings. Interest expense is also capitalized for projects financed with operating funds. Capitalized debt issuance costs relating to long-term debt are amortized over the period the debt is outstanding using the straight-line method, which approximates the interest method. Total interest cost in fiscal 1998 was \$1,417, of which \$269 was capitalized.

- q. Restricted Funds - Discretely Presented Component Unit-- Upon receipt, contributions, grants and other revenues restricted by donors for specific purposes are added to restricted funds of the District. Each restricted fund has an administrator who is responsible for monitoring the income and expense and for ensuring that the fund's assets are being used for the purpose stated. The Foundation, a nonprofit corporation established in 1986, is combined as part of the restricted funds because the District is deemed to have control of the Foundation since the majority of the Foundation's Board of Directors is appointed by the District's Board of Managers. Due to the diverse management of funds by various program administrators, the District does not include restricted funds in its statement of cash flows.
- r. Assets (Investments) Limited as to Use or Restricted - Discretely Presented Component Unit-- Resources are set aside for board-designated purposes, the terms of bond agreements or self-insurance arrangements. At September 30, 1998, resources were also set aside for the disproportionate share programs.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE A--GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--
Continued

- s. Third-Party Reimbursement Programs - Discretely Presented Component Unit--The District has agreements with third-party payors that provide for reimbursement to the District at amounts different from its established rates. Contractual adjustments under third-party reimbursement programs represent the difference between the District's established rates for services and the amounts reimbursed by third-party payors. The District's more significant third-party payors are the Medicare and Medicaid programs, which accounted for gross charges of 14% and 24%, respectively, in 1998 and 15% and 26%, respectively, in 1997.

In accordance with provisions of the Medicare and Medicaid programs, inpatient services to Medicare and Medicaid beneficiaries are paid at prospectively determined rates per discharge based on a patient classification system utilizing clinical, diagnostic and other factors. Outpatient services are generally reimbursed on a cost reimbursement methodology. Additionally, the District receives cost-based reimbursement from Medicare for certain costs, as defined by the Medicare program, including kidney acquisition, medical education and bad debts. Effective October 1, 1991, the Medicare program changed its method of paying capital costs from a cost-based reimbursement system to a prospectively determined rate per discharge. The full effect of this change is being phased in over a ten-year transition period.

Cost reimbursable items are reimbursed to the District at a tentative rate, with final settlement determined after submission of annual cost reports by the District, which are subject to audit by the intermediary prior to final settlement. Any differences between final audited settlements and amounts accrued at the end of the prior reporting period are included currently in the statement of revenues and expenses as an adjustment to the appropriate allowance account. The District's cost reports have been finalized by the fiscal intermediary through 1994 for Medicare and Medicaid.

- t. Vacation and Sick Leave - Discretely Presented Component Unit-- Accrued vacation leave and accrued sick leave are recorded as expenses and liabilities as the benefits accrue to the employees.

NOTE B--LEGAL COMPLIANCE BUDGETS

The budget law of the State of Texas provides that "the amounts budgeted for the current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor." In addition, the law provides that the Commissioners Court "may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund but no such transfer shall increase the total of the budget."

Each year, all departments submit to the Budget Officer requests for appropriation. These requests are reviewed, compiled and presented to the Commissioners Court for approval. The Commissioners Court conducts departmental budget reviews, adjusts budget requests to final form and conducts a public hearing in

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE B--LEGAL COMPLIANCE BUDGETS--Continued

the County Administration Building. One copy of the proposed budget must be filed with the County Clerk and one with the County Auditor. Copies must be available to the public. The Commissioners Court must provide for the public hearing on the budget on some date within seven calendar days after the filing of the budget and prior to October 31 of the current fiscal year. The approved budget must be filed with the County Clerk and County Auditor.

According to the budget laws of the State of Texas, expenditures may not legally exceed the amount appropriated in each fund. The County controls appropriations at the category level (i.e., salaries, allowances, operations and property) for each department within the General and Special Revenue Funds of the County. All Debt Service Funds' expenditures for principal and interest on long-term debt are considered to be in the operations category. Appropriation transfers may be made between categories or departments only with the approval of the Commissioners Court. Such transfers were made during fiscal year 1998; however, no transfer increased the total budget of any fund nor was the budget of any fund impaired by these transfers. The budget figures presented in this report reflect the budget as amended for all appropriation transfers processed during the fiscal year. More comprehensive accounting of activity on the budgetary basis is provided in a separate report which is available for public inspection in the office of the Dallas County Auditor, 500 Elm Street, Room 407, Dallas, Texas 75202-3504.

NOTE C--DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES

I. Primary Government

The County's demand deposits and bank certificates of deposit are fully covered by collateral held by the County's agent, Federal Reserve Bank of Dallas, in the County's name. The collateral is comprised of U.S. Treasury bills, notes and bonds; Federal National Mortgage Association issues; Federal Farm Credit Bank issues; Federal Home Loan Bank issues; Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and Government National Mortgage Association pools; obligations of states, counties, cities and other political subdivisions of any state with a rating of A or better; surety bonds rated in the two highest categories for claims paying ability; and Federal Deposit Insurance Corporation ("FDIC") insurance. The County's collateral agreement requires the market value of securities held by its agent to exceed the total amount of cash and investments held by its depository bank at all times.

The County's investment policies are in accordance with the laws of the State of Texas. The policies identify authorized investments and investment terms, collateral requirements and safekeeping requirements for collateral.

The County is authorized by statute and by depository contract to invest in "security repurchase agreements." A security repurchase agreement is a simultaneous agreement to buy, hold for a specified time and then sell

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE C--DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES--Continued

back at a future date U.S. government securities, direct obligations of the United States, obligations of principal and interest which are guaranteed by the United States or direct obligations of, or participation certificates guaranteed by, the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks or Banks for Cooperatives.

During 1998, the County invested in U.S. government securities, commercial paper and security repurchase agreements.

Deposits - At September 30, 1998, the carrying amount of the County's demand and time deposits was \$162,430. The \$169,442 bank balance was covered by federal depository insurance or collateralized with securities held by the Federal Reserve Bank of Dallas in the name of the County. The deposits consist of cash and cash equivalents of all funds.

Cash and cash equivalents include amounts in demand deposits as well as short-term investments.

Investments -The County's investments are categorized as either (1) insured or registered or for which the securities are held by the County's agent in the name of the County, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the name of the County, or (3) uninsured and unregistered for which the securities are held by the counterparty or by its trust department or agent but not in the name of the County. During the year, the County adopted the provision of GASB Statement No. 31. The adoption of this statement had no impact on beginning fund balances.

	Category			Carrying Amount	Market Value
	1	2	3		
U.S. government securities	\$ 21,702	\$ -	\$ -	\$ 21,702	\$ 21,761
Commercial papers	36,639	-	-	36,639	36,639
Security repurchase agreements	74,163	-	-	74,163	74,163
	<u>\$ 132,504</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 132,504</u>	<u>\$ 132,563</u>

II. Discretely Presented Component Unit

Deposits - The District invests a portion of its available cash and assets limited as to use in TexPool, which is a local government investment pool sponsored by the Texas Comptroller of Public Accounts and managed by the Texas Treasury Safekeeping Trust Company. TexPool's portfolio consists of U.S. Treasury bills and notes, U.S. Government agency notes, collateralized certificates of deposit, repurchase agreements and mutual funds. At September 30, 1998 and 1997, the carrying amount of the District's investment in TexPool was \$43,255 and \$54,073, respectively.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE C--DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES--Continued

Investments - The District's investment policy includes purchasing U.S. Treasury and Agency securities. The carrying amounts of such investments totaled \$186,394 and \$181,722 at September 30, 1998 and 1997, respectively. The District's investments are categorized in the same manner as that described above for the Primary Government. The District's investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The District considers quoted market prices at September 30, 1998, to be the fair value of investments.

	Category			Carrying Amount	Market Value
	1	2	3		
U.S. government securities	<u>\$ 187,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,369</u>	<u>\$ 187,369</u>
				<u>\$ 187,369</u>	<u>\$ 187,369</u>

NOTE D--PROPERTY TAXES

I. Primary Government

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied prior to September 30, are due on October 1 and are delinquent after January 31. The County bills and collects its own property taxes and those for the District, the Community College District, the School Equalization Fund, the City of Buckingham, the City of Cockrell Hill, the City of Duncanville, the Duncanville Independent School District (ISD) and the County Education District (CED) of the Duncanville ISD, the City of Farmers Branch, the City of Grand Prairie, the Grand Prairie ISD and CED, the Town of Highland Park, the Highland Park ISD and CED, Irving Flood Control Districts I and III, the City of Lancaster, the Lancaster ISD and CED, City of Rowlett, City of Seagoville, Levee Districts 4, 8 and 14, the City of University Park, the Westchester Public Improvement District, the City of Wilmer, and Whispering Oaks Improvement Districts. The County and the District are the only entities controlled by the Commissioners Court; the County acts only as an intermediary in the collection and distribution of property taxes to the other entities.

Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the Tax Assessor/Collector's Agency Fund. Tax collections are recorded in this agency fund according to the levy year for which the taxes are collected. Tax collections deposited for the County are distributed on a monthly basis to the General, Jury, Permanent Improvement and Debt Service Funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners Court for the tax year for which the collections are made. No tax levy was required for the Permanent Improvement Fund in levy years 1991 through 1995, and the Jury Fund was combined with the General Fund for 1997 and subsequent tax levies.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE D--PROPERTY TAXES--Continued

The County is authorized by the tax laws of the State of Texas to levy taxes up to \$.80 per \$100 of assessed valuation for general governmental services and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under Article 3, Section 52 of the Texas Constitution. The combined tax rate to finance general governmental services and the payment of principal and interest on limited tax long-term debt for the year ended September 30, 1998, was \$.18329 per \$100; therefore, the County had a tax margin of \$.61671 per \$100 and could have raised up to \$555,619 of additional taxes from the net assessed valuation of \$90,094,023 before reaching the limit.

Property taxes receivable at September 30, 1998, are reported net of an allowance for uncollectible taxes of \$17,423.

II. Discrete Component Unit

The District received approximately 30% in 1998 of its total revenues from ad valorem taxes. These funds were used as follows:

	<u>1998</u>
Percentage used to support operations	29%
Percentage used for debt service on General Obligation bonds	1

Current taxes are received beginning in October of each year and become delinquent after January 31. Ad valorem tax revenue is recognized ratably over the fiscal year for which taxes are assessed.

Assets (investments) limited as to use or restricted consist of the following funds which are all investments in U.S. Treasury and agencies obligations at September 30, 1998.

Designated for capital uses	\$ 89,222
Debt service under bond indenture	5,184
Other	<u>6,482</u>
Total	100,888
Less current portion	<u>(1,487)</u>
Net of current portion	<u><u>\$ 99,401</u></u>

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE E--ASSETS (INVESTMENTS) LIMITED AS TO USE AND RESTRICTED (DISCRETELY PRESENTED COMPONENT UNIT)--Continued

Designated for Capital Uses - Assets limited as to use designated for capital uses represents unexpended funds designated by the Board of Managers for additions to property, plant and equipment.

Debt Service Under Bond Indenture - Assets limited as to use under bond indenture represent those assets that are encumbered by covenants in the revenue and general obligation bond indentures. The use of these funds is restricted to the payment of obligations arising from the bond issues, including costs of construction.

Other - Other assets limited as to use include funds designated by the Board of Managers to fund the District's self-insurance programs.

NOTE F--CHANGES IN REVENUE RECOGNITION METHOD FOR DISPROPORTIONATE SHARE FUNDS

The Disproportionate Share programs have been created by the State of Texas to provide additional federal matching funds. Under program guidelines, the District may use the funds to benefit the indigent in either the immediate or future years.

Effective October 1, 1996, the District began recognizing all funds received under the Disproportionate Share programs as general fund revenue when received, as such accounting provides better matching of current revenues and expenses. Prior to October 1996, receipts were recorded as increases in the Restricted--Disproportionate Share Fund balance.

NOTE G--FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Land</u>	<u>Buildings</u>	Improvements Other Than <u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, October 1, 1997	\$ 31,377	\$ 356,143	\$ 1,528	\$ 66,593	\$ 455,641
Additions	173	5,878	-	8,049	14,100
Deletions	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,374)</u>	<u>(5,374)</u>
Balance, September 30, 1998	<u>\$ 31,550</u>	<u>\$ 362,021</u>	<u>\$ 1,528</u>	<u>\$ 69,268</u>	<u>\$ 464,367</u>

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE H--LONG-TERM DEBT

I. Primary Government

The long-term debt of the County consists of the following at September 30, 1998:

General Long-Term Debt Account Group General Obligation Debt (Bonded Debt)

<u>Description</u>	<u>Interest Rates (%)</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Bonds Outstanding</u>
Parking Garage, Series 1968	5.50 %	1968	2003	\$ 875
Road and Bridge Refunding Bonds, Series 1985A:				
Capital Appreciation Bonds	8.90-9.25	1986	2005	14,677
Permanent Improvement Bonds, Series 1988C	Floating	1988	2008	17,500
Road Refunding Bonds Series 1991A:				
Current Interest Bonds	5.00-6.50	1991	2004	4,635
Capital Appreciation Bonds	6.60	1991	2002	2,010
Permanent Improvement Refunding Bonds, Series 1991B	5.00-6.60	1991	2006	13,765
Road and Refunding Bonds, Series 1992:				
Current Interest Bonds	5.625-7.625	1992	2012	25,810
Permanent Improvement and Refunding Bonds, Series 1992A	5.625-7.625	1992	2012	19,735
Road Refunding Bonds, Series 1993A:				
Current Interest Bonds	2.40-5.25	1993	2009	28,005
Capital Appreciation Bonds	5.55-5.75	1993	2007	11,391
Permanent Improvement Refunding Bonds Series 1993B	2.40-5.30	1993	2009	44,340
Certificates of Obligation, Series 1994	4.00-6.00	1994	2001	2,830
Road Bonds, Series 1995	5.25-7.00	1995	2015	30,600
Certificates of Obligation, Series 1995B	4.50-6.50	1995	2002	5,035
Certificates of Obligation, Series 1996	4.50-6.50	1996	2003	2,975
Road Bonds, Series 1996	5.00-5.50	1996	2017	33,250
Certificates of Obligation, Series 1996A	4.15-6.15	1996	2004	3,090
Road Refunding Bonds, Series 1997:				
Current Interest Bonds	3.85-4.75	1997	2009	14,885
Capital Appreciation Bonds	4.625	1997	2002	1,608
Permanent Improvement Refunding Bonds, Series 1997A	3.85-5.75	1997	2009	20,520
Certificates of Obligation, Series 1997B	4.10-6.00	1997	2006	8,000
 Total general obligation debt (bonded debt)				 <u>\$305,536</u>

Capital appreciation bonds, which accrue and compound interest from their date of delivery to yield the rates per annum set forth above, were issued in the original principal amount of \$18,571 and will be payable serially with the total maturity amount of \$38,605.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE H--LONG-TERM DEBT--Continued

Arbitrage Rebate Liabilities--The Tax Recovery Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local governmental bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due on an annual basis and remit the amount due at least every five years. The County's cumulative rebate amount, which is recorded as a liability in the general fund for bonds issued in 1994, 1995, 1996 and 1997, is \$654 at September 30, 1998.

Changes in Long-Term Debt--A summary of long-term debt transactions for the year ended September 30, 1997, follows:

	Primary Government	
	General Obligation Bonds	Other Long-Term Obligations
Principal balance, October 1, 1997	\$ 336,793	\$ 19,770
Amounts issued or incurred in fiscal 1998	8,000	73
Appreciation on capital appreciation bonds	2,528	-
Amounts retired in fiscal year	<u>(41,785)</u>	<u>(4,739)</u>
Principal balance, September 30, 1998	<u>\$ 305,536</u>	<u>\$ 15,104</u>

Other long-term obligations are composed of compensated absences, workers' compensation, accrued liabilities and contingent liabilities for litigation and grant refunds.

Bonds Authorized but Unissued-- At September 30, 1998, the County has authorized but unissued Road Bonds of \$74,645.

General Obligation Bonds Advance Refunding-- On November 19, 1985, the County issued \$188,858 of refunding bonds for the defeasance of \$238,695 of outstanding general obligation debt. The proceeds of the sale, combined with a \$35,399 advance payment by the County, have been placed in an irrevocable escrow account and invested in a manner that will provide amounts sufficient for the future payment of principal and interest on the issues being refunded. Accordingly, the County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$34,255 at September 30, 1998.

On March 14, 1991, the County issued \$26,175 in General Obligation Bonds with interest rates ranging from 5.0% to 6.6% to advance refund \$24,985 of outstanding 1985 series bonds with interest rates ranging from 5.7% to 9.30%. The net proceeds of \$26,623 (after payment of underwriting fees and other issuance costs plus additional receipts of \$127 for accrued interest and \$826 for premium on capital appreciation bonds) plus \$990 from the fiscal year 1991 debt service accounts were deposited in an irrevocable trust with an

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE H--LONG-TERM DEBT--Continued

escrow agent to provide for all future debt service payments on the portion of the 1985 Series bonds which was refunded. As a result, this portion of the 1985 Series bonds is considered to be defeased, and the liability for these bonds has been removed from the General Long-Term Debt Account Group. The County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$15,610 at September 30, 1998.

On March 24, 1992, the County sold \$33,520 in General Obligation Bonds with interest rates ranging from 5.85% to 7.625% to advance refund \$33,190 of outstanding Road Bonds, Series 1986A; Road Bonds, Series 1988A; Permanent Improvement Bonds, Series 1986B; and Permanent Improvement Bonds, Series 1988B. The net proceeds of \$34,560 (after payment of underwriting fees and other issuance costs plus additional receipts of \$162 for accrued interest and \$1,118 for premium on capital appreciation bonds) plus \$1,258 from the Debt Service Fund were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds which were refunded. As a result, this bonded debt is considered to be defeased, and the liability for the bonds has been removed from the General Long-Term Debt Account Group. The County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$29,655 at September 30, 1998.

On May 20, 1993, the County sold \$110,340 in General Obligation Bonds with interest rates ranging from 2.6% to 5.3% to advance refund \$104,490 of outstanding Road Bonds, Series 1986A; Road Bonds, Series 1987A; Road Bonds, Series 1988A; Road Refunding Bonds, Series 1985A; Permanent Improvement Bonds, Series 1986B; Permanent Improvement Bonds, Series 1987B; Permanent Improvement Bonds, Series 1988B; Permanent Improvement Refunding Bonds, Series 1991B; and Certificates of Obligation, Series 1990. The net proceeds of \$116,327 (after payment of underwriting fees and other issuance costs plus additional receipts of \$475 for accrued interest and \$7,090 for premium on capital appreciation bonds) were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds which were refunded. As a result, this bonded debt is considered to be defeased, and the liability for the bonds has been removed from the General Long-Term Debt Account Group. The County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$81,010 at September 30, 1998.

On September 17, 1997, the County issued \$36,325 in General Obligation Bonds with interest rates ranging from 3.85% to 4.75% to advance refund \$2,100 of outstanding Permanent Improvement Bonds, Series 1987B; \$15,625 of Road Improvement and Refunding Bonds, Series 1992; and \$17,555 of Permanent Improvement and Refunding Bonds, Series 1992A with interest rates ranging from 5.625% to 8.0%. The net proceeds of \$37,443 (after payment of underwriting fees and other issuance costs plus additional receipts of \$150 for accrued interest, \$1,031 for premium on capital appreciation bonds and \$245 for premium on Permanent Improvement Bonds) were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds which were refunded. As a result, those bonds are considered to be defeased, and the liability for these bonds has been removed from the General Long-Term Debt

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE H--LONG-TERM DEBT--Continued

Account Group. The County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$35,280 at September 30, 1998.

Contractual Maturities--The annual requirements to amortize debt outstanding plus interest payments of approximately \$97,063 as of September 30, 1998, follow. Due to the nature of the obligations for compensated absences, workers compensation liability and the cumulative arbitrage rebate liability, annual requirements to amortize such obligations are not determinable and have not been included in the following summary:

<u>Years ending September 30</u>	<u>General Long-Term Debt Account Group General Obligation Debt</u>
1999	\$ 52,202
2000	48,756
2001	43,845
2002	38,911
2003	36,190
2004-2008	128,741
2009-2013	42,152
2014-2017	<u>11,802</u>
	402,599
Less applicable interest	<u>(97,063)</u>
Principal due	<u>\$ 305,536</u>

The Debt Service Funds have \$21,397 available to service the general long-term bond retirement.

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

Conduit Debt--The Housing Finance Corporation issues single family revenue bonds to provide financial assistance to qualified home owners. As of September 30, 1998, there were five series of single family revenue bonds outstanding, with an aggregate principal amount payable of \$58,810.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE H--LONG-TERM DEBT--Continued

II. Discretely Presented Component Unit

Long-term debt expected to be paid by the District consists of the following at September 30, 1998:

Revenue bonds:	
Series 1992, with interest from 5.875% to 7.875% payable semiannually, principal payable annually from 1993 to 2001	\$ 810
Series 1994, with interest from 5% to 5.40% payable semiannually, principal payable annually from 1995 to 2006	21,691
Capital leases	<u>871</u>
Total component unit long-term debt	23,372
Less current maturities	<u>(2,650)</u>
	<u><u>\$20,722</u></u>

Gross revenues (excluding ad valorem taxes) are pledged as collateral on all revenue bond series debt.

Changes in Long-Term Debt--A summary of long-term debt transactions for the year ended September 30, 1998, follows:

	Revenue Bonds	General Obligation Bonds	Obligations Under Capital Leases
Principal balance, October 1, 1997	\$24,669	\$ 3,150	\$ 1,132
Amounts issued or incurred in fiscal 1998	-	-	2
Amounts retired in fiscal 1998	<u>(2,168)</u>	<u>(3,150)</u>	<u>(263)</u>
Principal balance, September 30, 1998	<u><u>\$22,501</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 871</u></u>
Composed of:			
Amounts due in one year	\$ 2,320	\$ -	\$ 330
Amounts due after one year	<u>20,181</u>	<u>-</u>	<u>541</u>
	<u><u>\$22,501</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 871</u></u>

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE H--LONG-TERM DEBT--Continued

Advance Refundings--In March 1994, proceeds of the Revenue Bonds Series 1994 were deposited with a trustee sufficient to defease \$20,195 and \$4,860 of the Revenue Bonds Series 1986 and 1992, respectively, with maturities in 1997 through 2006 and 2002 through 2012, respectively. At September 30, 1998, there were \$4,860 of the Series 1992 Bonds remaining outstanding; the Series 1986 bonds have been fully paid.

Certain proceeds of the General Obligation Bonds Series 1985 were deposited with a trustee in sufficient amounts to defease all the outstanding General Obligation Bonds (Series 1980, 1982, 1982A and 1984) when due or callable. At September 30, 1998, there were \$6,600 of these defeased bonds remaining outstanding.

Contractual Maturities--The annual requirements to amortize debt outstanding plus interest payments of approximately \$306 as of September 30, 1998, follow:

Years ending <u>September 30,</u>	<u>Component Unit</u>	
	<u>General Obligation and Revenue Bond Debt</u>	<u>Obligations Under Capital Leases</u>
1999	\$ 2,320	\$ 388
2000	2,450	388
2001	2,585	162
2002	2,735	30
2003	2,890	-
2004-2006	<u>9,730</u>	<u>-</u>
	22,710	968
Less applicable interest	<u>(209)</u>	<u>(97)</u>
Principal due	<u>\$ 22,501</u>	<u>\$ 871</u>

The District is in compliance with all significant limitations and restrictions contained in the various bond indentures.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE I--INTERFUND RECEIVABLE AND PAYABLE BALANCES

Generally accepted accounting principles require disclosure, as part of the combined financial statements, of individual fund interfund receivable and payable balances. Such balances at September 30, 1998, were:

<u>Fund Description</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,312	\$ 24
Special Revenue Funds:		
Road and Bridge	956	
HIV Grant	2	1
Grants Fund	1	897
Historical Exhibit		4
Child Support-Special		9
Debt Service Funds:		
Countywide General Obligation		1
Capital Project Funds:		
Permanent Improvement Bonds, 1992A		1
Road Bonds, 1992		1,292
Road Bonds, 1996	1,292	
Certificates of Obligation, 1993C		48
Certificates of Obligation, 1994		22
Certificates of Obligation, 1995B		41
Certificates of Obligation, 1996		21
Certificates of Obligation, 1996A		34
Certificates of Obligation, 1996B		200
Agency Funds:		
Payroll		5
Community Supervision and Corrections	19	28
Constables	2	
Tax Assessor and Collector		956
	<u>\$ 3,584</u>	<u>\$ 3,584</u>

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE J--RETIREMENT COMMITMENTS

I. Primary Government

Plan Description-- The County provides retirement, disability and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (the "TCDRS"). The Board of Trustees is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of 493 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the state statutes governing the TCDRS (TCDRS Act). Members can retire at age 60 and above with ten or more years of service, with 30 years regardless of age, or when the sum of their age and years of service equals 80 or more. Members are vested after ten years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy-- The employer has chosen a fixed rate plan under the provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the regular 7% contribution rate of the employer is a fixed percent equal to the 7% contribution rate payable by the employee members as adopted by the governing body of the employer. This regular contribution rate of the employer is not actuarially determined and is one of the rates that can be adopted in accordance with the TCDRS Act. The plan of benefits, however, adopted by the employer at the time of plan inception or when benefit increases were adopted was limited by the TCDRS Act to what the actuary determined could be adequately financed by the commitment of the employer to contribute the same amount as the employees. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE J--RETIREMENT COMMITMENTS--Continued

If a plan has had adverse experience, the TCDRS Act has provisions which allow the employer to contribute a fixed supplemental contribution rate determined by the System's actuary above the regular rate for 25 years or to reduce benefits earned in the future.

Annual Pension Cost-- For the employer's accounting year ending September 30, 1998, the annual pension cost for the TCDRS plan for its employees was \$12,329, and the actual contributions were \$12,329.

While the actual contributions were not actuarially determined but were a fixed percent of the covered payroll of the participating employees, the annual required contributions were in compliance with the GASB Statement No. 27 parameters based on the actual actuarial valuations as of December 31, 1995 and December 31, 1996, the basis for assessing the adequacy of the financing arrangement beginning with the contribution rates for calendar years 1997 and 1998. The December 31, 1997, actuarial valuation is the most recent valuation.

Actuarial Valuation Information

Actuarial valuation date	December 31, 1995	December 31, 1996	December 31, 1997
Actuarial cost method	Unit Credit	Unit Credit	Unit Credit
Amortization cost method	Level percentage of payroll, open	Level percentage of payroll, open	Level percentage of payroll, open
Amortization period	30 years	30 years	30 years
Asset valuation method	Amortized cost for bonds; no equities	Amortized cost for bonds; no equities	Long-term appreciation with adjustments
Actuarial Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	3.0%	3.0%	3.0%
Inflation	4.5%	4.5%	4.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE J--RETIREMENT COMMITMENTS--Continued

Trend Information
for the Retirement Plan for the Employees of the County

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
September 30, 1998	\$12,329	100%	\$0

Transition Disclosure-- It was determined in accordance with GASB Statement No. 27 that the pension liability was zero at the transition to that statement effective at the beginning of this accounting year, because all actuarially required contributions for the accounting years beginning in 1987 up to the beginning of this accounting year have been paid. There was no previously reported pension liability before the transition. Therefore, the difference between the pension liability at transition and the previously reported pension liability is zero.

Schedule of Funding Progress
for the Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Unfunded) Assets in Excess of AAL (b - a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a)/c)
December 31, 1995	\$334,970	\$327,643	\$7,327	102.24%	\$150,914	4.86%
December 31, 1996	362,580	352,817	9,763	102.77	153,371	6.37
December 31, 1997	391,002	391,195	(193)	99.95	163,514	(0.12)

II. Discretely Presented Component Unit

Defined Benefit Plan-- The District maintains the Dallas County Hospital District Retirement Income Plan, a single-employer, defined benefit pension plan (the "Plan"), which covers substantially all of its full-time employees. The Plan is administered by an Administrative Committee appointed by the Board of Managers of the District. The annual payroll for employees covered by the Plan as of January 1, 1998, was

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE J--RETIREMENT COMMITMENTS--Continued

approximately \$191,406,113. For the year ended September 30, 1998, the District's total payroll was approximately \$223,312,000. Membership in the Plan as of January 1, 1998 and 1997, was composed of the following:

<u>Group</u>	<u>Members</u>	
	<u>1998</u>	<u>1997</u>
Retirees and beneficiaries currently receiving benefits	408	362
Vested terminated employees	1,287	1,098
Active employees:		
Fully vested	2,474	2,439
Nonvested	3,383	3,794

Employees are required to contribute 4.5% of their annual salary to the Plan. The District is required by the Plan document to contribute the remaining amounts necessary to fund the Plan using actuarial methods.

Employees attaining the age of 65 who have completed five or more years of service are entitled to annual benefits of 1.25% of their final average annual earnings for each year of service prior to 1982 plus 2.5% of their final average earnings for each year of service after 1981 up to a maximum of 60% of final average earnings. The Plan permits early retirement, for which the participant is eligible for a reduced benefit, at age 55, provided the employee has completed five years of service.

If an employee terminates his or her employment with the District prior to the completion of five years of service, the employee is entitled to a refund of his or her contribution plus 5% interest compounded annually. After five years of service, the employee, upon termination, is entitled to the pension accrued to the date of termination, payable commencing at his or her normal retirement date or at the age of 55 upon early retirement. Actual benefits to be paid, however, may vary depending on, among other things, actual retirement date, form of payment elected and certain limitations as described in the Plan document.

The amount shown below as the "actuarial accrued liability" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. This measure is the actuarial present value of credited projected benefits and is intended to (a) help users assess the Plan's funding status on a going-concern basis, (b) assess progress being made in accumulating sufficient assets to pay benefits when due and (c) allow for comparisons among public employee retirement plans.

The actuarial accrued liability was determined as part of an actuarial valuation of the Plan as of January 1, 1998. The January 1, 1997, actuarial valuation is included below for comparative purposes. Significant actuarial assumptions used in determining the pension benefit obligation include (a) a rate of return on the investment of present and future assets of 8.50% per year compounded annually, (b) projected salary

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE J--RETIREMENT COMMITMENTS--Continued

increases ranging from 4.25% to 6.9% per year compounded annually depending on years of service, averaging 5.3% in the aggregate (4.3% for inflation and 1.0% for seniority/merit increases), (c) the assumption that benefits will not increase after retirement and (d) cost of living adjustments of 0% per year.

	January 1,	
	<u>1998</u>	<u>1997</u>
	(Thousands)	
Retirees and beneficiaries currently receiving benefits	\$ 17,552	\$ 15,055
Terminated employees not yet receiving benefits	21,742	17,482
Current employees:		
Accumulated employee contributions, including		
allocated investment income	48,640	44,352
Employer financed	<u>39,643</u>	<u>35,355</u>
Total actuarial accrued liability	127,577	112,244
Net assets available for benefits, at market value	<u>135,953</u>	<u>113,702</u>
Assets in excess of actuarial accrued liability	<u>\$ 8,376</u>	<u>\$ 1,458</u>

The District's funding policy is to make periodic actuarially determined employer contributions in amounts designed to accumulate sufficient assets to pay benefits when due. The contributions are determined using the projected unit credit actuarial cost method and are equal to the normal cost plus an amount required to amortize the unfunded actuarial accrued liability as of the valuation date over a period of 30 years under a level percent-of-pay approach.

During the years ended September 30, 1998 and 1997, \$8,195,565 and \$8,243,000, respectively, of employee contributions (4.5% of covered payroll) were made in accordance with the established contribution requirements described above. The District contributed \$2,258,301 to the Plan during the year ended September 30, 1998, in accordance with contribution requirements determined by the January 1, 1998, actuarial valuation. These contributions consisted of \$1,849,801 for normal cost and \$408,500 for amortization of the unfunded actuarial accrued liability and represented 1.2% of covered payroll for the year.

Three-year historical trend information presenting the progress in accumulating sufficient assets to pay benefits when due, and three-year historical trend information presenting pension cost and annual contribution percentage are presented in supplemental schedules 1 and 2, respectively, of this report, based on the Plan's year-end of December 31. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. This report may be obtained by writing to the District's Benefits office. At January 1, 1998, 1997 and 1996, respectively, available assets were sufficient to fund 101.7%, 99.9% and 96.8% of the pension benefit obligation. The (unfunded) assets in

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE J--RETIREMENT COMMITMENTS--Continued

excess of pension benefit obligation of January 1, 1998, 1997 and 1996, represented 1.1%, (0.1)% and 1.7% of the annual payroll for employees covered for the District's 1998, 1997 and 1996 Plan fiscal years, respectively. In addition, for the Plan's fiscal years 1998 and 1997, the District's contributions made in accordance with actuarially determined requirements were 1.2% and 1.3%, respectively, of the annual covered payroll.

Defined Contribution Plan-- The District also maintains a voluntary defined contribution plan covering all employees with at least one year of service. The payroll for employees covered by the Plan for the year ended September 30, 1998, was approximately \$126,233,000; the District's total payroll was approximately \$223,312,000. Eligible employees can choose to contribute from 2% to 6% of their base salaries. The District will match employees' contributions 100%. Employees are fully vested at all times in their voluntary contributions plus earnings thereon. Vesting in the District's matching contributions is based on years of service. After one year of service, employees vest at the rate of 20% per year for five years. Should an employee terminate prior to vesting completely in the District's contributions, the unvested portion can be used to reduce matching contributions in the aggregate in the following year. Contributions for the year ended September 30, 1998, were approximately \$5,575,363 from the District and \$5,575,363 for employees, or 5% of covered payroll. The required contribution by the District for 1998 has been reduced by approximately \$49,310, representing forfeitures of prior District contributions and related investment income for nonvested employees withdrawing from the Plan upon termination.

NOTE K--LEASES - DISCRETELY PRESENTED COMPONENT UNIT

The District leases facilities and equipment under operating leases that expire over periods of up to eight years. Renewal and purchase options are available on certain of these leases. At September 30, 1998, future minimum rental payments applicable to the operating leases were as follows:

1999	\$ 1,205
2000	760
2001	<u>191</u>
Total	<u>\$2,156</u>

Rental expense for all operating leases was approximately \$3,535 and \$4,866 in 1998 and 1997, respectively.

The District is also a lessor primarily of land and parking space under operating leases. Renewal options are available on certain of these leases. The land and the parking garage are carried at a cost of \$1,559 and \$8,887, respectively. The accumulated depreciation on the parking garage is \$4,129 at September 30, 1998.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE K--LEASES - DISCRETELY PRESENTED COMPONENT UNIT

Minimum future rentals to be received under operating leases are as follows:

1999	\$ 1,362
2000	1,140
2001	1,082
2002	424
2003	117
Thereafter	<u>5,312</u>
Total	<u>\$9,437</u>

NOTE L--DEFICIT RETAINED EARNINGS

The Dallas County Internal Service Fund has a deficit at September 30, 1998, of \$2,905. The fund was established as a self-supporting internal service fund to provide group hospitalization, medical and dental benefits to County employees and dependents. The fund also contains flexible spending accounts for employees for eligible medical and dependent care expenses. Increased premiums and reduced benefit levels for future years are intended to provide sufficient funding for payment of all obligations.

NOTE M--RISK MANAGEMENT

I. Primary Government

The County has elected to self-insure against the risks arising from tort claims, workers' compensation benefits due employees who are injured while on duty, losses of funds by theft or mysterious disappearances in all fee offices of the County (with the exception of the Tax Office and County Treasurer's Office), and any and all other claims asserted by employees and/or third parties against the County arising out of the normal conduct of County business. The County has also chosen to be a reimbursing employer under the unemployment compensation program administered by the Texas Employment Commission.

The County's workers' compensation self-insurance program provides medical and indemnity payments as required by law for on-the-job related injuries. The portion of the liability to be paid from expendable available financial resources (amounting to \$373) is reported as a liability of the general fund. The balance of \$1,739 is reported in the GLTDAG. The third-party administrator for the program, Lindsey Morden, monitors the filing of claims, verifies the legitimacy and processes payments to the injured employees. The County replenishes the account as payments are processed. Since the County's policy requires claims to be filed within 24 hours of accident, the liability includes no incurred but not reported claims.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE M--RISK MANAGEMENT--Continued

The Group Health Insurance Internal Service Fund was established to account for the County's group health, life, accidental death and dismemberment insurance. The county provides insurance benefits from this fund through its third-party administrator, Nylcare Health Plans. The County pays certain amounts of premiums for employees into the fund and allows employees to select additional benefits for them and their dependents with premiums paid by the employees.

Premiums are paid into the Internal Service Fund by all other funds. Contracted insurance providers receive disbursements from the Fund based on monthly enrollment and premium calculations. All funds are available to pay claims, claim reserves and administrative costs of the programs. During fiscal year 1998, a total of \$11,978 was paid in benefits and administrative costs compared to \$11,374 in fiscal year 1997. The medical claims liability includes \$713 of incurred but not reported claims. The County has stop-loss coverage with its third-party administrator for individual claims in excess of \$100 and aggregate stop-loss of \$3,000.

Changes in the medical and workers' compensation claims liability amounts in fiscal years 1998 and 1997 follow:

	<u>Beginning Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Liability</u>
1998 Medical	\$3,097	\$10,633	\$10,179	\$3,551
1997 Medical	3,157	10,058	10,118	3,097
1998 Workers' Compensation	\$3,546	\$ 811	\$2,245	\$2,112
1997 Workers' Compensation	4,084	1,579	2,117	3,546

11. Discretely Presented Component Unit

The liabilities described below as of September 30, 1998, are based on requirements that a liability for claims be reported if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These liabilities include estimates for both reported claims and incurred but not reported claims. As a result of settled claims, the frequency of new claims and other economic and social factors, claims liabilities are reevaluated periodically.

Hospital Professional Liability and General Liability - The District is involved in certain legal actions and claims arising in the ordinary course of operations. The District records estimated self-insurance costs for medical malpractice and general liabilities as other long-term liabilities. The amounts provided for funding

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE M--RISK MANAGEMENT--Continued

and the estimated liability are based on studies prepared by an independent actuary for settlement of claims limited to \$100 per claim and \$300 per occurrence in accordance with the limited liability provisions of the Texas Tort Claim Act. The funding is discounted at a 6% annual rate.

Employee Health Care Benefit Liability - The District manages a self-insurance program that provides for the payment of employee health claims. The District records estimated self-insurance costs for health claims as current liabilities. The program does not provide for specific excess of loss reinsurance for any one accident or occurrence. The amount provided for the estimated liability is based on studies prepared by an independent actuary for settlement of claims.

To obtain coverage, employees authorize payroll withholdings to pay contributions for individual and dependent coverage. Claims are paid by a third-party administrator acting on behalf of the District. The administrative contract between the District and the third-party administrator is renewable annually, and administrative fees are included in the contractual provisions.

Workers' Compensation Liability - The District manages a self-insurance plan for workers' compensation benefits. The District records estimated self-insurance costs for workers' compensation as current liabilities. The amounts provided for funding and the estimated liability are based on studies prepared by an independent actuary for settlement of claims. The funding is discounted at a 6% annual rate.

Changes in the Hospital Professional Liability and General Liability, Employee Health Care Benefit Liability and Workers' Compensation Liability amounts in fiscal 1997 and 1998 were as follows:

	<u>Beginning Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Liability</u>
Hospital professional and general liability:				
1998	\$ 6,720	\$ 1,400	\$(1,521)	\$ 6,599
1997	6,111	2,366	(1,757)	6,720
Employee health care liability:				
1998	\$ 1,820	\$ 8,090	\$(9,233)	\$ 677
1997	3,317	5,018	(6,515)	1,820
Workers' compensation liability:				
1998	\$ 4,623	\$ 120	\$ (974)	\$ 3,769
1997	4,256	1,261	(894)	4,623

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE N--SUBSEQUENT EVENT

On October 20, 1998, the County sold \$8,700 of Series 1998 Combination Tax and Revenue Certificates of Obligation to finance equipment purchases and capital improvements to County facilities. The County continued to receive favorable interest rates on the borrowing because of its outstanding credit ratings.

NOTE O--COMMITMENTS AND CONTINGENCIES

I. Primary Government

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. A contingent liability of \$3,000 in the General Long-Term Debt Account Group has been established to cover the possible return of previously received grant funding.

Several lawsuits that could affect the County's financial position are in various stages of litigation. A contingent liability of \$2,000 has been established in the General Long-Term Debt Account Group to provide coverage for the estimated maximum cost to the County. There are other lawsuits and claims in which the County is involved. Based upon the representations of the District Attorney and legal counsels for the Commissioners Court, management believes that potential claims, if any, against the County resulting from such litigation would not materially affect the financial position of the County.

NOTE P--DEFERRED COMPENSATION PLAN

The County makes available to its employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457. The plan, available to all regular County employees, permits the deferral of a portion of gross salary until future years. Participation in the plan is optional. The deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency.

Investments are managed by the plan's trustee under one of several investment options or a combination thereof. The choice of the investment options(s) is made by the participant (e.g., fixed, growth, income, aggressive growth, stock, etc.).

During the year, the County adopted IRS Code Section 457 changes and the provision of GASB Statement No. 32 and, therefore, the assets and liabilities related to the plan were not included in the agency fund for fiscal year 1998.

DALLAS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

NOTE Q--GASB TECHNICAL BULLETIN 99-1 - DISCRETELY PRESENTED COMPONENT UNIT

The Hospital District report was originally issued with an auditors' report dated December 18, 1998. In that report, we qualified our opinion on the 1998 financial statements because insufficient audit evidence existed to support the District's disclosures required by GASB Technical Bulletin ("TB") 98-1, "Disclosures About Year 2000 Issues." On March 9, 1999, the GASB Board issued Technical Bulletin 99-1, "Disclosures About Year 2000 Issues - An Amendment of Technical Bulletin B 98-1." The amendment, among other things, provides that required year 2000 disclosures may be reported as required supplementary information. Retroactive application of TB 99-1 is permitted. The District has elected to retroactively adopt the provisions of the GASB TB 99-1, and to present the year 2000 disclosures as required supplementary information. Accordingly we issued a subsequent opinion on the District's 1998 financial statements, which was unqualified and was dual dated.

DALLAS COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

SEPTEMBER 30, 1998
(in thousands of dollars)

YEAR 2000 (UNAUDITED)

I. Primary Government

The year 2000 ("Y2K") problem affects many of the computer systems and other electronic equipment necessary for the continued and uninterrupted operations of the County. The effects of the Y2K problem encompass all County computer systems and equipment dependent on microchip technology, such as elevators, fax equipment, jury computers, cameras, etc.

For the last several years, the County has employed outside contractors to conduct various assessments of Y2K issues. A project plan for remediation of County systems, including timelines, has been published, costs determined and resources allocated. The County's Y2K plan includes multiple review steps to achieve compliance in all critical areas. Testing of all remediated systems is part of the remediation project plan. The County has projected that Y2K compliance will cost an estimated \$10.75 million, in addition to the \$4.5 million cost of the new financial system, and will be funded from The Major Technology Fund. This fund receives the revenues generated by 1/2 cent of the tax rate revenues and is dedicated to Y2K and technology issues.

A contractor is currently updating the inventory of all County computer equipment for Y2K compliance. This inventory should be completed by mid-April 1999. Upgrades to the basic instructions will be performed as needed. All network interface equipment (hubs, routers, switchers, servers) will be upgraded to Y2K compliant software. Security, environmental controls and telephone equipment Y2K issues are also being addressed.

The County is in the process of remediating the mainframe computer and operating system to year 2000 compliance. Additionally, a new Oracle financial system that is Y2K compliant is in the process of being installed and is expected to become operational May 1, 1999. The County has committed over \$4.5 million to the installation and implementation of the Purchasing, Accounts Payable and General Ledger modules. The County's payroll system is already year 2000 compliant. The civil court system will be remediated for Y2K compliance along with other mainframe systems.

The County is making contingency plans for the possible failure of computer systems and embedded devices and also for possible interruptions to the County's business.

The County has engaged The Harbour Group, a consulting firm, to provide Y2K Project Oversight and technical expertise. Commissioners Court is updated monthly on the status of the year 2000 project.

Because of the unprecedented nature of the Y2K issue, management cannot assure the success of some remediation efforts, and Y2K effects will not be fully determinable until the year 2000.

DALLAS COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)--Continued

SEPTEMBER 30, 1998
(in thousands of dollars)

YEAR 2000 (UNAUDITED)--Continued

II. Discretely Presented Component Unit

The Y2K issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the District's operations as early as fiscal 1999.

The District recognized the importance of addressing Y2K issues and began doing so in fiscal 1997 when it funded the replacement and upgrade of several critical computer systems and initiated the appropriate effort to implement these systems. Furthermore, the District began addressing the issue through a committee structure consisting of senior administrators, supported by departmental coordinators, in the first quarter of fiscal 1998. This committee acquired the services of Keane, Inc., a major consulting firm with more than 500 Y2K projects across the nation.

An additional \$8 million is funded in fiscal 1999 to support the involvement of consultants, as well as to provide the replacement or upgrade of biomedical and facilities equipment, computer hardware and computer applications. The District's management view is that Y2K funding is appropriate for the balance of the initiative.

The District has compiled a comprehensive inventory of all Y2K-affected biomedical and facilities equipment, computer hardware and computer applications, has completed an assessment of the compliance effort and has appropriately identified critical items. The District is currently in the remediation and validation/testing phases.

Contingency planning is also occurring throughout the District to consider not only the possible failure of computer systems and embedded devices, but also possible interruptions to the District's business dependencies and public infrastructure.

It is the view of the District's management that the Y2K initiative is progressing appropriately. This view is supported by Keane Inc., which perceives that the District's efforts place it in the top 20% of comparable institutions. The District's management anticipated Y2K readiness by July 1999.

Because of the unprecedented nature of the Y2K issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be Y2K ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

COMBINING, INDIVIDUAL FUND AND ACCOUNT
GROUP FINANCIAL STATEMENTS AND SCHEDULES

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DALLAS COUNTY, TEXAS

GENERAL FUND

The General Fund is used to account for resources not required to be accounted for in another fund.

DALLAS COUNTY, TEXAS

EXHIBIT B-1

COMPARATIVE BALANCE SHEETS - GENERAL FUND

SEPTEMBER 30, 1998 AND 1997

(in thousands of dollars)

	<u>1998</u>	<u>1997</u>
ASSETS:		
Cash and investments	\$ 73,088	\$ 66,013
Receivables (net of allowances for uncollectibles of \$39,050):		
Taxes	141,603	134,462
Accounts	3,017	4,278
Accrued interest	151	950
Due from other funds	1,312	2,966
Due from other governmental units	4,993	5,201
Inventories	691	505
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 224,855</u>	<u>\$ 214,375</u>
LIABILITIES AND FUND BALANCES:		
LIABILITIES:		
Accounts payable	\$ 21,671	\$ 19,971
Compensated absences	175	160
Liability for workers' compensation	373	223
Arbitrage rebate	654	342
Due to other funds	24	7
Due to other governmental units	263	143
Deferred revenue	143,224	137,893
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>166,384</u>	<u>158,739</u>
FUND BALANCES:		
Reserved for encumbrances	11,929	9,466
Reserved for payroll, escrow and change funds	98	97
Reserved for debt service	-	357
Unreserved:		
Designated for subsequent budget periods	6,535	6,993
Undesignated	39,909	38,733
	<u> </u>	<u> </u>
TOTAL FUND BALANCES	<u>58,471</u>	<u>55,646</u>
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 224,855</u>	<u>\$ 214,385</u>

DALLAS COUNTY, TEXAS

EXHIBIT B-2

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GENERAL FUNDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	<u>1998</u>	<u>1997</u>
REVENUES:		
Taxes	\$ 133,094	\$ 129,212
Licenses and permits	390	381
Fines and forfeitures	7,138	5,013
Investments and rentals	10,787	10,255
Intergovernmental revenues	1,784	4,249
Charges for current services	80,849	72,299
Miscellaneous	<u>8,394</u>	<u>6,722</u>
Total Revenues	<u>242,436</u>	<u>228,131</u>
EXPENDITURES:		
Current:		
General government	130,550	126,003
Judicial	1,807	-
Public safety	113,449	105,118
Health	12,337	12,178
Public welfare	6,633	6,814
Libraries	<u>57</u>	<u>53</u>
Total expenditures	<u>264,833</u>	<u>250,166</u>
EXCESS OF REVENUES (UNDER) EXPENDITURES	<u>(22,397)</u>	<u>(22,035)</u>
OTHER FINANCING SOURCES (USES):		
Operating transfers in	27,539	24,888
Operating transfers out	(2,286)	(2,272)
Other	<u>(256)</u>	<u>(224)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>24,997</u>	<u>22,392</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	2,600	357
RESIDUAL EQUITY TRANSFER	225	-
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>55,646</u>	<u>55,289</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 58,471</u>	<u>\$ 55,646</u>

DALLAS COUNTY, TEXAS

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997

(in thousands of dollars)

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Taxes	\$ 131,853	\$ 133,094	\$ 1,241
Licenses and permits	350	390	40
Fines and forfeitures	5,311	7,138	1,827
Investments and rentals	10,468	10,787	319
Intergovernmental revenues	1,173	1,784	611
Charges for current services	77,535	80,849	3,314
Miscellaneous	6,320	8,394	2,074
Total Revenues	233,010	242,436	9,426
EXPENDITURES:			
General Government:			
Salaries	79,306	75,683	3,623
Allowances	104	99	5
Operating	56,836	52,774	4,062
Property	4,137	1,994	2,143
Total General Government	140,383	130,550	9,833
Public Safety:			
Salaries	90,668	89,379	1,289
Allowances	124	114	10
Operating	30,214	22,530	7,684
Property	3,395	1,426	1,969
Total Public Safety	124,401	113,449	10,952
Health:			
Salaries	6,534	6,534	-
Allowances	58	35	23
Operating	7,138	5,714	1,424
Property	91	54	37
Total Health	13,821	12,337	1,484
Public Welfare:			
Salaries	3,417	3,298	119
Allowances	25	24	1
Operating	4,516	3,296	1,220
Property	20	15	5
Total Public Welfare	7,978	6,633	1,345

EXHIBIT B-3

1997		
<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 126,878	\$ 129,212	\$ 2,334
350	381	31
3,800	5,013	1,213
9,712	10,255	543
4,624	4,249	(375)
69,561	72,299	2,738
7,105	6,722	(383)
<u>222,030</u>	<u>228,131</u>	<u>6,101</u>
76,067	72,099	3,968
103	99	4
53,905	52,288	1,617
2,456	1,517	939
132,531	126,003	6,528
80,444	78,914	1,530
112	112	-
29,598	23,989	5,609
3,065	2,103	962
113,219	105,118	8,101
6,169	5,910	259
58	48	10
6,971	6,121	850
143	99	44
13,341	12,178	1,163
2,995	2,950	45
28	24	4
5,916	3,826	2,090
32	14	18
8,971	6,814	2,157

(Continued)

DALLAS COUNTY, TEXAS

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND -- CONTINUED

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
Judicial:			
Salaries	\$ 568	\$ 553	\$ 15
Allowances	1	1	-
Operating	1,281	1,244	37
Property	<u>11</u>	<u>9</u>	<u>2</u>
Total Judicial	1,861	1,807	54
Libraries:			
Salaries	-	-	-
Operating	37	37	-
Property	<u>25</u>	<u>20</u>	<u>5</u>
Total Libraries	<u>62</u>	<u>57</u>	<u>5</u>
TOTAL EXPENDITURES	<u>288,506</u>	<u>264,833</u>	<u>23,673</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(55,496)</u>	<u>(22,397)</u>	<u>33,099</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	29,977	27,539	(2,438)
Operating transfers out	(2,726)	(2,286)	440
Other	<u>-</u>	<u>(256)</u>	<u>(256)</u>
TOTAL FINANCING SOURCES (USES)	<u>27,251</u>	<u>24,997</u>	<u>(2,254)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(28,245)	2,600	30,845
RESIDUAL EQUITY TRANSFER	225	225	-
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>55,646</u>	<u>55,646</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 27,626</u>	<u>\$ 58,471</u>	<u>\$ 30,845</u>

EXHIBIT B-3

1997		
<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
8	8	-
31	25	6
28	20	8
<u>67</u>	<u>53</u>	<u>14</u>
<u>268,129</u>	<u>250,166</u>	<u>17,963</u>
<u>(46,099)</u>	<u>(22,035)</u>	<u>24,064</u>
24,480	24,888	408
(2,362)	(2,272)	90
-	(224)	(224)
<u>22,118</u>	<u>22,392</u>	<u>274</u>
(23,981)	357	24,338
<u>55,289</u>	<u>55,289</u>	<u>-</u>
<u>\$ 31,308</u>	<u>\$ 55,646</u>	<u>\$ 24,338</u>

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DALLAS COUNTY, TEXAS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The following are the County's Special Revenue Funds:

Road and Bridge - used to account for the receipt and disbursement of funds designated for construction and maintenance of County roads and bridges other than specific improvement programs for which road bonds are issued.

Jury Fund - used to account for the receipt of jury fees and the payment of direct jury-related expenditures.

Permanent Improvement Fund - receives an allocation of ad valorem taxes for building maintenance and construction of permanent improvements.

Law Library Fund - used to account for a statutory fee from each civil case filed in a County or District Court that is restricted to the establishment and maintenance of a law library for the use of the judges and litigants of the County.

Parking Garage Revenue Fund - used to account for monies received from the operation of the County-owned parking garage.

HIV Grant - used to account for funds received from federal and state governments to provide relief for individuals who are currently ill or are family members of individuals who are currently ill with the AIDS virus.

Grants Funds - used to account for programs supported by grants-in-aid from various agencies and/or governmental units.

Major Technology - used to account for monies received from ad valorem taxes that are dedicated to improvement of the County's computer systems.

District Attorney Special Fund - used to account for funds to be used at the discretion of the District Attorney.

District Attorney Forfeiture Funds - used to account for money and property forfeited in criminal seizures. Funds are to be used for criminal justice.

Historical Commission - used to account for donations and other funds received for the preservation of historical landmarks.

Historical Exhibit Fund - used to account for proceeds from the John F. Kennedy Sixth Floor Exhibit.

Child Support-Special Fund - used to account for the operations of the Child Support and Family Court Services under the jurisdiction of the Dallas County District Judges.

Alternative Dispute Resolution Fund - used to account for filing fees imposed on civil court cases for the purpose of funding a system for the peaceable and expeditious resolution of citizen disputes.

Appellate Justice System Fund - used to account for fees collected on civil cases filed in the County for the purpose of assisting the court of appeals, including costs incurred by a county within the judicial district.

DALLAS COUNTY, TEXAS

COMBINING BALANCE SHEETS - SPECIAL REVENUE FUNDS

SEPTEMBER 30, 1998
(in thousands of dollars)

	Road and Bridge	Permanent Improvement	Law Library
ASSETS:			
Cash and investments	\$21,444	\$1,755	\$1,319
Receivables:			
Taxes - current	-	1,896	-
Less allowance for uncollectibles	<u>-</u>	<u>(71)</u>	<u>-</u>
Net taxes receivable	-	1,825	-
Accounts	18,698	-	1,064
Less allowance for uncollectibles	<u>(18,684)</u>	<u>-</u>	<u>(946)</u>
Net accounts receivable	14	-	118
Accrued interest	-	-	-
Due from other funds	956	-	-
Due from other governmental units	328	-	-
Inventories	<u>773</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$23,515</u></u>	<u><u>\$3,580</u></u>	<u><u>\$1,437</u></u>
LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Accounts payable	\$ 209	\$ 44	\$ 16
Due to other funds	-	-	-
Due to other governmental units	71	-	-
Deferred revenue	<u>-</u>	<u>1,822</u>	<u>80</u>
TOTAL LIABILITIES	<u>280</u>	<u>1,866</u>	<u>96</u>
FUND BALANCES:			
Reserved for encumbrances	3,382	1,474	97
Reserved for inventory of supplies	773	-	-
Reserved for escrow and change funds	-	-	-
Unreserved:			
Designated for subsequent budget periods	1,284	3	-
Undesignated	<u>17,796</u>	<u>237</u>	<u>1,244</u>
TOTAL FUND EQUITY	<u>23,235</u>	<u>1,714</u>	<u>1,341</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$23,515</u></u>	<u><u>\$3,580</u></u>	<u><u>\$1,437</u></u>

EXHIBIT C-1

<u>Parking Garage Revenue</u>	<u>HIV Grant</u>	<u>Grants</u>	<u>Major Technology</u>	<u>District Attorney Special</u>	<u>District Attorney Forfeiture - FN</u>	<u>District Attorney Forfeiture - OL</u>	<u>District Attorney Unadjudicated Forfeitures</u>
\$ 368	\$ 192	\$ -	\$4,268	\$ 420	\$ 128	\$ 600	\$ 868
-	-	-	4,936	-	-	-	-
-	-	-	(145)	-	-	-	-
-	-	-	4,791	-	-	-	-
4	9	5	-	-	-	-	-
-	-	-	-	-	-	-	-
4	9	5	-	-	-	-	-
1	-	-	-	-	-	-	-
-	2	1	-	-	-	-	-
-	543	5,565	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 373</u>	<u>\$ 746</u>	<u>\$5,571</u>	<u>\$9,059</u>	<u>\$ 420</u>	<u>\$ 128</u>	<u>\$ 600</u>	<u>\$ 868</u>
\$ -	\$ 745	\$1,864	\$ -	\$ -	\$ -	\$ -	\$ -
-	1	897	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,810	4,784	-	-	-	864
-	746	5,571	4,784	-	-	-	864
266	-	-	3	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1	-	-	7	-	-	-	-
106	-	-	4,265	420	128	600	4
373	-	-	4,275	420	128	600	4
<u>\$ 373</u>	<u>\$ 746</u>	<u>\$5,571</u>	<u>\$9,059</u>	<u>\$ 420</u>	<u>\$ 128</u>	<u>\$ 600</u>	<u>\$ 868</u>

(Continued)

DALLAS COUNTY, TEXAS

COMBINING BALANCE SHEETS - SPECIAL REVENUE FUNDS

SEPTEMBER 30, 1998
(in thousands of dollars)

	District Attorney Forfeiture - <u>Auto Theft</u>	District Attorney Escrow - <u>Auto Theft</u>	Historical <u>Commission</u>
ASSETS:			
Cash and investments	\$ 17	\$ 4	\$ 31
Receivables:			
Taxes - current	-	-	-
Less allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net taxes receivable	<u>-</u>	<u>-</u>	<u>-</u>
Accounts	-	-	-
Less allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net accounts receivable	<u>-</u>	<u>-</u>	<u>-</u>
Accrued interest	-	-	-
Due from other funds	-	-	-
Due from other governmental units	-	-	-
Inventories	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 17</u></u>	<u><u>\$ 4</u></u>	<u><u>\$ 31</u></u>
LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Accounts payable	\$ -	\$ -	\$ 1
Due to other funds	-	-	-
Due to other governmental units	-	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>1</u>
FUND BALANCES:			
Reserved for encumbrances	-	-	-
Reserved for inventory of supplies	-	-	-
Reserved for escrow and change funds	-	-	-
Unreserved:			
Designated for subsequent budget periods	-	-	-
Undesignated	<u>17</u>	<u>4</u>	<u>30</u>
TOTAL FUND EQUITY	<u>17</u>	<u>4</u>	<u>30</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 17</u></u>	<u><u>\$ 4</u></u>	<u><u>\$ 31</u></u>

EXHIBIT C-1

Historical Exhibit	Child Support - Special	Alternative Dispute Resolution	Appellate Justice System	Totals	
				September 30	
				1998	1997
\$ 273	\$ 75	\$ 217	\$ 631	\$ 32,610	\$ 33,393
-	-	-	-	6,832	6,405
-	-	-	-	(216)	(256)
-	-	-	-	6,616	6,149
17	97	673	329	20,896	19,817
-	-	(620)	(303)	(20,553)	(19,433)
17	97	53	26	343	384
-	-	-	-	1	4
-	-	-	-	959	561
-	-	-	40	6,476	4,507
-	-	-	-	773	878
<u>\$ 290</u>	<u>\$ 172</u>	<u>\$ 270</u>	<u>\$ 697</u>	<u>\$ 47,778</u>	<u>\$ 45,876</u>
\$ -	\$ 63	\$ 2	\$ 13	\$ 2,957	\$ 3,018
4	9	-	-	911	14
-	-	-	-	71	71
-	-	53	26	10,439	12,942
4	72	55	39	14,378	16,045
3	60	26	37	5,348	5,042
-	-	-	-	773	878
-	-	-	-	-	2
13	-	-	40	1,348	662
270	40	189	581	25,931	23,247
286	100	215	658	33,400	29,831
<u>\$ 290</u>	<u>\$ 172</u>	<u>\$ 270</u>	<u>\$ 697</u>	<u>\$ 47,778</u>	<u>\$ 45,876</u>

DALLAS COUNTY, TEXAS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - SPECIAL REVENUE FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Road and Bridge	Jury	Permanent Improvement	Law Library
REVENUES:				
Taxes	\$ -	\$ -	\$1,678	\$ -
Highway license fees	31,228	-	-	-
Fines and forfeitures	9,208	-	-	-
Investments and rentals	1,211	-	-	77
Intergovernmental revenues	2,972	-	-	-
Charges for current services	7	-	-	729
Miscellaneous	101	-	155	-
Total revenues	<u>44,727</u>	<u>-</u>	<u>1,833</u>	<u>806</u>
EXPENDITURES:				
Current:				
General government	-	-	1,126	-
Judicial	-	-	-	677
Public safety	-	-	-	-
Streets and highways	8,937	-	-	-
Health	-	-	-	-
Public welfare	-	-	-	-
Total expenditures	<u>8,937</u>	<u>-</u>	<u>1,126</u>	<u>677</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>35,790</u>	<u>-</u>	<u>707</u>	<u>129</u>
OTHER FINANCING SOURCES (USES):				
Transfer to Child Support-Special Fund	-	-	-	-
Transfer to General Fund	(27,016)	-	-	-
Transfer to Debt Service Funds	(10,343)	-	-	-
Transfer from General Fund	-	-	-	14
Transfer from Alternative Dispute Resolution Fund	-	-	-	-
Other	6	-	-	-
Total other financing sources (uses)	<u>(37,353)</u>	<u>-</u>	<u>-</u>	<u>14</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(1,563)</u>	<u>-</u>	<u>707</u>	<u>143</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR	24,903	225	1,007	1,198
CHANGE IN INVENTORY - PURCHASES METHOD	(105)	-	-	-
RESIDUAL FUND BALANCE TRANSFER	<u>-</u>	<u>(225)</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 23,235</u>	<u>\$ -</u>	<u>\$1,714</u>	<u>\$1,341</u>

<u>Parking Garage Revenue</u>	<u>Major Technology</u>	<u>HIV Grant</u>	<u>Grants</u>	<u>District Attorney Special</u>	<u>District Attorney Forfeiture - FN</u>	<u>District Attorney Forfeiture - OL</u>	<u>District Attorney Unadjudicated Forfeitures</u>
\$ -	\$4,381	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
689	-	26	-	-	-	-	-
-	-	11,216	33,814	-	-	-	-
-	-	-	-	-	-	-	-
<u>689</u>	<u>4,381</u>	<u>11,242</u>	<u>33,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
121	106	-	-	-	-	-	-
-	-	-	3,494	-	-	-	-
-	-	-	7,308	-	-	-	-
-	-	-	-	-	-	-	-
-	-	11,275	4,872	-	-	-	-
-	-	-	19,607	-	-	-	-
<u>121</u>	<u>106</u>	<u>11,275</u>	<u>35,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>568</u>	<u>4,275</u>	<u>(33)</u>	<u>(1,467)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
(450)	-	-	-	-	-	-	-
(206)	-	-	-	-	-	-	-
-	-	-	1,467	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(6)</u>	<u>141</u>	<u>21</u>	<u>(22)</u>	<u>-</u>
<u>(656)</u>	<u>-</u>	<u>(1)</u>	<u>1,461</u>	<u>141</u>	<u>21</u>	<u>(22)</u>	<u>-</u>
(88)	4,275	(34)	(6)	141	21	(22)	-
461	-	34	6	279	107	622	4
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 373</u>	<u>\$4,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 420</u>	<u>\$ 128</u>	<u>\$ 600</u>	<u>\$ 4</u>

(Continued)

DALLAS COUNTY, TEXAS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - SPECIAL REVENUE FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	District Attorney Forfeiture - Auto Theft	District Attorney Escrow - Auto Theft	Historical Commission	Historical Exhibit
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Highway license fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Investments and rentals	-	-	2	22
Intergovernmental revenues	-	-	-	-
Charges for current services	-	-	-	1,942
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>2</u>	<u>1,964</u>
EXPENDITURES:				
Current:				
General government	-	-	9	1,957
Judicial	-	-	-	-
Public safety	-	-	-	-
Streets and highways	-	-	-	-
Health	-	-	-	-
Public welfare	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>9</u>	<u>1,957</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(7)</u>	<u>7</u>
OTHER FINANCING SOURCES (USES):				
Transfer to Child Support-Special Fund	-	-	-	-
Transfer to General Fund	-	-	-	-
Transfer to Debt Service Funds	-	-	-	(158)
Transfer from General Fund	-	-	-	-
Transfer from Alternative Dispute Resolution Fund	-	-	-	-
Other	9	-	-	-
Total other financing sources (uses)	<u>9</u>	<u>-</u>	<u>-</u>	<u>(158)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	9	-	(7)	(151)
FUND BALANCES AT BEGINNING OF FISCAL YEAR	8	4	37	437
CHANGE IN INVENTORY - PURCHASES METHOD	-	-	-	-
RESIDUAL FUND BALANCE TRANSFER	-	-	-	-
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 17</u>	<u>\$ 4</u>	<u>\$ 30</u>	<u>\$ 286</u>

EXHIBIT C-2

Child Support - Special	Alternative Dispute Resolution	Appellate Justice System	Totals	
			September 30,	
			1998	1997
\$ -	\$ -	\$ -	\$ 6,059	\$ 3,195
-	-	-	31,228	28,070
-	-	-	9,208	7,844
10	10	28	2,075	1,904
-	-	-	48,002	36,481
508	488	724	4,398	4,145
45	-	-	301	103
<u>563</u>	<u>498</u>	<u>752</u>	<u>101,271</u>	<u>81,742</u>
-	-	-	3,319	2,867
850	328	268	5,617	4,756
625	-	-	7,933	8,147
-	-	-	8,937	8,871
-	-	-	16,147	15,234
-	-	-	19,607	12,462
<u>1,475</u>	<u>328</u>	<u>268</u>	<u>61,560</u>	<u>52,337</u>
<u>(912)</u>	<u>170</u>	<u>484</u>	<u>39,711</u>	<u>29,405</u>
-	(150)	-	(150)	(145)
-	-	(73)	(27,539)	(24,888)
-	-	-	(10,707)	(10,845)
805	-	-	2,286	2,272
150	-	-	150	145
-	-	-	148	87
<u>955</u>	<u>(150)</u>	<u>(73)</u>	<u>(35,812)</u>	<u>(33,374)</u>
43	20	411	3,899	(3,969)
57	195	247	29,831	33,784
-	-	-	(105)	16
-	-	-	(225)	-
<u>\$ 100</u>	<u>\$ 215</u>	<u>\$ 658</u>	<u>\$ 33,400</u>	<u>\$ 29,831</u>

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDSFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

Road and Bridge	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Highway license fees	\$ 29,983	\$ 31,228	\$ 1,245	\$ 27,236	\$ 28,070	\$ 834
Fines and forfeitures	8,327	9,208	881	8,107	7,844	(263)
Intergovernmental revenues	1,073	2,972	1,899	29	1,976	1,947
Charges for current services	7	7	-	8	8	-
Investments and rentals	877	1,211	334	825	1,031	206
Miscellaneous	23	101	78	333	83	(250)
Total revenues	<u>40,290</u>	<u>44,727</u>	<u>4,437</u>	<u>36,538</u>	<u>39,012</u>	<u>2,474</u>
EXPENDITURES:						
Streets and highways:						
Salaries	4,804	4,349	455	4,756	4,116	640
Allowances	23	23	-	23	23	-
Operating	7,055	3,503	3,552	7,014	2,626	4,388
Property	4,440	1,062	3,378	6,190	2,106	4,084
Total expenditures	<u>16,322</u>	<u>8,937</u>	<u>7,385</u>	<u>17,983</u>	<u>8,871</u>	<u>9,112</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>23,968</u>	<u>35,790</u>	<u>11,822</u>	<u>18,555</u>	<u>30,141</u>	<u>11,586</u>
OTHER FINANCING SOURCES (USES):						
Transfer to Debt Service Funds	(10,343)	(10,343)	-	(10,600)	(10,641)	(41)
Transfer to General Fund	(25,887)	(27,016)	(1,129)	(24,549)	(24,376)	173
Other	-	6	6	-	-	-
Total other financial sources (uses)	<u>(36,230)</u>	<u>(37,353)</u>	<u>(1,123)</u>	<u>(35,149)</u>	<u>(35,017)</u>	<u>132</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(12,262)</u>	<u>(1,563)</u>	<u>10,699</u>	<u>(16,594)</u>	<u>(4,876)</u>	<u>11,718</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR	24,903	24,903	-	29,763	29,763	-
CHANGE IN INVENTORY - PURCHASES METHOD	-	(105)	(105)	-	16	16
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 12,641</u>	<u>\$ 23,235</u>	<u>\$10,594</u>	<u>\$ 13,169</u>	<u>\$ 24,903</u>	<u>\$11,734</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

<u>Jury</u>	1998			1997		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES:						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 1,539	\$ 1,561	\$ 22
Charges for current services	-	-	-	235	266	31
Total revenues	-	-	-	1,774	1,827	53
EXPENDITURES:						
Judicial:						
Salaries	-	-	-	603	515	88
Operating	-	-	-	1,374	1,295	79
Property	-	-	-	17	12	5
Total expenditures	-	-	-	1,994	1,822	172
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	(220)	5	225
FUND BALANCES AT BEGINNING OF FISCAL YEAR	225	225	-	220	220	-
RESIDUAL FUND BALANCE TRANSFER	(225)	(225)	-	-	-	-
FUND BALANCES AT END OF FISCAL YEAR	\$ -	\$ -	\$ -	\$ -	\$ 225	\$ 225

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUED

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Permanent Improvement</u>						
REVENUES:						
Ad valorem taxes	\$ 1,652	\$ 1,678	\$ 26	\$ 1,594	\$ 1,634	\$ 40
Miscellaneous	-	155	155	-	-	-
Total revenues	<u>1,652</u>	<u>1,833</u>	<u>181</u>	<u>1,594</u>	<u>1,634</u>	<u>40</u>
EXPENDITURES:						
General government:						
Property	<u>2,659</u>	<u>1,126</u>	<u>1,533</u>	<u>1,748</u>	<u>781</u>	<u>967</u>
Total expenditures	<u>2,659</u>	<u>1,126</u>	<u>1,533</u>	<u>1,748</u>	<u>781</u>	<u>967</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,007)	707	1,714	(154)	853	1,007
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>1,007</u>	<u>1,007</u>	-	<u>154</u>	<u>154</u>	-
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ -</u>	<u>\$ 1,714</u>	<u>\$ 1,714</u>	<u>\$ -</u>	<u>\$ 1,007</u>	<u>\$ 1,007</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

Law Library	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Investments and rentals	\$ 57	\$ 77	\$ 20	\$ 40	\$ 59	\$ 19
Charges for current services	762	729	(33)	732	771	39
Total revenues	819	806	(13)	772	830	58
EXPENDITURES:						
Judicial:						
Salaries	301	248	53	320	241	79
Operating	551	415	136	540	374	166
Property	42	14	28	84	7	77
Total expenditures	894	677	217	944	622	322
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(75)	129	204	(172)	208	380
OTHER FINANCING SOURCES (USES):						
Transfer from general fund	14	14	-	13	13	-
Total other financing sources (uses)	14	14	-	13	13	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND USES	(61)	143	204	(159)	221	380
FUND BALANCES AT BEGINNING OF FISCAL YEAR	1,198	1,198	-	977	977	-
FUND BALANCES AT END OF FISCAL YEAR	\$ 1,137	\$ 1,341	\$204	\$ 818	\$ 1,198	\$380

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Parking Garage Revenue</u>						
REVENUES:						
Investments and rentals	\$ 755	\$ 689	\$ (66)	\$ 826	\$ 746	\$ (80)
EXPENDITURES:						
General government:						
Property	<u>413</u>	<u>121</u>	<u>292</u>	<u>137</u>	<u>137</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>342</u>	<u>568</u>	<u>226</u>	<u>689</u>	<u>609</u>	<u>(80)</u>
OTHER FINANCING SOURCES (USES):						
Transfer to general fund	(450)	(450)	-	(450)	(450)	-
Transfer to debt service funds	(206)	(206)	-	(204)	(204)	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>(28)</u>
Total other financing uses	<u>(656)</u>	<u>(656)</u>	<u>-</u>	<u>(654)</u>	<u>(682)</u>	<u>(28)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES	(314)	(88)	226	35	(73)	(108)
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>461</u>	<u>461</u>	<u>-</u>	<u>534</u>	<u>534</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 147</u>	<u>\$ 373</u>	<u>\$226</u>	<u>\$ 569</u>	<u>\$ 461</u>	<u>\$(108)</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Major Technology</u>						
REVENUES:						
Ad valorem taxes	\$4,348	\$4,381	\$ 33	\$ -	\$ -	\$ -
Total revenues	<u>4,348</u>	<u>4,381</u>	<u>33</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:						
General government:						
Operating	173	94	79	-	-	-
Property	<u>13</u>	<u>12</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>186</u>	<u>106</u>	<u>80</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,162	4,275	113	-	-	-
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$4,162</u>	<u>\$4,275</u>	<u>\$113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

HIV Grant	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Intergovernmental revenues	\$ 20,397	\$ 11,216	\$ (9,181)	\$ 18,000	\$ 9,718	\$ (8,282)
Investments and rentals	20	26	6	-	19	19
Total revenues	<u>20,417</u>	<u>11,242</u>	<u>(9,175)</u>	<u>18,000</u>	<u>9,737</u>	<u>(8,263)</u>
EXPENDITURES:						
Health:						
Salaries	930	576	354	687	408	279
Allowances	1	-	1	-	-	-
Operating	16,427	10,678	5,749	15,144	9,600	5,544
Property	49	21	28	43	29	14
Total expenditures	<u>17,407</u>	<u>11,275</u>	<u>6,132</u>	<u>15,874</u>	<u>10,037</u>	<u>5,837</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,010	(33)	(3,043)	2,126	(300)	(2,426)
OTHER FINANCING SOURCES (USES):						
Other	-	(1)	(1)	-	1	1
Total other financing sources (uses)	<u>-</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>1</u>	<u>1</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,010	(34)	(3,044)	2,126	(299)	(2,425)
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>34</u>	<u>34</u>	<u>-</u>	<u>333</u>	<u>333</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 3,044</u>	<u>\$ -</u>	<u>\$ (3,044)</u>	<u>\$ 2,459</u>	<u>\$ 34</u>	<u>\$ (2,425)</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

Grants	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Intergovernmental revenues	\$ 49,245	\$ 33,814	\$ (15,431)	\$ 47,611	\$ 24,787	\$ (22,824)
Total revenues	49,245	33,814	(15,431)	47,611	24,787	(22,824)
EXPENDITURES:						
Judicial:						
Salaries	3,709	2,068	1,641	1,035	853	182
Allowances	53	21	32	2	1	1
Operating	2,544	1,405	1,139	214	150	64
Property	88	-	88	88		88
	6,394	3,494	2,900	1,339	1,004	335
Public safety:						
Salaries	6,342	2,943	3,399	8,029	3,587	4,442
Allowances	46	16	30	91	25	66
Operating	2,655	2,655	-	5,349	3,019	2,330
Property	3,607	1,694	1,913	3,244	877	2,367
	12,650	7,308	5,342	16,713	7,508	9,205
Health:						
Salaries	4,915	2,899	2,016	4,945	2,988	1,957
Allowances	124	71	53	143	79	64
Operating	1,756	1,756	-	4,588	1,967	2,621
Property	281	146	135	229	163	66
	7,076	4,872	2,204	9,905	5,197	4,708
Public welfare:						
Salaries	4,871	3,015	1,856	3,595	1,918	1,677
Allowances	58	31	27	16	5	11
Operating	15,965	12,865	3,100	11,549	8,630	2,919
Property	4,144	3,696	448	5,884	1,909	3,975
	25,038	19,607	5,431	21,044	12,462	8,582
Total expenditures	51,158	35,281	15,877	49,001	26,171	22,830

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUED

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

Grants	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	\$ (1,913)	\$ (1,467)	\$ 446	\$ (1,390)	\$ (1,384)	\$ 6
OTHER FINANCING SOURCES (USES):						
Transfer from general fund	1,907	1,467	(440)	1,389	1,389	-
Other	<u>-</u>	<u>(6)</u>	<u>(6)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other other financing sources (uses)	<u>1,907</u>	<u>1,461</u>	<u>(446)</u>	<u>1,389</u>	<u>1,389</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(6)	(6)	-	(1)	5	6
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>6</u>	<u>6</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 6</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT C-3

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUED

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

<u>Historical Commission</u>	1998			1997		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:						
Investments and rentals	\$ 2	\$ 2	\$ -	\$ 3	\$ 1	\$ (2)
Intergovernmental revenues	-	-	-	-	-	-
Miscellaneous	-	-	-	-	18	18
Total revenues	<u>2</u>	<u>2</u>	<u>-</u>	<u>3</u>	<u>19</u>	<u>16</u>
EXPENDITURES:						
General government operating	<u>15</u>	<u>9</u>	<u>6</u>	<u>30</u>	<u>13</u>	<u>17</u>
Total expenditures	<u>15</u>	<u>9</u>	<u>6</u>	<u>30</u>	<u>13</u>	<u>17</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13)	(7)	6	(27)	6	33
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>37</u>	<u>37</u>	<u>-</u>	<u>31</u>	<u>31</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 24</u>	<u>\$ 30</u>	<u>\$ 6</u>	<u>\$ 4</u>	<u>\$37</u>	<u>\$33</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUED

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

<u>Historical Exhibit</u>	1998			1997		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:						
Investments and rentals	\$ 26	\$ 22	\$ (4)	\$ 45	\$ 26	\$ (19)
Charges for current services	2,000	1,942	(58)	1,800	1,871	71
Miscellaneous	-	-	-	10	2	(8)
Total revenues	<u>2,026</u>	<u>1,964</u>	<u>(62)</u>	<u>1,855</u>	<u>1,899</u>	<u>44</u>
EXPENDITURES:						
General government operating	1,919	1,833	86	2,146	1,936	210
Property	<u>129</u>	<u>124</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,048</u>	<u>1,957</u>	<u>91</u>	<u>2,146</u>	<u>1,936</u>	<u>210</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(22)</u>	<u>7</u>	<u>29</u>	<u>(291)</u>	<u>(37)</u>	<u>254</u>
OTHER FINANCING SOURCES (USES):						
Transfer to general fund	-	-	-	-	-	-
Transfer to debt service	<u>(158)</u>	<u>(158)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(158)</u>	<u>(158)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(180)</u>	<u>(151)</u>	<u>29</u>	<u>(291)</u>	<u>(37)</u>	<u>254</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>437</u>	<u>437</u>	<u>-</u>	<u>474</u>	<u>474</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 257</u>	<u>\$ 286</u>	<u>\$ 29</u>	<u>\$ 183</u>	<u>\$ 437</u>	<u>\$ 254</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

Child Support-Special	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Investments and rentals	\$ 3	\$ 10	\$ 7	\$ 7	\$ 5	\$ (2)
Charges for current services	510	508	(2)	493	487	(6)
Miscellaneous	-	45	45	-	-	-
Total revenues	<u>513</u>	<u>563</u>	<u>50</u>	<u>500</u>	<u>492</u>	<u>(8)</u>
EXPENDITURES:						
Judicial:						
Salaries	829	828	1	813	793	20
Allowances	4	4	-	5	3	2
Operating	19	15	4	23	17	6
Property	3	3	-	10	9	1
Total judicial	<u>855</u>	<u>850</u>	<u>5</u>	<u>851</u>	<u>822</u>	<u>29</u>
Public safety:						
Salaries	407	401	6	404	385	19
Operating	165	160	5	268	254	14
Property	98	64	34	1	-	1
Total public safety	<u>670</u>	<u>625</u>	<u>45</u>	<u>673</u>	<u>639</u>	<u>34</u>
Total expenditures	<u>1,525</u>	<u>1,475</u>	<u>50</u>	<u>1,524</u>	<u>1,461</u>	<u>63</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,012)</u>	<u>(912)</u>	<u>100</u>	<u>(1,024)</u>	<u>(969)</u>	<u>55</u>
OTHER FINANCING SOURCES (USES):						
Transfer from general fund	805	805	-	870	870	-
Transfer from alternative dispute resolution fund	150	150	-	145	145	-
Other	-	-	-	-	2	2
Total other financing sources (uses)	<u>955</u>	<u>955</u>	<u>-</u>	<u>1,015</u>	<u>1,017</u>	<u>2</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(57)</u>	<u>43</u>	<u>100</u>	<u>(9)</u>	<u>48</u>	<u>57</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>57</u>	<u>57</u>	<u>-</u>	<u>9</u>	<u>9</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 57</u>	<u>\$ 57</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUED

FISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

<u>Alternative Dispute Resolution</u>	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Investments and rentals	\$ 5	\$ 10	\$ 5	\$ 5	\$ 5	\$ -
Charges for current services	510	488	(22)	490	503	13
Total revenues	515	498	(17)	495	508	13
EXPENDITURES:						
Judicial:						
Salaries	41	-	41	49	49	-
Operating	352	326	26	295	293	2
Property	6	2	4	3	-	3
Total expenditures	399	328	71	347	342	5
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	116	170	54	148	166	18
OTHER FINANCING SOURCES (USES):						
Transfer to Child Support-Special Fund	(150)	(150)	-	(145)	(145)	-
Total other financing sources (uses)	(150)	(150)	-	(145)	(145)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(34)	20	54	3	21	18
FUND BALANCES AT BEGINNING OF FISCAL YEAR	195	195	-	174	174	-
FUND BALANCES AT END OF FISCAL YEAR	\$ 161	\$ 215	\$ 54	\$ 177	\$ 195	\$ 18

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Appellate Justice System</u>						
REVENUES:						
Investments and rentals	\$ 11	\$ 28	\$ 17	\$ 15	\$ 12	\$ (3)
Charges for current services	235	724	489	225	239	14
Total revenues	246	752	506	240	251	11
EXPENDITURES:						
Judicial - operating	302	201	101	205	130	75
Property	118	67	51	121	14	107
Total expenditures	420	268	152	326	144	182
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(174)	484	658	(86)	107	193
OTHER FINANCING (USES):						
Transfer to general fund	(73)	(73)	-	(62)	(62)	-
Total other financing (uses)	(73)	(73)	-	(62)	(62)	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES	(247)	411	658	(148)	45	193
FUND BALANCES AT BEGINNING OF FISCAL YEAR	247	247	-	202	202	-
FUND BALANCES AT END OF FISCAL YEAR	\$	\$658	\$658	\$ 54	\$247	\$193

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DALLAS COUNTY, TEXAS

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on general long-term debt. The following are the County's Debt Service Funds:

Countywide General Obligation - used to account for the accumulation of ad valorem taxes, interest earnings and other revenues and the subsequent disbursements to pay principal and interest on Countywide general obligation long-term debt.

Parking Garage Revenue and General Obligation - used to receive transfers from Parking Garage revenues and to pay principal and interest on Parking Garage long-term debt.

Parking Garage Reserve Fund - used to fund balance of Parking Garage debt payment if Parking Garage revenues are insufficient to cover debt payment.

Parking Garage Contingency Fund - used to fund balance of Parking Garage debt payment if such balance remains after depletion of Parking Garage Reserve Fund.

COMBINING BALANCE SHEETS - DEBT SERVICE FUNDS

SEPTEMBER 30, 1998
(in thousands of dollars)

	Countywide General Obligation	Parking Garage Reserve	Parking Garage Contingency	Totals September 30,	
				1998	1997
<u>ASSETS</u>					
CASH AND INVESTMENTS	\$ 20,688	\$ 210	\$ 60	\$ 20,958	\$ 20,098
RECEIVABLES:					
Taxes	48,878	-	-	48,878	45,848
Less allowance for uncollectibles	<u>(4,769)</u>	<u>-</u>	<u>-</u>	<u>(4,769)</u>	<u>(4,981)</u>
Net taxes receivable	<u>44,109</u>	<u>-</u>	<u>-</u>	<u>44,109</u>	<u>40,867</u>
Accounts	298	-	-	298	95
ACCRUED INTEREST	<u>67</u>	<u>-</u>	<u>-</u>	<u>67</u>	<u>692</u>
TOTAL ASSETS	<u>\$ 65,162</u>	<u>\$ 210</u>	<u>\$ 60</u>	<u>\$ 65,432</u>	<u>\$ 61,752</u>
<u>LIABILITIES AND FUND BALANCES</u>					
LIABILITIES:					
Accounts payable	\$ 2	\$ -	\$ -	\$ 2	\$ 13
Deferred revenue	44,032	-	-	44,032	40,910
Due to other funds	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
TOTAL LIABILITIES	<u>44,035</u>	<u>-</u>	<u>-</u>	<u>44,035</u>	<u>40,924</u>
FUND BALANCES:					
Reserved for debt service	20,983	210	60	21,253	20,179
Unreserved - designated for subsequent budget periods	<u>144</u>	<u>-</u>	<u>-</u>	<u>144</u>	<u>649</u>
TOTAL FUND BALANCES	<u>21,127</u>	<u>210</u>	<u>60</u>	<u>21,397</u>	<u>20,828</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 65,162</u>	<u>\$ 210</u>	<u>\$ 60</u>	<u>\$ 65,432</u>	<u>\$ 61,752</u>

DALLAS COUNTY, TEXAS

EXHIBIT D-2

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
DEBT SERVICE FUNDSFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Countywide General Obligation	Parking Garage Revenue and General Obligation	Parking Garage Reserve	Parking Garage Contingency	Totals September 30,	
					1998	1997
REVENUES:						
Ad valorem taxes	\$40,439	\$ -	\$ -	\$ -	\$40,439	\$42,112
Investments and rentals	6,824	-	-	-	6,824	7,832
Intergovernmental revenues	8	-	-	-	8	3
Total revenues	<u>47,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,271</u>	<u>49,947</u>
EXPENDITURES:						
Principal retirement	41,635	150	-	-	41,785	41,005
Interest	15,498	56	-	-	15,554	17,393
Fiscal agent fees	70	-	-	-	70	45
Total expenditures	<u>57,203</u>	<u>206</u>	<u>-</u>	<u>-</u>	<u>57,409</u>	<u>58,443</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(9,932)</u>	<u>(206)</u>	<u>-</u>	<u>-</u>	<u>(10,138)</u>	<u>(8,496)</u>
OTHER FINANCING SOURCES (USES):						
Transfer from Road and Bridge Fund	10,343	-	-	-	10,343	10,641
Transfer from Parking Garage Revenue Fund	-	206	-	-	206	204
Transfer from Historical Exhibit Fund	158	-	-	-	158	-
Total other financing sources (uses)	<u>10,501</u>	<u>206</u>	<u>-</u>	<u>-</u>	<u>10,707</u>	<u>10,845</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	569	-	-	-	569	2,349
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>20,558</u>	<u>-</u>	<u>210</u>	<u>60</u>	<u>20,828</u>	<u>18,479</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$21,127</u>	<u>\$ -</u>	<u>\$210</u>	<u>\$60</u>	<u>\$21,397</u>	<u>\$20,828</u>

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUNDSFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

Countywide General Obligation	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Ad valorem taxes	\$ 40,007	\$ 40,439	\$ 432	\$ 41,311	\$ 42,112	\$ 801
Investments and rentals	6,135	6,824	689	5,140	7,832	2,692
Intergovernmental revenues	3	8	5	2	3	1
Total revenues	<u>46,145</u>	<u>47,271</u>	<u>1,126</u>	<u>46,453</u>	<u>49,947</u>	<u>3,494</u>
EXPENDITURES:						
Principal retirement	41,635	41,635	-	40,865	40,865	-
Interest	15,498	15,498	-	17,329	17,329	-
Fiscal agent fees	163	70	93	97	45	52
Total expenditures	<u>57,296</u>	<u>57,203</u>	<u>93</u>	<u>58,291</u>	<u>58,239</u>	<u>52</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,151)</u>	<u>(9,932)</u>	<u>1,219</u>	<u>(11,838)</u>	<u>(8,292)</u>	<u>3,546</u>
OTHER FINANCING SOURCES (USES):						
Transfer from Road and Bridge Fund	10,343	10,343	-	10,641	10,641	-
Transfer from Historical Fund	158	158	-	-	-	-
Total other financing sources (uses)	<u>10,501</u>	<u>10,501</u>	<u>-</u>	<u>10,641</u>	<u>10,641</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(650)</u>	<u>569</u>	<u>1,219</u>	<u>(1,197)</u>	<u>2,349</u>	<u>3,546</u>
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>20,558</u>	<u>20,558</u>	<u>-</u>	<u>18,209</u>	<u>18,209</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 19,908</u>	<u>\$ 21,127</u>	<u>\$ 1,219</u>	<u>\$ 17,012</u>	<u>\$ 20,558</u>	<u>\$ 3,546</u>

(Continued)

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUNDS -- CONTINUEDFISCAL YEARS ENDED SEPTEMBER 30, 1998 AND 1997
(in thousands of dollars)

	1998			1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Parking Garage Revenue and General Obligation</u>						
EXPENDITURES:						
Principal retirement	\$ 150	\$ 150	\$ -	\$ 140	\$ 140	\$ -
Interest	56	56	-	64	64	-
Total expenditures	<u>206</u>	<u>206</u>	<u>-</u>	<u>204</u>	<u>204</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(206)</u>	<u>(206)</u>	<u>-</u>	<u>(204)</u>	<u>(204)</u>	<u>-</u>
OTHER FINANCING SOURCES:						
Transfer from Parking Garage Revenue Fund	<u>206</u>	<u>206</u>	<u>-</u>	<u>204</u>	<u>204</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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DALLAS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for proceeds from bond issues specifically designated for capital expenditures. The following are the County's Capital Projects Funds:

Certificates of Obligation Fund, Series 1986 - used to account for certificates of obligation proceeds for constructing and equipping jail facilities.

Permanent Improvement Bond Fund, Series 1976 - used to account for proceeds from bonds issued for the renovation of various County buildings.

Permanent Improvement Bond Funds, Series 1977, 1985, 1988 and 1995 - used to account for proceeds from bond issues for construction and/or renovation of the criminal courts building, courthouse, jail facilities, office buildings and various County buildings, in addition to the acquisition and improvement of open-space land.

Road Bond Funds, Series 1969, 1977, 1985, 1988, 1992, 1993, 1995 and 1996 - used to account for proceeds from bonds issued for the purchase of right-of-way and subsequent construction of roads and bridges throughout the County.

Certificates of Obligation Fund, Series 1990 - used to account for certificates of obligation proceeds for criminal justice vehicles, open-space and various building improvements.

Certificates of Obligation Fund, Series 1991 - used to account for certificates of obligation proceeds for law enforcement and public service vehicles, purchase of land for a fire station, construction and repair of buildings, purchase of equipment and engineering costs associated with the public works involved.

Permanent Improvement Bond Fund, Series 1992 - used to account for proceeds from bonds issued to purchase buildings to house the health and human services departments, to secure land for and construct a consolidated juvenile justice facility and to acquire open-space park land.

Permanent Improvement Refunding Bond Fund, Series 1993 - used to account for the defeasance of debt from a portion of the 1991 Permanent Improvement Refunding Bonds, the 1990 Tax and Revenue Certificates of Obligation, and the 1986, 1987 and 1988 Permanent Improvement Bonds.

Combination Tax and Revenue Certificates of Obligation, Series 1993 - used to account for certificates of obligation proceeds for constructing building improvements, acquiring a voice response system and other improvements to the County communications system, purchasing law enforcement and public service vehicles, purchasing various equipment items, and renovations to the Sixth Floor Museum exhibit.

Certificates of Obligation Fund, Series 1994 - used to account for certificates of obligation proceeds to pay contractual obligations to be incurred for renovations, improvements and additions to various County facilities.

Certificates of Obligation Fund, Series 1995, 1996, 1996A and 1997B - used to finance certain equipment purchases and capital improvements to County facilities.

Unlimited Tax Road Refunding Bonds Series 1997 - used to provide funds to refund Road Improvement and Refunding Bonds, Series 1992.

DALLAS COUNTY, TEXAS

COMBINING BALANCE SHEETS - CAPITAL PROJECTS FUNDS

SEPTEMBER 30, 1998
(in thousands of dollars)

	Certificates of Indebtedness										Permanent Improvement Bonds			
	Certificates of Obligation													
	1986	1990	1991	1993	1994	1995	1996	1996A	1997B	1976	1977	1985	1988	
ASSETS														
CASH AND INVESTMENTS	\$4	\$26	\$8	\$181	\$482	\$2,792	\$812	\$1,004	\$4,921	\$9	\$1	\$425	\$402	
DUE FROM OTHER FUNDS	-	-	-	-	-	-	-	-	-	-	-	-	-	
DUE FROM OTHER GOVERNMENTAL UNITS:														
State	-	-	-	-	-	-	-	-	-	-	-	-	-	
Local	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL ASSETS	<u>\$4</u>	<u>\$26</u>	<u>\$8</u>	<u>\$181</u>	<u>\$482</u>	<u>\$2,792</u>	<u>\$812</u>	<u>\$1,004</u>	<u>\$4,921</u>	<u>\$9</u>	<u>\$1</u>	<u>\$425</u>	<u>\$402</u>	
LIABILITIES AND FUND EQUITY														
LIABILITIES:														
Accounts payable	\$-	\$-	\$-	\$-	\$-	\$-	\$40	\$83	\$25	\$-	\$-	\$-	\$-	
Due to other funds	-	-	-	48	22	41	21	34	200	-	-	-	-	
TOTAL LIABILITIES	-	-	-	48	22	41	61	117	225	-	-	-	-	
FUND BALANCES:														
Reserved for encumbrances	-	7	5	123	44	585	273	161	1,861	-	-	362	102	
Unreserved - undesignated	4	19	3	10	416	2,166	478	726	2,835	9	1	63	300	
TOTAL FUND BALANCES	<u>4</u>	<u>26</u>	<u>8</u>	<u>133</u>	<u>460</u>	<u>2,751</u>	<u>751</u>	<u>887</u>	<u>4,696</u>	<u>9</u>	<u>1</u>	<u>425</u>	<u>402</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$4</u>	<u>\$26</u>	<u>\$8</u>	<u>\$181</u>	<u>\$482</u>	<u>\$2,792</u>	<u>\$812</u>	<u>\$1,004</u>	<u>\$4,921</u>	<u>\$9</u>	<u>\$1</u>	<u>\$425</u>	<u>\$402</u>	

EXHIBIT E-1

Permanent Improvement Bonds			Road Bonds								Totals	
1992	1993	1995	1969	1977	1985	1988	1992	1993	1995	1996	September 30,	
											1998	1997
\$ 900	\$ 12	\$ 1,529	\$ -	\$ 705	\$ 2,387	\$ 2,991	\$ 9,039	\$ 16	\$ 20,385	\$ 28,540	\$ 77,571	\$ 89,328
-	-	-	-	-	-	-	-	-	-	1,292	1,292	-
-	-	-	103	-	-	-	-	-	-	-	103	103
-	-	-	-	93	-	-	14	-	993	-	1,100	3,483
<u>\$ 900</u>	<u>\$ 12</u>	<u>\$ 1,529</u>	<u>\$ 103</u>	<u>\$ 798</u>	<u>\$ 2,387</u>	<u>\$ 2,991</u>	<u>\$ 9,053</u>	<u>\$ 16</u>	<u>\$ 21,378</u>	<u>\$ 29,832</u>	<u>\$ 80,066</u>	<u>\$ 92,914</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 456	\$ 708	1,312	710
1	-	-	-	-	-	-	1,292	-	-	-	1,659	2,926
1	-	-	-	-	-	-	1,292	-	456	708	2,971	3,636
447	-	-	-	74	351	145	2,216	-	2,287	5,703	14,746	13,023
452	12	1,529	103	724	2,036	2,846	5,545	16	18,635	23,421	62,349	76,255
899	12	1,529	103	798	2,387	2,991	7,761	16	20,922	29,124	77,095	89,278
<u>\$ 900</u>	<u>\$ 12</u>	<u>\$ 1,529</u>	<u>\$ 103</u>	<u>\$ 798</u>	<u>\$ 2,387</u>	<u>\$ 2,991</u>	<u>\$ 9,053</u>	<u>\$ 16</u>	<u>\$ 21,378</u>	<u>\$ 29,832</u>	<u>\$ 80,066</u>	<u>\$ 92,914</u>

DALLAS COUNTY, TEXAS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
CAPITAL PROJECTS FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Certificates of Indebtedness									Permanent			
	Certificates of Obligation									Improvement Bonds			
	1986	1990	1991	1993	1994	1995	1996	1996A	1997B	1976	1977	1985	1988
EXPENDITURES:													
Capital outlay	\$94	\$ (3)	\$ 5	\$ 54	\$ 73	\$ 887	\$ 385	\$ 550	\$ 3,314	\$ -	\$ -	\$ 49	\$ 689
Debt issuance cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>94</u>	<u>(3)</u>	<u>5</u>	<u>54</u>	<u>73</u>	<u>887</u>	<u>385</u>	<u>550</u>	<u>3,314</u>	<u>-</u>	<u>-</u>	<u>49</u>	<u>689</u>
OTHER FINANCING SOURCES (USES):													
Proceeds from sale of bonds	-	-	-	-	-	-	-	-	8,000	-	-	-	-
Proceeds from refunding bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	5	-	-	(22)	9	-	10	-	-	-	70
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>(22)</u>	<u>9</u>	<u>-</u>	<u>8,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70</u>
EXCESS (DEFICIENCY) OF OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(94)	3	-	(54)	(73)	(909)	(376)	(550)	4,696	-	-	(49)	(619)
FUND BALANCES AT BEGINNING OF FISCAL YEAR	<u>98</u>	<u>23</u>	<u>8</u>	<u>187</u>	<u>533</u>	<u>3,660</u>	<u>1,127</u>	<u>1,437</u>	<u>-</u>	<u>9</u>	<u>1</u>	<u>474</u>	<u>1,021</u>
FUND BALANCES AT END OF FISCAL YEAR	<u>\$ 4</u>	<u>\$ 26</u>	<u>\$ 8</u>	<u>\$ 133</u>	<u>\$ 460</u>	<u>\$ 2,751</u>	<u>\$ 751</u>	<u>\$ 887</u>	<u>\$ 4,696</u>	<u>\$ 9</u>	<u>\$ 1</u>	<u>\$ 425</u>	<u>\$ 402</u>

Permanent Improvement Bonds				Road Bonds								Totals	
1992	1993	1995	1997A	1969	1977	1985	1988	1992	1993	1995	1996	September 30,	
												1998	1997
\$ 128	\$ -	\$ 249	\$ -	\$ -	\$ 1,152	\$ 302	\$ 2,230	\$ 743	\$ -	\$ 5,219	\$ 4,148	\$ 20,268	\$ 17,315
-	-	-	-	-	-	-	-	-	-	-	-	-	220
<u>128</u>	<u>-</u>	<u>249</u>	<u>-</u>	<u>-</u>	<u>1,152</u>	<u>302</u>	<u>2,230</u>	<u>743</u>	<u>-</u>	<u>5,219</u>	<u>4,148</u>	<u>20,268</u>	<u>17,535</u>
-	-	-	-	-	-	-	-	-	-	-	-	8,000	38,600
-	-	-	-	-	-	-	-	-	-	-	-	-	36,325
-	-	-	-	-	-	-	-	-	-	-	-	-	(36,105)
(2)	-	-	-	-	(1)	-	1	-	-	(1)	16	85	(601)
<u>(2)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>16</u>	<u>8,085</u>	<u>38,219</u>
(130)	-	(249)	-	-	(1,153)	(302)	(2,229)	(743)	-	(5,220)	(4,132)	(12,183)	20,684
<u>1,029</u>	<u>12</u>	<u>1,778</u>	<u>-</u>	<u>103</u>	<u>1,951</u>	<u>2,689</u>	<u>5,220</u>	<u>8,504</u>	<u>16</u>	<u>26,142</u>	<u>33,256</u>	<u>89,278</u>	<u>68,594</u>
<u>\$ 899</u>	<u>\$ 12</u>	<u>\$ 1,529</u>	<u>\$ -</u>	<u>\$ 103</u>	<u>\$ 798</u>	<u>\$ 2,387</u>	<u>\$ 2,991</u>	<u>\$ 7,761</u>	<u>\$ 16</u>	<u>\$ 20,922</u>	<u>\$ 29,124</u>	<u>\$ 77,095</u>	<u>\$ 89,278</u>

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DALLAS COUNTY, TEXAS

AGENCY FUNDS

Agency Funds are used to account for assets held by the County in an agency capacity for individuals, private organizations, other governmental units and/or other funds. The following are the County's Agency Funds:

Payroll Fund - a clearing fund used to account for transfers of salary expense from budgetary funds and the issuance of paychecks to individual employees.

Escrow Fund - used to account for miscellaneous amounts temporarily held for other individuals or entities.

Bail Bond Fund - used to account for amounts held as securities for licensed bail bondsmen.

Juvenile Probation Commission Fund - used to receive and hold Juvenile Probation Commission monies until expenditures qualifying for reimbursement are made from the operating fund.

Job Training Partnership Act (JTPA) Fund - used to account for federally funded JTPA program.

State Reports Fund - used to account for state fees collected by the County and subsequently disbursed to the State.

County Clerk, District Clerk, Sheriff, Justices of the Peace and Constables Fee Funds - used to account for monies received with ultimate disposition of receipts to be determined at a future date.

Community Supervision and Corrections - used to account for the activities of a State agency with funds in the County depository.

Work Release Special Fund - used to account for funds in the Criminal Justice System work release program for probationers.

Housing Finance Corporation - 1993 Refunding - used to account for monies received as a result of refunding of 1983 Mortgage Revenue Bonds issued by Dallas County Housing Finance Corporation.

Juvenile Department Child Support - used to account for money held for other parties in the child support program in accordance with court orders.

Housing Financial Corporation - 1994 Refunding - used to account for monies received as a result of refunding 1984 Mortgage Revenue Bonds issued by Dallas County Housing Financing Corporation.

Community Supervision and Corrections Special - used to account for the receipt and distribution of restitution payments made by probationers.

Youth Village - used to account for donated money to be used for the benefit of youths temporarily housed in the facility.

District Attorney Check Collection - used to account for monies received to replace fraudulent checks which have been turned over to the District Attorney for collection.

Tax Assessor-Collector - used to account for initial receipt and distribution to proper parties of taxes and fees collected for various entities of government.

DALLAS COUNTY, TEXAS

COMBINING BALANCE SHEETS - ALL AGENCY FUNDS

SEPTEMBER 30, 1998
(in thousands of dollars)

	Administrative Funds		
	<u>Payroll</u>	<u>Escrow</u>	<u>Bail Bond</u>
ASSETS:			
Cash and investments	\$ 334	\$ 96	\$ 722
Deferred compensation investments	-	-	-
Accounts receivable	-	-	-
Accrued interest	-	-	-
Due from other funds	-	-	-
Restricted assets - bail bond collateral	-	-	<u>6,451</u>
 TOTAL ASSETS	 <u>\$ 334</u>	 <u>\$ 96</u>	 <u>\$ 7,173</u>
LIABILITIES:			
Accounts payable:			
Administrative	\$ 329	\$ 96	\$ 7,173
Grants	-	-	-
Departmental special	-	-	-
 Total accounts payable	 <u>329</u>	 <u>96</u>	 <u>7,173</u>
Fee office accounts payable	-	-	-
Due to other funds	5	-	-
Deferred compensation benefits	-	-	-
 TOTAL LIABILITIES	 <u>\$ 334</u>	 <u>\$ 96</u>	 <u>\$ 7,173</u>

EXHIBIT F-1

<u>Grant Funds</u>		<u>Fee Office Funds</u>			
<u>Juvenile Probation Commission</u>	<u>Job Training Partnership</u>	<u>State Report</u>	<u>County Clerk</u>	<u>District Clerk</u>	<u>Sheriff</u>
\$ 122	\$ 4	\$ 1,434	\$ 28,748	\$ 14,160	\$ 1,027
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>122</u>	<u>4</u>	<u>1,434</u>	<u>28,748</u>	<u>14,160</u>	<u>1,027</u>
<u>\$ 122</u>	<u>\$ 4</u>	<u>\$ 1,434</u>	<u>\$ 28,748</u>	<u>\$ 14,160</u>	<u>\$ 1,027</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122	4	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>122</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	1,434	28,748	14,160	1,027
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 122</u>	<u>\$ 4</u>	<u>\$ 1,434</u>	<u>\$ 28,748</u>	<u>\$ 14,160</u>	<u>\$ 1,027</u>

(Continued)

DALLAS COUNTY, TEXAS

COMBINING BALANCE SHEETS - ALL AGENCY FUNDS -- CONTINUED

SEPTEMBER 30, 1998
(in thousands of dollars)

	Fee Office Funds			Work Release Special	Housing Finance Corporation - 1993 Refunding	Juvenile Department Child Support
	Community Supervision and Corrections	Justices of the Peace	Constables			
ASSETS:						
Cash and investments	\$ 6,098	\$ 1,278	\$ 87	\$ 15	\$ 842	\$ 391
Deferred compensation investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Accrued interest	-	-	-	-	2	-
Due from other funds	19	-	2	-	-	-
Restricted assets - bail bond collateral	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 6,117</u>	<u>\$ 1,278</u>	<u>\$ 89</u>	<u>\$ 15</u>	<u>\$ 844</u>	<u>\$ 391</u>
LIABILITIES:						
Accounts payable:						
Administrative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-	-	-
Departmental special	-	-	-	15	844	391
Total accounts payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>844</u>	<u>391</u>
Fee office accounts payable	6,089	1,278	89	-	-	-
Due to other funds	28	-	-	-	-	-
Deferred compensation benefits	-	-	-	-	-	-
TOTAL LIABILITIES	<u>\$ 6,117</u>	<u>\$ 1,278</u>	<u>\$ 89</u>	<u>\$ 15</u>	<u>\$ 844</u>	<u>\$ 391</u>

EXHIBIT F-1

Departmental Special Funds

Housing Finance Corporation - 1994 <u>Refunding</u>	Community Supervision and Corrections <u>Special</u>	<u>Youth Village</u>	District Attorney Check <u>Collection</u>	Tax Assessor- <u>Collector</u>	<u>Totals</u> September 30, <u>1998</u> <u>1997</u>	
\$ 387	\$ 4,319	\$ 4	\$ 100	\$ 29,742	\$ 89,910	\$ 79,763
-	-	-	-	-	-	33,167
-	-	-	-	-	-	141
-	-	-	-	62	64	19
-	-	-	-	-	21	3
-	-	-	-	-	6,451	5,610
<u>\$ 387</u>	<u>\$ 4,319</u>	<u>\$ 4</u>	<u>\$ 100</u>	<u>\$ 29,804</u>	<u>\$ 96,446</u>	<u>\$ 118,703</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,598	\$ 6,653
-	-	-	-	-	126	115
<u>387</u>	<u>4,319</u>	<u>4</u>	<u>100</u>	<u>28,848</u>	<u>34,908</u>	<u>31,298</u>
<u>387</u>	<u>4,319</u>	<u>4</u>	<u>100</u>	<u>28,848</u>	<u>42,632</u>	<u>38,066</u>
-	-	-	-	-	52,825	46,888
-	-	-	-	956	989	582
-	-	-	-	-	-	33,167
<u>\$ 387</u>	<u>\$ 4,319</u>	<u>\$ 4</u>	<u>\$ 100</u>	<u>\$ 29,804</u>	<u>\$ 96,446</u>	<u>\$ 118,703</u>

DALLAS COUNTY, TEXAS

EXHIBIT F-2

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 79,763	\$4,806,734	\$4,796,587	\$ 89,910
Deferred compensation investments	33,167	-	33,167	-
Accounts receivable	141	-	141	-
Accrued interest	19	64	19	64
Due from other funds	3	21	3	21
Restricted assets - bail bond collateral	5,610	948	107	6,451
TOTAL ASSETS	<u>\$ 118,703</u>	<u>\$4,807,767</u>	<u>\$4,830,024</u>	<u>\$ 96,446</u>
LIABILITIES:				
ADMINISTRATIVE:				
Payroll deductions payable	\$ 337	\$ -	\$ 8	\$ 329
Payable to the City of Grand Prairie	29	-	-	29
Payable to bail bondsmen	6,220	953	-	7,173
Other payables	67	-	-	67
Total administrative accounts payable	<u>6,653</u>	<u>953</u>	<u>8</u>	<u>7,598</u>
Due to other funds	5	-	-	5
GRANTS:				
Payable to the State of Texas	111	11	-	122
Accounts payable	4	-	-	4
Total grants accounts payable	<u>115</u>	<u>11</u>	<u>-</u>	<u>126</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-2

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
FEE OFFICE:				
Payable to the State of Texas	\$ 943	\$ 5,002	\$ 4,511	\$ 1,434
Payable to District Adult Probation Department	7,657	26,532	28,100	6,089
Payable to fee officers	<u>38,288</u>	<u>11,837</u>	<u>4,823</u>	<u>45,302</u>
Total fee office accounts payable	<u>46,888</u>	<u>43,371</u>	<u>37,434</u>	<u>52,825</u>
Due to other funds	<u>20</u>	<u>28</u>	<u>20</u>	<u>28</u>
DEPARTMENTAL SPECIAL:				
Accounts payable	7,756	12,744	11,191	9,309
Payable to taxing units	<u>23,542</u>	<u>3,013</u>	<u>956</u>	<u>25,599</u>
Total departmental special accounts payable	<u>31,298</u>	<u>15,757</u>	<u>12,147</u>	<u>34,908</u>
Due to other funds	557	956	557	956
Deferred compensation benefits	<u>33,167</u>	<u>-</u>	<u>33,167</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 118,703</u>	<u>\$ 61,076</u>	<u>\$ 83,333</u>	<u>\$ 96,446</u>

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Administrative Fund - Payroll</u>	Balance October 1, 1997	<u>Additions</u>	<u>Deductions</u>	Balance September 30, 1998
ASSETS:				
Cash and investments	\$ 342	\$ 592,814	\$ 592,822	\$ 334
TOTAL ASSETS	<u>\$ 342</u>	<u>\$ 592,814</u>	<u>\$ 592,822</u>	<u>\$ 334</u>
LIABILITIES:				
Accounts payable - administrative	\$ 337	\$ -	\$ 8	\$ 329
Due to other funds	5	-	-	5
TOTAL LIABILITIES	<u>\$ 342</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 334</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Administrative Fund - Escrow</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	<u>\$ 96</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96</u>
TOTAL ASSETS	<u>\$ 96</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96</u>
LIABILITIES:				
Accounts payable - administrative	<u>\$ 96</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96</u>
TOTAL LIABILITIES	<u>\$ 96</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Administrative Fund - Bail Bond</u>	Balance October 1, 1997	<u>Additions</u>	<u>Deductions</u>	Balance September 30, 1998
ASSETS:				
Cash and investments	\$ 610	\$ 300	\$ 188	\$ 722
Restricted assets - bail bond collateral	<u>5,610</u>	<u>948</u>	<u>107</u>	<u>6,451</u>
TOTAL ASSETS	<u>\$ 6,220</u>	<u>\$ 1,248</u>	<u>\$ 295</u>	<u>\$ 7,173</u>
LIABILITIES:				
Accounts payable - administrative	<u>\$ 6,220</u>	<u>\$ 953</u>	<u>\$ -</u>	<u>\$ 7,173</u>
TOTAL LIABILITIES	<u>\$ 6,220</u>	<u>\$ 953</u>	<u>\$ -</u>	<u>\$ 7,173</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Grant Fund - Juvenile Probation Commission</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	<u>\$ 111</u>	<u>\$ 1,282</u>	<u>\$ 1,271</u>	<u>\$ 122</u>
TOTAL ASSETS	<u>\$ 111</u>	<u>\$ 1,282</u>	<u>\$ 1,271</u>	<u>\$ 122</u>
LIABILITIES:				
Accounts payable - grants	<u>\$ 111</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 122</u>
TOTAL LIABILITIES	<u>\$ 111</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 122</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998

(in thousands of dollars)

<u>Grant Fund - Job Training Partnership</u>	Balance October 1, 1997	Additions	Deductions	Balance September 30, 1998
ASSETS:				
Cash and investments	\$ 4	\$ 750	\$ 750	\$ 4
TOTAL ASSETS	<u>\$ 4</u>	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 4</u>
LIABILITIES:				
Accounts payable - grants	\$ 4	\$ 26	\$ 26	\$ 4
TOTAL LIABILITIES	<u>\$ 4</u>	<u>\$ 26</u>	<u>\$ 26</u>	<u>\$ 4</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Fee Office Fund - State Reports</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	<u>\$ 943</u>	<u>\$ 401,458</u>	<u>\$ 400,967</u>	<u>\$ 1,434</u>
TOTAL ASSETS	<u>\$ 943</u>	<u>\$ 401,458</u>	<u>\$ 400,967</u>	<u>\$ 1,434</u>
LIABILITIES:				
Fee office accounts payable	<u>\$ 943</u>	<u>\$ 5,002</u>	<u>\$ 4,511</u>	<u>\$ 1,434</u>
TOTAL LIABILITIES	<u>\$ 943</u>	<u>\$ 5,002</u>	<u>\$ 4,511</u>	<u>\$ 1,434</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Fee Office Fund - County Clerk</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 17,518	\$ 1,766,045	\$ 1,754,815	\$ 28,748
TOTAL ASSETS	<u>\$ 17,518</u>	<u>\$ 1,766,045</u>	<u>\$ 1,754,815</u>	<u>\$ 28,748</u>
LIABILITIES:				
Fee office accounts payable	\$ 17,518	\$ 11,230	\$ -	\$ 28,748
TOTAL LIABILITIES	<u>\$ 17,518</u>	<u>\$ 11,230</u>	<u>\$ -</u>	<u>\$ 28,748</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Fee Office Fund - District Clerk</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 18,968	\$ 137,783	\$ 142,591	\$ 14,160
TOTAL ASSETS	<u>\$ 18,968</u>	<u>\$ 137,783</u>	<u>\$ 142,591</u>	<u>\$ 14,160</u>
LIABILITIES:				
Fee office accounts payable	\$ 18,968	\$ -	\$ 4,808	\$ 14,160
TOTAL LIABILITIES	<u>\$ 18,968</u>	<u>\$ -</u>	<u>\$ 4,808</u>	<u>\$ 14,160</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Fee Office Fund - Sheriff</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ <u>726</u>	\$ <u>16,847</u>	\$ <u>16,546</u>	\$ <u>1,027</u>
TOTAL ASSETS	<u>\$ 726</u>	<u>\$ 16,847</u>	<u>\$ 16,546</u>	<u>\$ 1,027</u>
LIABILITIES:				
Fee office accounts payable	\$ <u>726</u>	\$ <u>301</u>	\$ <u>-</u>	\$ <u>1,027</u>
TOTAL LIABILITIES	<u>\$ 726</u>	<u>\$ 301</u>	<u>\$ -</u>	<u>\$ 1,027</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Fee Office Fund - Community Supervision and Corrections</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 7,631	\$ 1,498,489	\$ 1,500,022	\$ 6,098
Accounts receivable	46		46	-
Due from other funds	-	19	-	19
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 7,677</u></u>	<u><u>\$ 1,498,508</u></u>	<u><u>\$ 1,500,068</u></u>	<u><u>\$ 6,117</u></u>
LIABILITIES:				
Fee office accounts payable	\$ 7,657	\$ 26,532	\$ 28,100	\$ 6,089
Due to other funds	20	28	20	28
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u><u>\$ 7,677</u></u>	<u><u>\$ 26,560</u></u>	<u><u>\$ 28,120</u></u>	<u><u>\$ 6,117</u></u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

Fee Office Fund - <u>Justices of the Peace</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 1,000	\$ 1,144	\$ 866	\$ 1,278
Due from other funds	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 1,002</u>	<u>\$ 1,144</u>	<u>\$ 868</u>	<u>\$ 1,278</u>
LIABILITIES:				
Fee office accounts payable	<u>\$ 1,002</u>	<u>\$ 278</u>	<u>\$ 2</u>	<u>\$ 1,278</u>
TOTAL LIABILITIES	<u>\$ 1,002</u>	<u>\$ 278</u>	<u>\$ 2</u>	<u>\$ 1,278</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Fee Office Fund - Constables</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 73	\$ 837	\$ 823	\$ 87
Due from other funds	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>
TOTAL ASSETS	<u>\$ 74</u>	<u>\$ 839</u>	<u>\$ 824</u>	<u>\$ 89</u>
LIABILITIES:				
Fee office accounts payable	<u>\$ 74</u>	<u>\$ 28</u>	<u>\$ 13</u>	<u>\$ 89</u>
TOTAL LIABILITIES	<u>\$ 74</u>	<u>\$ 28</u>	<u>\$ 13</u>	<u>\$ 89</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

Departmental Special Fund - <u>Work Release Special</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 15	\$ -	\$ -	\$ 15
TOTAL ASSETS	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15</u>
LIABILITIES:				
Accounts payable - departmental special	\$ 15	\$ -	\$ -	\$ 15
TOTAL LIABILITIES	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998

(in thousands of dollars)

Departmental Special Fund - <u>Housing Finance Corporation - 1993 Refunding</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 239	\$ 140,635	\$ 140,032	\$ 842
Accrued interest	-	2	-	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 239</u>	<u>\$ 140,637</u>	<u>\$ 140,032</u>	<u>\$ 844</u>
 LIABILITIES:				
Accounts payable - departmental special	<u>\$ 239</u>	<u>\$ 755</u>	<u>\$ 150</u>	<u>\$ 844</u>
TOTAL LIABILITIES	<u>\$ 239</u>	<u>\$ 755</u>	<u>\$ 150</u>	<u>\$ 844</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Departmental Special Fund - Juvenile Department Child Support</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	<u>\$ 380</u>	<u>\$ 9,850</u>	<u>\$ 9,839</u>	<u>\$ 391</u>
TOTAL ASSETS	<u>\$ 380</u>	<u>\$ 9,850</u>	<u>\$ 9,839</u>	<u>\$ 391</u>
LIABILITIES:				
Accounts payable - departmental special	<u>\$ 380</u>	<u>\$ 9,850</u>	<u>\$ 9,839</u>	<u>\$ 391</u>
TOTAL LIABILITIES	<u>\$ 380</u>	<u>\$ 9,850</u>	<u>\$ 9,839</u>	<u>\$ 391</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Departmental Special Fund - Housing Finance Corporation - 1994 Refunding</u>	<u>Balance October 1, 1997</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 1998</u>
ASSETS:				
Cash and investments	\$ 231	\$ 11,625	\$ 11,469	\$ 387
Accrued interest	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 232</u>	<u>\$ 11,625</u>	<u>\$ 11,470</u>	<u>\$ 387</u>
LIABILITIES:				
Accounts payable - departmental special	<u>\$ 232</u>	<u>\$ 156</u>	<u>\$ 1</u>	<u>\$ 387</u>
TOTAL LIABILITIES	<u>\$ 232</u>	<u>\$ 156</u>	<u>\$ 1</u>	<u>\$ 387</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Departmental Special Fund - Community Supervision and Collections Special</u>	Balance October 1, 1997	<u>Additions</u>	<u>Deductions</u>	Balance September 30, 1998
ASSETS:				
Cash and investments	\$ 5,520	\$ 7,918	\$ 9,119	\$ 4,319
TOTAL ASSETS	<u>\$ 5,520</u>	<u>\$ 7,918</u>	<u>\$ 9,119</u>	<u>\$ 4,319</u>
LIABILITIES:				
Accounts payable - departmental special	\$ 5,520	\$ -	\$ 1,201	\$ 4,319
TOTAL LIABILITIES	<u>\$ 5,520</u>	<u>\$ -</u>	<u>\$ 1,201</u>	<u>\$ 4,319</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Departmental Special Fund - Youth Village</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 4</u>
TOTAL ASSETS	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 4</u>
LIABILITIES:				
Accounts payable - departmental special	<u>\$ 3</u>	<u>\$ 1</u>	<u>-</u>	<u>\$ 4</u>
TOTAL LIABILITIES	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 4</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Departmental Special Fund - District Attorney Check Collection</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ <u>100</u>	\$ -	\$ -	\$ <u>100</u>
TOTAL ASSETS	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>
LIABILITIES:				
Accounts payable - departmental special	\$ <u>100</u>	\$ -	\$ -	\$ <u>100</u>
TOTAL LIABILITIES	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>

(Continued)

DALLAS COUNTY, TEXAS

EXHIBIT F-3

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUEDFISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Departmental Special Fund - Tax Assessor and Collector</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Cash and investments	\$ 25,253	\$ 218,954	\$ 214,465	\$ 29,742
Accounts receivable	95	-	95	-
Accrued interest	18	62	18	62
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 25,366</u>	<u>\$ 219,016</u>	<u>\$ 214,578</u>	<u>\$ 29,804</u>
LIABILITIES:				
Accounts payable - departmental special	\$ 24,809	\$ 4,995	\$ 956	\$ 28,848
Due to other funds	557	956	557	956
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 25,366</u>	<u>\$ 5,951</u>	<u>\$ 1,513</u>	<u>\$ 29,804</u>

(Continued)

STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS -- CONTINUED

FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

Departmental Special Fund - <u>Deferred Compensation</u>	Balance October 1, <u>1997</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1998</u>
ASSETS:				
Restricted assets - investments	\$ 33,167	\$ -	\$ 33,167	\$ -
TOTAL ASSETS	<u>\$ 33,167</u>	<u>\$ -</u>	<u>\$ 33,167</u>	<u>\$ -</u>
LIABILITIES:				
Deferred compensation benefits	\$ 33,167	\$ -	\$ 33,167	\$ -
TOTAL LIABILITIES	<u>\$ 33,167</u>	<u>\$ -</u>	<u>\$ 33,167</u>	<u>\$ -</u>

DALLAS COUNTY, TEXAS

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets account group is used to account for fixed assets acquired by the County.

SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE

SEPTEMBER 30, 1998
(in thousands of dollars)

GENERAL FIXED ASSETS:

Land	\$ 31,550
Buildings	362,021
Improvements other than buildings	1,528
Machinery and equipment	<u>69,268</u>

TOTAL GENERAL FIXED ASSETS \$464,367

INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE:

Capital projects funds	\$ 364,857
Current revenues	98,333
Gifts	<u>1,177</u>

TOTAL INVESTMENT IN GENERAL FIXED ASSETS \$464,367

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS

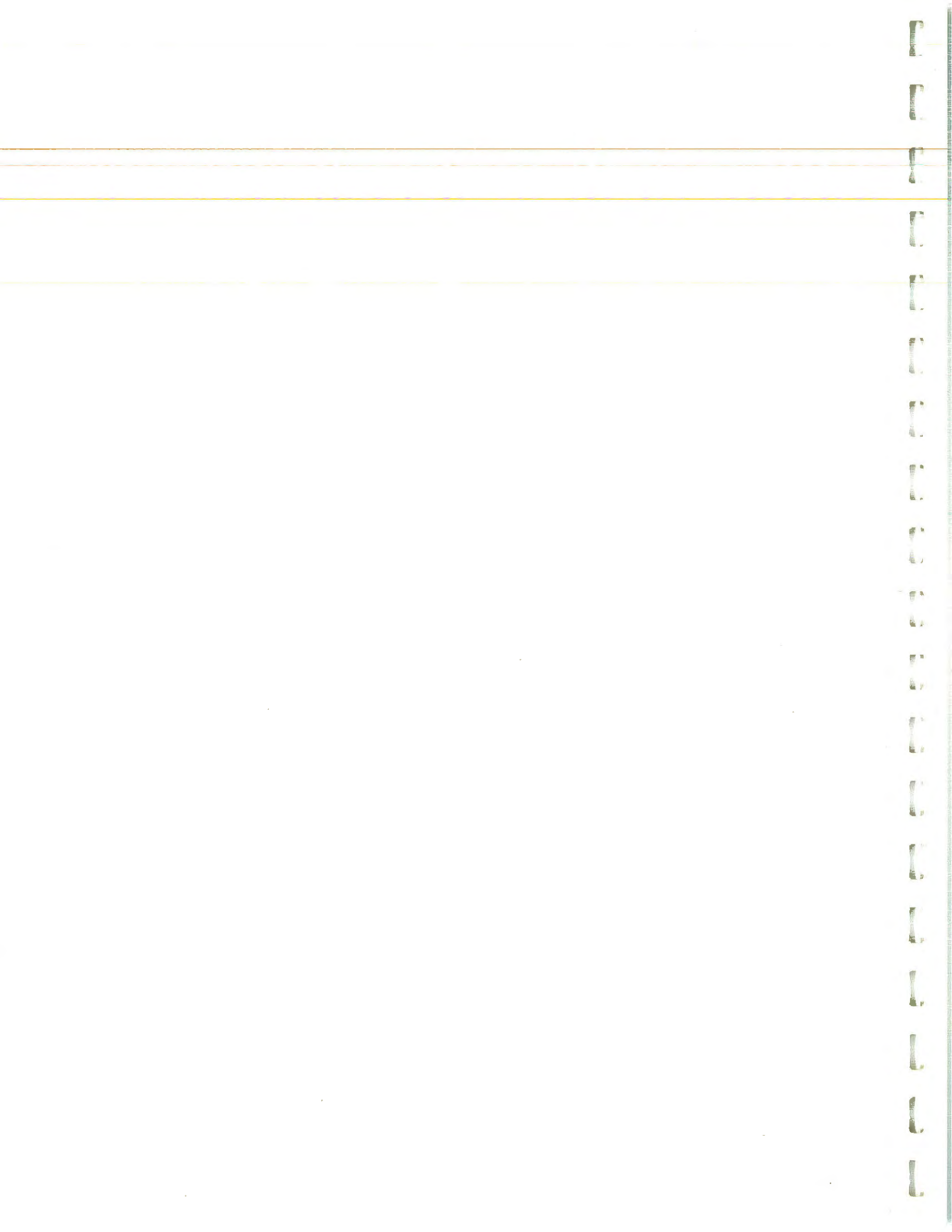
FISCAL YEAR ENDED SEPTEMBER 30, 1998
(in thousands of dollars)

	Changes by Function and Activity			Balance September 30, 1998
	Balance October 1, 1997	Additions	Deductions	
General government	\$ 145,219	\$ 8,223	\$ 3,871	\$ 149,571
Public safety	279,208	5,673	1,893	282,988
Streets and highways	16,625	1,286	935	16,976
Health	9,825	224	325	9,724
Public welfare	1,811	690	338	2,163
Schools	6	-	-	6
Libraries	2,947	13	21	2,939
Total before transfers	455,641	16,109	7,383	464,367
LESS - transfers	-	2,009	2,009	-
TOTAL	<u>\$ 455,641</u>	<u>\$ 14,100</u>	<u>\$ 5,374</u>	<u>\$ 464,367</u>

	Changes by Asset Types and Source				Total
	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	
BALANCE, OCTOBER 1, 1997	\$ 31,377	\$ 356,143	\$ 1,528	\$ 66,593	\$ 455,641
Add:					
Expenditures from County Funds:					
General	-	108	-	2,695	2,803
Road and bridge	-	8	-	1,208	1,216
Permanent improvement	7	809	-	22	838
Law library	-	-	-	13	13
Capital projects	166	1,627	-	3,077	4,870
Other funds	-	3,326	-	1,034	4,360
Total additions	<u>173</u>	<u>5,878</u>	<u>-</u>	<u>8,049</u>	<u>14,100</u>
Deduct:					
Assets sold or otherwise disposed of	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,374)</u>	<u>(5,374)</u>
BALANCE, SEPTEMBER 30, 1998	<u>\$ 31,550</u>	<u>\$ 362,021</u>	<u>\$ 1,528</u>	<u>\$ 69,268</u>	<u>\$ 464,367</u>

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STATISTICAL SECTION



STATISTICAL SECTION

DALLAS COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED TRUE VALUE OF ALL TAXABLE PROPERTY -
 LAST TEN YEARS
 (in thousands of dollars)

<u>Year</u>	<u>Real Property</u>		<u>Personal Property</u>	
	<u>Assessed Value</u>	<u>Estimated True Value</u>	<u>Assessed Value</u>	<u>Estimated True Value</u>
1989	\$83,672,245	\$83,977,157	\$17,161,406	\$17,172,596
1990	81,486,795	82,083,974	17,547,621	17,547,621
1991	78,487,869	79,492,895	17,663,175	17,663,175
1992	74,412,681	75,159,313	18,312,400	18,312,400
1993	72,122,560	72,778,934	19,007,702	19,007,703
1994	73,502,664	74,184,153	18,881,430	18,881,430
1995	76,647,860	77,127,088	19,819,358	19,819,358
1996	80,238,089	80,545,377	20,732,381	20,732,381
1997	86,336,077	86,577,918	21,539,587	21,539,588
1998	95,038,258	95,967,631	21,539,793	21,539,793

Note: Assessed values shown in this table include amounts allowed for local option exemptions, homestead exemptions and disabled veterans exemptions. In 1974, the Dallas County Commissioners Court approved an allowance for homestead exemption for taxpayers over 65 years of age. In 1988, the Dallas County Commissioners Court approved a 20% allowance for homestead exemption for all taxpayers. The approved allowance for disabled veterans is \$1,500 for disabilities of 10% to 30%, \$2,000 for disabilities of 31% to 50%, \$2,500 for disabilities of 51% to 70%, and \$3,000 for disabilities greater than 70%.

The assessment date is January 1.

Source: Dallas County Tax Assessor-Collector.

TABLE 1

<u>Assessed Value</u>	<u>Total</u>	<u>Estimated True Value</u>	<u>Statutory Ratio of Assessed Value to True Value</u>
\$100,833,651		\$101,149,753	1.00
99,034,416		99,631,595	1.00
96,151,044		97,156,070	1.00
92,725,081		93,471,713	1.00
91,130,262		91,786,637	1.00
92,384,094		93,065,583	1.00
96,467,218		96,946,446	1.00
100,970,470		101,277,758	1.00
107,875,664		108,117,506	1.00
117,190,511		117,517,703	1.00

Note: The differences between assessed value and estimated true value are the result of property items whose values were in dispute at the time of certification of values by the Appraisal District.

DALLAS COUNTY, TEXAS

PROPERTY TAX RATES AND TAX LEVIES - LAST TEN YEARS

Year	General Fund Tax Rates (1)	Jury Fund	Major Technology Fund	Permanent Improvement Fund
1989	0.10874	0.00159		0.00072
1990	0.11484	0.00182		0.00070
1991	0.12346	0.00191		
1992	0.13594	0.00186		
1993	0.13597	0.00183		
1994	0.14043	0.00197		
1995	0.16154	0.00206		
1996	0.15570	0.00180		0.00200
1997	0.14910	-	0.00500	0.00190
1998	0.14530	-	0.00500	0.00190

Tax levies (1)
(in thousands of dollars)

1989	\$ 92,471	\$ 1,352		\$ 612
1990	95,236	1,509		580
1991	98,688	1,527		
1992	104,284	1,429		
1993	102,135	1,368		
1994	106,843	1,494		
1995	128,350	1,631		
1996	130,208	1,510		1,668
1997	134,112	-	\$ 4,502	1,699
1998	140,920	-	4,858	1,836

Legal limitation note (2):

Original - Texas Constitution, Article 8, Section 9	\$ 0.80000
Additional authorized by voters - Texas Constitution	0.15000
Additional authorized by Article 4494 n.2	0.75000
Additional authorized by constitutional amendment, Article 3, Section 52 - limited only by annual requirements	0.02092
	<u>\$ 1.72092</u>

Legal limitation includes provision for debt service.

Taxes due: October 1

Taxes delinquent: January 31 year following levy

Tax lien and assessment date: January 1 year of levy

Taxes added to delinquent roll: July 1 year following levy

Discount allowed:

3% over 90 days before becoming delinquent

2% over 60 days before becoming delinquent

1% over 30 days before becoming delinquent

On June 19, 1989, the Dallas County Commissioners Court approved discontinuance of an allowance for a discount effective with the 1989 assessments.

Delinquent tax penalty and interest:

February of delinquent year - 6% penalty plus 1% interest

March of delinquent year - 7% penalty plus 2% interest

April of delinquent year - 8% penalty plus 3% interest

May of delinquent year - 9% penalty plus 4% interest

June of delinquent year - 10% penalty plus 5% interest

After July of delinquent year - 12% penalty plus 1% interest per month delinquent

TABLE 2

Debt Service <u>Funds</u>	Total Primary <u>Government</u>	Component <u>Unit</u>	Total Reporting <u>Entity</u>
0.05145	0.16250	0.15301	0.31551
0.05145	0.16881	0.17500	0.34381
0.05145	0.17682	0.19796	0.37478
0.06460	0.20240	0.20696	0.40936
0.06460	0.20240	0.20696	0.40936
0.06000	0.20240	0.19959	0.40199
0.05250	0.21610	0.19959	0.41569
0.05050	0.21000	0.19409	0.40409
0.04500	0.20100	0.18577	0.38677
0.04500	0.19720	0.17990	0.37710
\$ 43,753	\$ 138,188	\$ 130,101	\$ 268,289
42,667	139,992	145,105	285,097
41,127	141,342	158,221	299,563
49,564	155,277	158,756	314,033
48,529	152,032	155,439	307,471
45,660	153,997	151,840	305,837
41,724	171,705	158,566	330,271
42,238	175,624	162,307	337,931
40,480	180,793	167,221	348,014
43,645	191,259	174,462	365,721

Records of uncollected taxes are provided to the County's law firm under a contract authorized by the Commissioners Court in accordance with Sections 6.30 and 33.07 of the Property Tax Code of the State of Texas. A delinquent tax notice is mailed to the taxpayer not less than 30 or more than 60 days prior to July 1, the date at which unpaid accounts are placed with the law firm for collection. The taxpayer is notified by the law firm that his delinquent tax account has been placed for collection with them. If payment is not received within a reasonable period of time, the law firm will file suit for collection.

Tax levy figures are shown net of homestead exemption. Tax rates shown are amounts per hundred dollars of net assessed value.

(1) Source: Dallas County financial records.

(2) Source: Civil Statutes of Texas.

DALLAS COUNTY, TEXAS

TAX LEVIES AND REPORTING ENTITY TAX COLLECTIONS - LAST TEN YEARS

(in thousands of dollars)

<u>Year</u>	<u>Tax Levies</u>	<u>Collections of Current Tax Levy During Fiscal Period (a)</u>	<u>Percentage of Tax Levy Collected During Fiscal Period (a)</u>	<u>Collections of Prior Year's Tax Levy During Fiscal Period (a)</u>
1989	\$268,289	\$259,816	96.84 %	\$8,199
1990	285,097	276,378	96.94	6,292
1991	299,563	290,747	97.06	7,629
1992	314,033	303,865	96.76	6,929
1993	307,471	299,079	97.27	5,779
1994	305,837	297,790	97.37	5,426
1995	330,271	322,057	97.51	5,658
1996	337,931	331,162	98.00	6,708
1997	348,014	339,105	97.44	8,025
1998	365,721(b)			

Notes:

- (a) Tax collections begin October 1 of the year levied, and the fiscal period ends June 30 of the following calendar year.
- (b) Collections on the 1998 tax roll are incomplete until the end of the fiscal tax year, June 30, 1999.

Source: Dallas County financial records.

TABLE 3

<u>Total Collections</u>	<u>Percentage of Total Collections to Tax Levies</u>
\$268,015	99.90 %
282,670	99.15
298,376	99.60
310,794	98.97
304,858	99.15
303,216	99.14
327,715	99.23
337,870	99.98
347,130	99.75

DALLAS COUNTY, TEXAS

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND
NET BONDED DEBT PER CAPITA - LAST TEN YEARS

<u>Year</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>
1989	1,838,250	\$100,833,650,727	\$424,748,000	\$32,292,000
1990	1,852,810	99,034,415,882	394,970,000	31,593,000
1991	1,858,341	96,151,043,915	367,676,365	21,446,000
1992	1,873,850	92,725,081,175	409,570,000	19,232,000
1993	1,882,400	91,130,262,447	388,898,000	20,849,000
1994	1,913,395	92,384,094,273	359,200,000	21,787,000
1995	1,942,303	96,467,218,236	368,012,000	20,495,000
1996	1,959,281	100,970,470,200	333,920,000	18,479,000
1997	2,013,700	107,875,664,180	336,793,000	20,828,000
1998	2,023,140	117,190,511,045	305,536,000	21,397,000

Note: The information provided in this table excludes the bonded debt of the Enterprise Fund.

Source: Dallas County financial records.

TABLE 4

<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
\$392,456,000	0.00389	\$ 213
363,377,000	0.00367	196
346,230,365	0.00360	186
390,338,000	0.00421	208
368,049,000	0.00404	196
337,413,000	0.00365	176
347,517,000	0.00360	179
315,441,000	0.00312	161
315,965,000	0.00293	157
284,139,000	0.00242	140

DALLAS COUNTY, TEXAS

TABLE 5

TOP TEN TAXPAYERS

SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Name of Taxpayer</u>	<u>Type of Property</u>	<u>Total Assessed Valuation</u>	<u>Percent of Assessed Valuation</u>
Texas Instruments	Manufacturer of electronic equipment	\$1,430,912	1.23%
Southwestern Bell Telephone Company	Telephone utility	1,357,967	1.16
Crescent Corp.	Real estate	1,090,132	0.94
Texas Utilities Electric Company	Electric utility	1,049,026	0.90
GTE	Telephone utility	629,763	0.54
Southwest Airlines	Airline	466,179	0.40
Metropolitan	Insurance	348,637	0.30
Post Apartment Homes LP	Real estate	304,530	0.26
Northrop Grumman	Defense/Aeronautics	286,650	0.25
Main Street Partners	Real estate	<u>238,260</u>	<u>0.20</u>
TOTAL		<u>\$7,202,056</u>	<u>6.18%</u>

Note: Estimated amounts based on 1998 appraisal roll.

Source: Dallas County Tax Assessor-Collector.

DALLAS COUNTY, TEXAS

TABLE 6

REVENUES FROM SELECTED SOURCES - ALL GOVERNMENTAL FUND TYPES -
LAST TEN YEARSSEPTEMBER 30, 1998
(in thousands of dollars)

<u>Year</u>	<u>Property Taxes</u>	<u>Licenses, Fees and Permits</u>	<u>Fines and Forfeitures</u>	<u>Investments and Rentals</u>	<u>Inter- governmental Revenues</u>	<u>Charges for Current Services</u>	<u>Selected Sources Totals</u>
1989	\$ 129,819	\$ 7,529	\$ 10,183	\$ 32,761	\$ 23,993	\$ 43,858	\$ 248,143
1990	136,725	13,546	9,871	25,334	25,991	47,807	259,274
1991	138,153	15,587	9,237	23,083	29,672	46,539	262,271
1992	140,752	22,699	6,664	19,519	44,553	43,144	277,331
1993	152,983	24,159	7,304	16,001	61,928	40,523	302,898
1994	150,501	24,841	8,305	13,311	94,441	41,577	332,976
1995	152,031	26,189	9,514	17,157	67,810	40,265	312,966
1996	169,077	29,065	11,882	17,361	39,985	68,574	335,944
1997	174,519	28,451	12,857	19,991	40,733	76,444	352,995
1998	179,592	31,618	16,346	19,686	49,794	85,247	382,283

Note: This schedule does not include miscellaneous revenue items which generally are not budgeted or anticipated.

Source: Dallas County financial records.

DALLAS COUNTY, TEXAS

EXPENDITURES FOR SELECTED FUNCTIONS - ALL GOVERNMENTAL FUND TYPES -
LAST TEN YEARS

SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets and Highways</u>	<u>Health</u>	<u>Welfare</u>
1989	\$ 85,486	\$ 62,047	\$6,079	\$10,165	\$ 9,764
1990	93,721	69,989	6,906	12,335	13,653
1991	100,799	71,790	6,472	14,095	16,162
1992	111,300	78,513	7,347	16,356	14,821
1993	111,856	88,234	8,930	19,449	19,733
1994	118,158	106,929	7,076	25,378	25,759
1995	119,088	105,970	7,236	26,065	19,937
1996	122,405	102,164	8,021	25,854	18,054
1997	133,626	113,265	8,871	27,412	19,276
1998	141,293	121,382	8,937	28,484	26,240

Note: The General Government function in this table includes Judicial expenditures.

Source: Dallas County financial records.

TABLE 7

<u>Libraries</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Totals</u>
\$ 163	\$70,049	\$60,821	\$304,574
174	44,195	61,258	302,231
194	58,212	62,382	330,106
204	55,251	60,296	344,088
228	36,203	66,540	351,173
101	26,358	59,211	368,970
92	24,077	56,924	359,389
61	18,169	60,042	354,770
53	17,315	58,443	378,261
57	20,268	57,409	404,070

DALLAS COUNTY, TEXAS

TABLE 8

RATIO OF ANNUAL DEBT SERVICE FOR GENERAL OBLIGATION BONDED DEBT TO
TOTAL EXPENDITURES - ALL GOVERNMENTAL FUND TYPES - LAST TEN YEARS

SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Year</u>	<u>Total Expenditures</u>	<u>Debt Service</u>	<u>Debt Service as Percent of Total</u>
1989	\$ 304,574	\$ 60,821	19.97%
1990	302,231	61,258	20.27
1991	330,106	62,382	18.90
1992	344,088	60,296	17.52
1993	351,173	66,540	18.90
1994	368,970	59,211	16.05
1995	359,389	56,924	15.84
1996	354,770	60,042	16.92
1997	378,261	58,443	15.45
1998	404,070	57,409	14.21

Source: Dallas County financial records.

DALLAS COUNTY, TEXAS

TABLE 9

COMPUTATION OF LEGAL DEBT MARGIN
PRIMARY GOVERNMENT

SEPTEMBER 30, 1998
(in thousands of dollars)

ASSESSED VALUATION OF REAL PROPERTY		<u>\$ 95,038,258</u>
ASSESSED VALUATION OF ALL TAXABLE PROPERTY		<u>117,190,511</u>
BONDS ISSUED UNDER ARTICLE 3, SECTION 52, OF THE TEXAS CONSTITUTION:		
Debt limit, one-fourth of real property assessed valuation		23,759,565
Amount of debt applied to debt limit:		
Bonded debt	\$ 166,871	
Less debt service funds - appropriation for future debt payments	<u>11,687</u>	
Total amount of debt applicable to debt limit		<u>155,184</u>
LEGAL DEBT MARGIN, BONDS ISSUED UNDER ARTICLE 3, SECTION 52, OF THE TEXAS CONSTITUTION		<u>23,604,381</u>
BONDS ISSUED UNDER TEXAS GENERAL LAWS:		
Debt limit, five percent of assessed valuation of all taxable property		5,828,903
Amount of debt applied to debt limit:		
Bonded debt	138,665	
Less debt service funds - appropriation for future debt payments	<u>9,710</u>	
Total amount of debt applicable to debt limit		<u>128,955</u>
LEGAL DEBT MARGIN, BONDS ISSUED UNDER TEXAS GENERAL LAWS		<u>\$ 5,699,948</u>

As to bonds issued under Article 3, Section 52e of the Texas Constitution, counties "may issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory."

The pertinent section of Article 722 of Vernon's Civil Statutes is "the total indebtedness of any County for the purpose provided in this chapter, shall not be increased by any issue of bonds to a sum exceeding five percent of its said taxable values."

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SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS

FISCAL YEAR ENDED SEPTEMBER 30, 1998

<u>Official Title</u>	<u>Incumbent</u>	<u>Amounts of</u>	
		<u>Salary</u>	<u>Surety Bond</u>
County Judge	Lee Jackson	\$ 99,408.00	\$ 5,000
Commissioner, Precinct 1	Jimmy L. Jackson	81,924.00	5,000
Commissioner, Precinct 2	Michael E. Cantrell	81,924.00	5,000
Commissioner, Precinct 3	John Wiley Price	81,924.00	5,000
Commissioner, Precinct 4	Kenneth A. Mayfield	81,924.00	5,000
County Auditor	Virginia Porter	90,228.00	5,000
County Treasurer	Bill Melton	79,284.00	25,000
Assessor-Collector of Taxes	David Childs	79,284.00	200,000(a)
County Clerk	Earl C. Bullock, Jr.	79,284.00	500,000
District Attorney	John Vance	121,140.00	5,000(b)
District Clerk	William R. Long	79,284.00	100,000
Sheriff	James C. Bowles	90,516.00	10,000

Note:

(a) Bonded to the County of Dallas	\$ 100,000
Bonded to the State of Texas	<u>100,000</u>
	<u>\$ 200,000</u>
(b) Bonded to the State of Texas	<u>\$ 5,000</u>

DALLAS COUNTY, TEXAS

SCHEDULE OF INSURANCE IN FORCE
PRIMARY GOVERNMENT

SEPTEMBER 30, 1998

<u>Type of Coverage</u>	<u>Property/Group Covered</u>
Broad Form Property including earthquake and flood	All County Buildings and their contents except the Substance Abuse Facility (\$500,000 deductible)
Broad Form Property excluding earthquake and flood	Substance Abuse Facility and contents - Wilmer (\$100,000 deductible)
Equipment Breakdown	Boiler & Machinery (\$25,000 deductible)
Floater	Electronic Data Processing equipment & software (25,000 deductible) Radio/Communications Equipment (\$25,000 deductible) Radio Towers (\$25,000 deductible)
Crime - Tax Assessor/Collector	Money, checks, securities (\$5,000 deductible) (a)
Crime - Treasurer	Money and securities (\$500 deductible)
Crime - Child Support Office	Money, checks, securities (\$5,000 deductible)
Workers' Compensation	Administration
Benefits Stop Loss Insurance	County Employee Benefits
Group Life Insurance	County employees
Long Term Disability Insurance	County employees

(a) At peak periods, the maximum coverage at the Records Center is increased per special schedule up to a limit of \$800,000 during the period from October 31 through December 15.

TABLE 11

<u>Annual Premium</u>	<u>Amount of Coverage</u>	<u>Term</u>	<u>Carrier</u>
\$ 105,394	\$454,284,000	11/95 to 5/99	Allianz Insurance Company
4,995	5,535,000	5/98 to 5/99	Allianz Insurance Company
13,613	50,000,000	1/98 to 1/99	Hartford Steam Boiler
10,337	13,085,418	3/98 to 3/99	Allianz Insurance Company
6,911	400,000	3/98 to 3/99	Great America
4,105	200,000	7/98 to 7/99	U.S. Fire Insurance
888	500,000	4/98 to 4/01	U.S. Fire Insurance
107,500	-	5/98 to 5/99	Self-insured; Lindsey Morden, Third Party Administrator
196,639	Stop Loss	1/98 to 1/99	New York Life Insurance
458,806	Life Insurance	1/98 to 1/99	Group Life & Health Co.
150,728	Long Term Disability	1/98 to 1/99	Standard Insurance Co.

DALLAS COUNTY, TEXAS

TABLE 12

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT

SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Name</u>	<u>Indebtedness as of</u>	<u>Gross Debt Less Sinking Funds</u>	<u>Percentage of Debt Applicable to Dallas County</u>	<u>Dallas County's Share of Debt</u>
Dallas County	09/30/98	\$ 284,579	100.0 %	\$ 284,579
Hospital District	09/30/98	-	100.0	-
Water Control and Improvement District No. 6	09/30/98	9,174	100.0	9,174
Independent school districts:				
Carrollton-Farmers Branch	08/31/98	134,706	81.8	110,190
Cedar Hill	08/31/98	37,563	100.0	37,563
Coppell	08/31/98	110,753	100.0	110,753
Dallas	08/31/98	380,003	100.0	380,003
DeSoto	08/31/98	51,233	100.0	51,233
Duncanville	08/31/98	29,398	100.0	29,398
Ferris	08/31/98	3,435	8.0	275
Garland	08/31/98	232,868	100.0	232,868
Grand Prairie	08/31/98	88,266	100.0	88,266
Grapevine	08/31/98	129,103	0.1	129
Highland Park	08/31/98	30,635	100.0	30,635
Irving	08/31/98	208,416	100.0	208,416
Lancaster	08/31/98	19,297	100.0	19,297
Mesquite	08/31/98	250,176	100.0	250,176
Richardson	08/31/98	141,222	100.0	141,222
Wilmer-Hutchins	08/31/98	5,262	100.0	5,262
Total independent school districts		<u>1,852,336</u>		<u>1,695,686</u>

Source: Financial reports of governmental units which have overlapping debt.

(Continued)

DALLAS COUNTY, TEXAS

TABLE 12

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT -- CONTINUED

SEPTEMBER 30, 1998
(in thousands of dollars)

<u>Name</u>	<u>Indebtedness as of</u>	<u>Gross Debt Less Sinking Funds</u>	<u>Percentage of Debt Applicable to Dallas County</u>	<u>Dallas County's Share of Debt</u>
Cities and towns:				
Addison	09/30/98	\$ 24,476	100.0 %	\$ 24,476
Balch Springs	09/30/98	9,184	100.0	9,184
Carrollton	09/30/98	87,339	64.7	56,508
Cedar Hill	09/30/98	13,160	98.3	12,936
Coppell	09/30/98	45,662	98.9	45,160
Dallas	09/30/98	628,781	97.1	610,546
DeSoto	09/30/98	30,114	100.0	30,114
Duncanville	09/30/98	24,247	100.0	24,247
Farmers Branch	09/30/98	25,883	100.0	25,883
Garland	09/30/98	125,845	100.0	125,845
Glenn Heights	09/30/98	1,786	72.4	1,293
Grand Prairie	09/30/98	55,894	55.9	31,245
Highland Park	09/30/98	-	100.0	-
Hutchins	09/30/98	3,054	100.0	3,054
Irving	09/30/98	94,581	100.0	94,581
Lancaster	09/30/98	11,130	100.0	11,130
Mesquite	09/30/98	68,489	100.0	68,489
Richardson	09/30/98	96,890	86.7	84,004
Rowlett	09/30/98	21,247	85.8	18,230
Sachse	09/30/98	1,064	93.5	995
Seagoville	09/30/98	2,251	99.6	2,242
University Park	09/30/98	2,059	100.0	2,059
Wilmer	09/30/98	595	100.0	595
		<hr/>		<hr/>
Total cities and towns	09/30/97	1,373,731		1,282,816
		<hr/>		<hr/>
TOTAL		\$3,519,820		\$3,272,255
		<hr/>		<hr/>

Source: Financial reports of governmental units which have overlapping debt.

DALLAS COUNTY, TEXAS

REVENUE BOND COVERAGE - PARKING GARAGE
 LAST TEN YEARS
 (in thousands of dollars)

<u>Fiscal Year</u>	<u>Total Resources (1)</u>	<u>Operating Transfers</u>	<u>Net Resources Available for Debt Service</u>
1989	\$ 983	\$ 730	\$ 253
1990	643	340	303
1991	691	350	341
1992	890	405	485
1993	1,068	405	663
1994	1,215	450	765
1995	1,282	450	832
1996	1,307	450	857
1997	1,280	450	830
1998	1,150	450	700

(1) Includes undesignated fund balance at October 1.

Source: Dallas County financial records.

TABLE 13

<u>Debt Service Requirement</u>			<u>Coverage</u>
<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
95	114	209	1.21
100	109	209	1.45
105	103	208	1.64
110	97	207	2.34
115	91	206	3.22
120	85	205	3.73
125	78	203	4.10
135	72	207	4.14
140	64	204	4.07
150	56	206	3.40

DALLAS COUNTY, TEXAS

DISCRETE COMPONENT UNIT
 DEFINED BENEFIT PENSION PLAN COSTS AND CONTRIBUTIONS CONTRIBUTED
 TEN-YEAR HISTORICAL TREND BEGINNING JANUARY 1, 1995
 (As Required by GASB No. 27)

<u>Plan Fiscal Year</u>	<u>Annual Pension Cost</u>	<u>Percentage of Annual Required Contribution</u>
1995	\$2,420,000	100.0 %
1996	2,366,000	100.0 %
1997	2,686,415	100.0 %

The most recent audited financial statements of the defined benefit pension plan are as of December 31, 1997.

Source: Dallas County Hospital District.

TABLE 15

DALLAS COUNTY, TEXAS

DISCRETE COMPONENT UNIT
 SCHEDULE OF FUNDING PROGRESS OF DEFINED BENEFIT PENSION PLAN,
 THREE-YEAR HISTORICAL TREND BEGINNING JANUARY 1, 1996 (IN THOUSANDS)
 (AS REQUIRED BY GASB NO. 27)

Actuarial Valuation Date as of January 1	Actuarial Value of Assets	Actuarial Accrued Liability	Assets Over (Under) Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Assets Over (Under) Actuarial Accrued Liability as a Percentage of Covered Payroll
1996	\$ 98,400	\$ 101,600	\$ (3,200)	96.8 %	\$ 184,300	(1.7)%
1997	112,400	112,500	(100)	99.9	189,200	(0.1)

DALLAS COUNTY, TEXAS

TABLE 16

PROPERTY VALUES AND NEW CONSTRUCTION -
LAST TEN YEARS
(in thousands of dollars)

<u>Year</u>	<u>Total Property Value</u>	<u>Total New Construction</u>
1989	\$101,149,753	\$1,314,052
1990	99,631,595	1,519,252
1991	97,156,070	1,617,873
1992	93,471,713	1,884,932
1993	91,786,637	974,903
1994	93,065,583	1,155,722
1995	96,946,446	1,427,470
1996	101,277,758	1,685,480
1997	108,117,506	2,289,520
1998	117,517,703	2,537,526

Source: Dallas County Central Appraisal District.

DALLAS COUNTY, TEXAS

TABLE 17

TAX RATES FOR GOVERNMENTAL UNITS
WITH OVERLAPPING DEBT

Name	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989
Dallas County	.19720	.20100	.21000	.21610	.20240	.20240	.20240	.17682	.16881	.16250
Hospital District	.17990	.18577	.19409	.19959	.19959	.20271	.20696	.19796	.17500	.15301
Community College Distri	.05000	.05000	.05206	.05206	.05206	.05210	.04935	.04648	.04310	.04030
<u>School Districts</u>										
Carrollton	1.53770	1.49610	1.46190	1.43290	1.43210	1.44250	1.42060	1.33040	0.99740	0.92470
Cedar Hill	1.77900	1.76000	1.75000	1.75000	1.63000	1.65000	1.73000	1.50000	1.26300	1.14000
Coppell	1.60000	1.60000	1.60000	1.59500	1.54500	1.54500	1.52520	1.39240	0.93500	0.93500
Dallas	1.46053	1.46053	1.46053	1.41810	1.41813	1.41800	1.29330	1.10000	0.97350	0.81850
DeSoto	1.77000	1.69000	1.64860	1.61860	1.61860	1.61360	1.61360	1.51800	1.43500	1.34500
Duncanville	1.68000	1.64000	1.60680	1.60680	1.57240	1.55760	1.44240	1.19000	1.04000	0.89000
Ferris	1.53000	1.53000	1.50000	1.50000	1.50000	1.44000	1.44860	1.43340	1.23000	1.23000
Garland	1.54450	1.48720	1.44280	1.44280	1.44280	1.37840	1.39360	1.24000	1.16000	1.04000
Grand Prairie	1.50780	1.46780	1.46780	1.46780	1.46780	1.46780	1.42800	1.42800	1.18000	1.12000
Grapevine	1.53779	1.53779	1.46700	1.46910	1.47910	1.41920	1.39000	1.22140	1.05000	0.96000
Highland Park	1.49500	1.54010	1.61310	1.60450	1.66040	1.68040	1.42420	1.35300	0.68990	0.59740
Hutchins	1.64240	1.46450	1.70700	1.72100	1.74470	1.75000	1.80400	1.71000	1.35000	1.31000
Irving	1.67840	1.64840	1.66340	1.63860	1.56960	1.55460	1.49490	1.36460	1.13070	1.03320
Lancaster	1.73000	1.69930	1.69930	1.69990	1.69990	1.66880	1.62250	1.65000	1.48710	1.48000
Mesquite	1.58000	1.53000	1.50000	1.50000	1.50000	1.46000	1.45760	1.36240	1.18000	0.94000
Richardson	1.62570	1.60000	1.56980	1.56980	1.56980	1.56980	1.50960	1.37740	1.12400	1.04200
Sunnyvale	1.20000	1.20500	1.20500	1.22200	1.24200	1.26140	1.26140	1.16620	0.67500	0.64000
<u>Cities and Towns</u>										
Addison	.40000	.44750	.45500	.51770	.52450	.52710	.53380	.48730	.48730	.36000
Balch Springs	.62000	.59000	.59241	.59625	.60211	.58630	.55000	.55340	.55340	.55340
Carrollton	.60430	.60430	.60430	.60430	.57830	.57830	.58660	.55400	.55400	.55000
Cedar Hill	.64269	.64269	.66130	.65289	.64220	.64220	.61390	.56900	.48740	.42060
Cockrell Hill	.77183	.70432	.73996	.71538	.70064	.66830	.64270	.62920	.60000	.60000
Coppell	.64860	.66860	.66860	.66950	.66950	.68950	.69950	.67300	.63500	.56000
Dallas	.64910	.65160	.67220	.65260	.67440	.67440	.67440	.62970	.62970	.58330
DeSoto	.61139	.61139	.62860	.58860	.64850	.63000	.61000	.57000	.50000	.47000
Duncanville	.71800	.71800	.72000	.72190	.85480	.85800	.83610	.78000	.74450	.64900
Farmers Branch	.44000	.44000	.44000	.44000	.44000	.44000	.44000	.40000	.40000	.40000
Garland	.63360	.63360	.63360	.63360	.63360	.61910	.59900	.58320	.55610	.53690
Glenn Heights	.80000	.83000	.84830	.84830	.85000	.85000	.68000	.65000	.61000	.57580
Grand Prairie	.67999	.67999	.69560	.69560	.69560	.69560	.64090	.62260	.61950	.58740
Highland Park	.26930	.29700	.29700	.29700	.29710	.29250	.28290	.26970	.26500	.25220
Hutchins	.54636	.54793	.57115	.57115	.57120	.57110	.57160	.55440	.53980	.49200
Irving	.49300	.49300	.50860	.50570	.52210	.52210	.50500	.47550	.45300	.43900
Lancaster	.55170	.55170	.55170	.55170	.67170	.67170	.67170	.61330	.55250	.51220
Mesquite	.58148	.48148	.54148	.54148	.52830	.51000	.47000	.57000	.53000	.51000
Richardson	.44385	.44385	.44385	.44385	.45390	.45390	.41000	.39280	.39280	.39280
Rowlett	.64000	.62000	.60500	.60500	.57320	.57320	.56550	.53020	.49780	.43930
Sachse	.67470	.67470	.66450	.64950	.64950	.65000	.60100	.55500	.50000	.50000
Seagoville	.53779	.55176	.55408	.53634	.52660	.60020	.58390	.53770	.49850	.48220
Sunnyvale	.37997	.35739	.35739	.35233	.34390	.34980	.35980	.25430	.21120	.22200
University Park	.43537	.45995	.46137	.46581	.47730	.49620	.48520	.46870	.45250	.43500
Wilmer	.66000	.66000	.66000	.66000	.66000	.66000	.66000	.66000	.66000	.66000

Source: Financial reports of governmental units which have overlapping debt.

DALLAS COUNTY, TEXAS

TABLE 18

MISCELLANEOUS STATISTICAL DATA

Date of Incorporation 1846

Form of Government: A public corporation and political subdivision of the State of Texas

Number of County employees, September 30, 1998 6,763

Area - square miles 900

Population (a):	1850	2,743	1900	82,726	1950	614,799	1991	1,858,341
	1860	8,665	1910	135,748	1960	951,527	1992	1,873,850
	1870	13,314	1920	210,551	1970	1,327,321	1993	1,882,400
	1880	33,488	1930	325,691	1980	1,556,549	1994	1,913,395
	1890	67,042	1940	398,564	1990	1,852,810	1995	1,942,303
							1996	1,959,281
							1997	2,013,700
							1998	2,023,140

Elections (b):

	1994	1995	1996	1997	1998
	<u>General</u>	<u>General</u>	<u>General</u>	<u>General</u>	<u>General</u>
Registered voters	862,138	938,651	1,059,853	1,109,916	1,146,673
Number of votes cast	465,078	54,461	562,439	85,464	344,661
Percentage of registered voters voting	53.94%	5.80%	53.07%	7.70%	30.06%

Miles of maintained roads, 1998 (c) (excludes federal and state highways and city streets):

Paved streets, bridges and culverts	1,602.28
Earth and gravel streets, bridges and culverts	<u>1.56</u>
Total	1,603.84

Climate, 1998 (d):

Altitude	450 - 750 feet	
Rainfall (inches):		
Normal	33.70	
Actual	36.74	
Temperature (F):	High	Low
Normal average	76.3	54.6
Actual average	78.1	58.5

Data Sources:

- (a) Census Bureau
- (b) Elections Dept.
- (c) Public Works Dept.
- (d) Weather Bureau

(Continued)

DALLAS COUNTY, TEXAS

TABLE 18

MISCELLANEOUS STATISTICAL DATA--CONTINUED

County of Dallas:

Total assets, all Dallas area banks - 1998 (e)	\$39,478,000,000
Total consumption of natural gas mcf - 1998 (f)	66,580,388

Radio and Television (g):

Radio stations	55
Television stations	15

Colleges and Universities (g)

27

FEE OFFICE FACTS (h)

	<u>1996</u>	<u>1997</u>	<u>1998</u>
Justice of the Peace Courts:			
Employees	97	114	123
Cases	185,633	216,304	239,841
Budget	\$3,831,849	\$4,076,701	\$4,102,171
Fee income	\$1,038,579	\$1,126,845	\$1,332,448
Fine income	\$2,415,944	\$3,519,620	\$5,268,364
County Treasurer:			
Employees	16	17	18
Total receipts	\$19,502,990,029	\$28,718,820,079	\$26,341,606,866
Total disbursements	\$19,444,460,741	\$28,389,810,860	\$26,677,745,558
Investment earnings	\$14,658,569	\$17,443,447	\$17,961,344
Budget charges	\$669,083	\$771,449	\$740,109
Fee income	\$308,457	\$453,191	\$620,961

Data Sources:

- (e) Federal Reserve
- (f) Lone Star Gas
- (g) Chamber of Commerce

(Continued)

DALLAS COUNTY, TEXAS

TABLE 18

MISCELLANEOUS STATISTICAL DATA
FEE OFFICE FACTS (h) -- CONTINUED

	<u>1996</u>	<u>1997</u>	<u>1998</u>
Constables:			
Employees	199	202	205
Civil process	136,192	136,895	136,772
Budget charges	\$7,622,701	\$7,810,127	\$8,958,667
Fee income	\$5,445,674	\$5,620,941	\$5,705,692
District Clerk:			
Employees	205	239	237
Civil process cases	54,756	50,306	46,062
Criminal cases	26,282	27,576	28,356
Jurors	109,524	108,187	113,780
Budget charges	\$7,168,056	\$7,422,707	\$7,027,887
Fee income	\$4,386,235	\$4,420,030	\$4,608,042
Assessor-Collector of Taxes:			
Employees	227	227	227
Ad valorem assessment notices issued	713,836	711,479	719,795
Motor vehicle registrations	2,080,723	2,068,548	2,197,476
Budget charges	\$7,431,038	\$7,873,270	\$6,820,995
Collections	\$960,740,973	\$1,003,974,674	\$1,053,103,297
County Clerk:			
Employees	174	183	166
Marriage licenses	19,609	20,923	18,014
Civil suits	10,461	11,864	12,521
Probate cases	8,451	9,208	9,234
Criminal cases	78,045	69,449	74,612
Budget charges	\$6,353,449	\$6,549,915	\$6,200,792
Fee income	\$8,424,339	\$8,073,623	\$9,255,737
Sheriff:			
Employees	1,805	1,890	1,867
Daily average in county jail	6,380	6,880	6,581
Persons booked	108,012	108,108	115,288
Civil process cases	10,682	8,985	5,652
Budget charges	\$62,868,556	\$69,815,339	\$77,928,553
Fee income	\$4,711,456	\$3,319,972	\$3,747,963
Average food cost per person per day	\$2.19	\$1.77	\$1.87

Data Sources:

(h) Dallas County financial records

(Continued)

DALLAS COUNTY, TEXAS

TABLE 18

MISCELLANEOUS STATISTICAL DATA--CONTINUED

Dallas County Schools (i)

Changes in cash balances for the year ended August 31, 1998:

	Balance September 1, <u>1997</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance August 31, <u>1998</u>
Operating account	\$ 2,392,071	\$53,103,939	\$55,379,177	\$ 116,833
Consolidated payroll account	40,000	20,035,054	20,035,054	40,000
Investments	<u>18,741,831</u>	<u>18,727,707</u>	<u>9,944,661</u>	<u>27,524,877</u>
Total	<u>\$21,173,902</u>	<u>\$91,866,700</u>	<u>\$85,358,892</u>	<u>\$27,681,710</u>

Data Sources:

(i) Dallas County School District.

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