

DALLAS COUNTY, TEXAS

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2001

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, 2001

Table of Contents

	Page
Introductory Section:	
Principal Officials	i
Organizational Structure	iii
County Auditor's Letter of Transmittal	v
Certificate of Achievement for Excellence in Financial Reporting	xvi
Financial Section:	
Independent Auditors' Report	1
Combined Financial Statements ("Liftable" General Purpose Financial Statements)	3
Exhibit:	
A-1 Combined Balance Sheet - All Fund Types, Account Groups and Discretely Presented Component Unit	4-7
A-2 Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	9
A-3 Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds	10-11
A-4 Combined Statement of Revenues, Expenses and Changes in Retained Earnings (Deficit) - Proprietary Fund Type and Discretely Presented Component Unit	13
A-5 Combined Statement of Cash Flows - Proprietary Fund Type and Discretely Presented Component Unit	14-15
Notes to Financial Statements	17-49
Required Supplemental Information:	
1 Discrete Component Unit Defined Benefit Pension Plan Costs and Contributions three-year Historical Trend	52
2 Discrete Component Unit Schedule of Funding Progress of Defined Benefit Pension Plan, Three-Year Historical Trend Beginning January 1, 1999	53
Combining, Individual Fund and Account Group Financial Statements and Schedules:	
General Fund:	
B-1 Comparative Balance Sheets	58
B-2 Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	59
B-3 Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	60-63

DALLAS COUNTY, TEXAS

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2001

Table of Contents

Exhibit		Page
Special Revenue Funds:		
C-1	Combining Balance Sheets	66-69
C-2	Combining Statements of Revenues, Expenditures and Changes in Fund Balances	70-73
C-3	Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	74-86
Debt Service Funds:		
D-1	Combining Balance Sheets	88
D-2	Combining Statements of Revenues, Expenditures and Changes in Fund Balances	89
D-3	Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	90-91
Capital Projects Funds:		
E-1	Combining Balance Sheets	94-95
E-2	Combining Statements of Revenues, Expenditures and Changes in Fund Balances	96-97
Agency Funds:		
F-1	Combining Balance Sheets - All Agency Funds	100-103
F-2	Combining Statement of Changes in Assets and Liabilities - All Agency Funds	104-105
F-3	Statements of Changes in Assets and Liabilities - All Agency Funds	106-123
General Fixed Assets Account Group:		
G-1	Schedule of General Fixed Assets - By Source	126
G-2	Schedule of Changes in General Fixed Assets	127-128
G-3	Schedule of General Fixed Assets - By Function and Activity	129

DALLAS COUNTY, TEXAS

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2001

Table of Contents

Table		Page
Statistical Section:		
1	Assessed Value and Estimated True Value of All Taxable Property - Last Ten Years	132
2	Property Tax Rates and Tax Levies - Last Ten Years	134-135
3	Tax Levies and Reporting Entity Tax Collections - Last Ten Years	136
4	Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Last Ten Years	137
5	Top Ten Taxpayers	138
6	Revenues From Selected Sources - All Governmental Fund Types - Last Ten Years	139
7	Expenditures for Selected Functions - All Governmental Fund Types - Last Ten Years	140-141
8	Ratio of Annual Debt Service for General Obligation Bonded Debt to Total Expenditures - All Governmental Fund Types - Last Ten Years	142
9	Computation of Legal Debt Margin - Primary Government	143
10	Salaries and Surety Bonds of Principal Officials	145
11	Schedule of Insurance in Force - Primary Government	146-147
12	Computation of Direct and Overlapping Bonded Debt	148-149
13	Revenue Bond Coverage - Parking Garage - Last Ten Years	150
14	Property Values and New Construction - Last Ten Years	151
15	Tax Rates for Governmental Units With Overlapping Debt	152
16	Miscellaneous Statistical Data	153-156

DALLAS COUNTY, TEXAS

Principal Officials

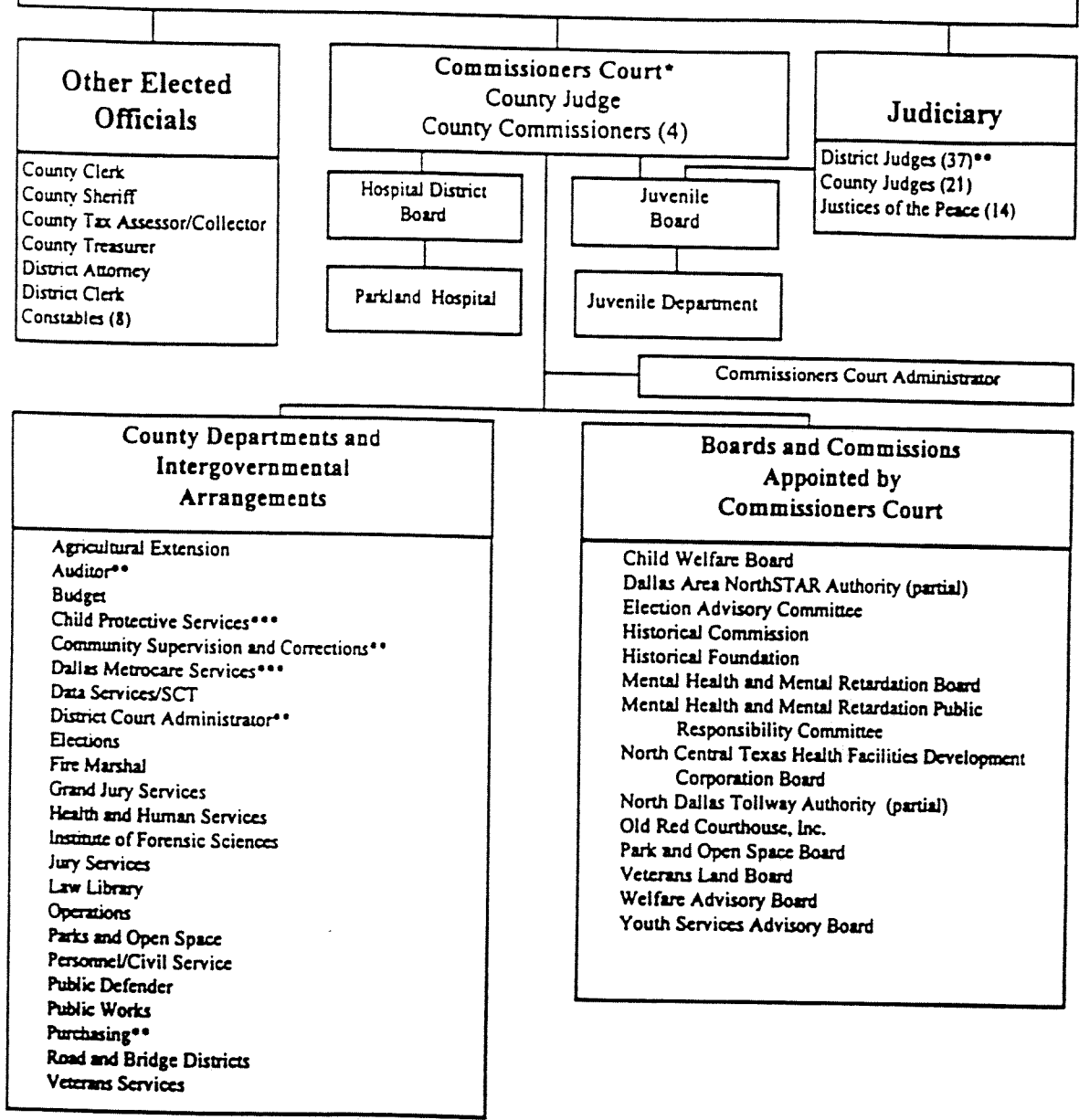
As of September 30, 2001

<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	William Hill
District Clerk	Jim Hamlin
Sheriff	James C. Bowles

This page left blank intentionally.

COUNTY ORGANIZATION

DALLAS COUNTY VOTERS



* Members of the Commissioners Court serve on the following boards and committees: Texas Jail Commission, Texas Juvenile Probation Commission, Dallas County Juvenile Board, National Association of Counties (NACO) Transportation, Justice and Public Safety, Finance, Membership Services, Deferred Compensation Committee, NACO Large Urban Counties Caucus, NACO Second Vice President, Conference of Urban Counties Vice Chair, Texas Association of Regional Councils, IH635 Coordination Committee, North Central Texas Council of Governments (NCTCOG) Board, 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, Dallas County DWI Task Force, Community Justice Council, Dallas County Housing Finance Corporation, Dalhoma Trail Advisory Committee, Dallas County Civil Service Commission, Public Employee Benefit Cooperative Board, and the North American Superhighway Coalition Board.

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

*** CSCD, CPS and Dallas Metrocare Services (formerly called Dallas County MHMR) are independent agencies with important County programmatic connections.

This page left blank intentionally.



DALLAS COUNTY
COUNTY AUDITOR

February 16, 2002

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, 2001 is submitted herewith. The County Auditor's Department prepared this report. 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 accounting principles generally accepted in the United States of America 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 accounts 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; and the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for multiple agencies.

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 accounting principles generally accepted in the United States of America, these financial statements include the County and its discretely presented 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 activity of the HFC is the approval of reverse mortgage education programs and the issuance of single-family mortgage bonds that are disclosed as conduit debt in footnote F. 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 Dallas County Hospital District (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 residing within the County 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.

ECONOMIC CONDITION AND OUTLOOK

The County is located in north central Texas, and is strategically central to the economic region of Texas, Louisiana, Arkansas, Oklahoma and New Mexico as well as 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 2000 census reported a population of 2,218,899.

The Commissioners Court is responsible for development of policies and orders, approving financial commitments and appointment of various department heads. The management and leadership provided by members of the Commissioners Court and the elected and appointed officials of other key County offices is crucial to the success of the County in financial management and growth. Current leadership positions are held by County Commissioners in the National Association of Counties (NACo) and the Texas Conference of Urban Counties (CUC). The County Auditor holds committee positions in the Government Finance Officers Association (GFOA) and the Texas Association of County Auditors for 2000-2001. The County Treasurer is Chairman of the Texas County and District Retirement System (TCDRS).

Post September 11 economic downturn and recession have impacted the Dallas economy; however, Dallas' diversified economy has lessened the impact of the downturn. Before the recent economic decline, Dallas' strength as a trade center had allowed the finance, insurance and manufacturing industries to grow, building strong ties to petroleum by becoming the industry's banker. The Dallas metropolitan area is home to two of the nations top ten airlines (American Airlines and Southwest Airlines). Nonagricultural employment in Texas continues to show increases with the biggest increases in Dallas for transportation, communication and public utilities.

Dallas has a strong employment base with a commute/job producer ratio indicating more workers commute in from outside the County than leave their County of residence to work. Efforts are being directed to enhancing public transportation. In the mid-1990's, economic growth in Dallas 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 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. 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 CMSA 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 Greater Dallas Chamber of Commerce:

Company	Product	Employees
AMR Corporation (American Airlines)	Airline, Technology and Management Services	35,000
Raytheon Company	Manufacturer of Defense Systems & Electronics	18,500
Southwestern Bell Telephone	Telecommunications	18,000
Dallas Independent School District	Independent school district	17,169
Texas Health Resources	Non-profit health care	15,500
U.S. Postal Services – Dallas District	Mail Delivery	13,463
City of Dallas	Municipality	13,000
The Visiting Nurse Association of Texas	Non-profit Health related Services	12,897
Baylor Health Care System	Health Care in Dallas and North Texas	12,800
Verizon	Telecommunications Service Firm	12,000
Bank of America	Financial Services	10,000
Electronic Data Systems	Computer and Data Services	8,200
Texas Instruments, Incorporated	Electronics and Semi-conductors	9,500
Kroger L.P.I., Dallas Marketing Area	Grocery Store Chain	9,000
Baylor University Medical Center	Hospital	8,108
United Parcel Service	Package Distribution Company	8,000
Nortel Networks (Northern Telecom)	Telecommunications Equipment Manufacturer	8,000
Tom Thumb Food & Pharmacy	Retail Grocery	7,680
Albertson's Inc.	Retail Grocery	7,000
Alcatel USA	Voice, Data & Switching Infrastructure Mfg.	7,000

Source: Greater Dallas Chamber of Commerce
Business & Industry Journal 2001-2002

Sales Taxes

The City of Dallas, along with most of its 14 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

	Annual				
	2001	2000	1999	1998	1997
Dallas Metropolitan					
Statistical Area (Actual):					
Total civilian labor force	2,080,567	1,988,200	1,930,600	1,892,300	1,839,200
Total unemployment	113,316	65,400	60,500	63,600	70,700
Percent unemployed	5.4%	3.3%	3.1%	3.40%	3.80%
Total employment	1,967,251	1,922,800	1,870,100	1,828,700	1,768,500
State of Texas (Actual):					
Total civilian labor force	10,649,900	10,432,000	10,349,400	10,196,400	9,996,200
Total unemployment	542,100	453,000	463,700	505,800	534,200
Percent unemployed	5.1%	4.3%	4.5%	5.00%	5.30%
Total employment	10,107,800	9,979,000	9,885,700	9,690,600	9,462,000
United States (Actual):					
Total civilian labor force	141,576,000	140,357,000	139,216,000	137,903,000	137,459,000
Total unemployment	6,708,000	5,324,000	5,661,000	6,039,000	6,594,000
Percent unemployed	4.7%	3.8%	4.1%	4.40%	4.80%
Total employment	134,868,000	135,033,000	133,555,000	131,864,000	130,865,000

Source: LMI Department, Texas Workforce Commission and Greater Dallas Chamber as of September 30, 2001

Fortune/Forbes 500 Companies

The Dallas/Fort Worth area is home to the headquarters of 13 of the nation's *Fortune* 500 companies and 14 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 Ranking (Publicly Held Companies)

Number		Company	Revenues
FY 01	FY 00		(\$ Millions) FY 01
1	1	Exxon/Mobil	\$210,392.0
2	3	Verizon	64,707.0
3	2	J.C. Penney Co., Inc.	32,965.0
4	6	Texas Utilities	22,009.0
5	4	AMR	20,245.0
6	5	Electronic Data Systems	19,226.0
7	8	Kimberly-Clark	13,982.0
8	7	Halliburton	13,344.0
9	10	Texas Instruments	11,875.0
10	11	Burlington Northern Santa Fe Corporation	9,205.0
11	14	Centex	5,956.4
12	16	Suiza Foods	5,756.3
13	15	Southwest Airlines	5,649.6

Source: www.fortune.com/fortune/fortune500, www.Forbes.com - Revenues as of 2000, and www.ntc-dfw.org

MAJOR INITIATIVES FOR THE YEAR

Computer Technology - The County successfully implemented E-government initiatives such as internet collection of property taxes and vehicle registration. The web presence for key departments was updated to include posting employment opportunities, downloading of the CAFR and frequently requested forms and publishing agendas of commissioners court meetings. Efforts to expand the master plan for court system automation continued. Vendor participation was a key factor in defining options for automating court records.

Ongoing review and upgrades of the Oracle financial system strengthened needed internal control benchmarks. Additional features and system upgrades are being implemented and tested by the financial users. A work plan was developed to implement the fixed asset module in preparation for depreciation accounting.

Tax Collections – System enhancements and process improvements were completed allowing for a smooth transition of consolidated tax collections for newly approved contracts with the City of Dallas and Dallas Independent School District. The County now collects property taxes for 38 entities.

Freeway Traffic Program – A delay in implementation of the program and a backlog in processing tickets through the justice department caused revenue shortfall; however, a review of actual results for the fourth quarter indicate the program will be successful.

Revenue Tracking – Major initiatives for fiscal year 2001 included a renewed emphasis on court collections and increases to cover full costs for certain service categories. Departments will continue to monitor their responsibilities through performance measures reporting.

FOR THE FUTURE

Tax Rates - The taxable value of all County property increased 8.5 percent to \$123.6 billion in fiscal year 2001. The property tax rate was set at 19.6 cents per \$100 value for fiscal year 2002, unchanged from fiscal year 2001. Dallas County continues to have one of the lowest tax rates among Texas urban counties. Funding allocation rates are as follows: 14.52 cents - General Fund, .18 cents - Permanent Improvement Fund, 1.05 cents - Major Capital Development Fund, .5 cents - Major Technology Fund, and 3.35 cents - Debt Service Fund.

Computer Technology - Technology advancements planned for fiscal year 2002 include updating of the civil courts system, expanding internet collections and adding new features for purchasing. The County's outsource IT support contract is being reviewed with changes in technology and market. A Request for Proposal is being developed with responses expected mid-year.

Redistricting – The County submitted a plan to reduce the number of Justice of the Peace (JP) and constables precincts, reduce costs to the County, more equitably distribute the workload amongst JP/constable precincts and allow the County to better serve its citizens. The justice division approved a plan for 5 precincts versus the current 8 precincts effective December 2001.

Truancy Courts – Dedicated truancy courts outside the Justice of the Peace are being created to handle all the Dallas Independent School District (DISD) truancy cases as a part of redistricting. Removing the DISD truancy cases from the Justice Courts will provide more flexibility in setting JP dockets. Consolidating the cases should enhance timeliness and consistency in setting fines and enforcing the court orders.

Traffic Ticketing and Collections – Emphasis on efficiencies and collections for justice courts includes an analysis of automation opportunities for both issuances of traffic tickets and for loading citations to justice files and generating aged receivables listings. With automation of clerical processing tasks, focus will be directed to collection efforts.

GASB 34 - A readiness assessment and review of all financial policies is being coordinated with the County's external auditor to ensure the underlying financial records are converted and maintained consistent with GASB 34 mandates.

Bioterrorism Preparedness – The County is evaluating best practices regarding bioterrorism issues. The County's HHS Division will coordinate issues relevant to the public health infrastructure for local governments and a central security chief will be named for other issues.

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 for 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 budget 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 \$25 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, the County Auditor, who is appointed by the District Judges, the Office of Budget and Evaluation, and the County Treasurer. 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. As demonstrated by the financial statements and schedules included in the financial section of this report, the County continues meeting its responsibility for sound financial management. The County's AAA/Aaa bond rating remains strong with ratings last reviewed for the August 2001 bond sale.

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, 2001, 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 2000</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 219,273	45.4%	\$ 15,535	7.6%
Highway license fees	35,918	7.4	1,470	4.3
Fines and forfeitures	19,638	4.1	2,514	14.7
Investments and rentals	19,750	4.1	(403)	(2.0)
Intergovernmental revenues	75,294	15.6	12,708	20.3
Charges for current services	99,065	20.5	(1,406)	(1.4)
Other revenues	14,211	2.9	1,320	10.2
Total	<u>\$ 483,149</u>	<u>100.0%</u>	<u>\$ 31,738</u>	<u>7.0%</u>

Ad Valorem tax revenues increased due largely to an 8.5% increase in 2000 taxable values which generated fiscal year 2001 tax revenues. Overall, the increase of \$31,738 in revenues was due to increases in ad valorem taxes, state grants, court collections, interfund transfers of vehicle registrations and court fines/forfeitures. Investment income decline resulted from decreases in the federal reserve discount rate but was mitigated by high rate maturities of prior year investments and unrealized gains on those investments.

Current tax collections for general governmental functions were 97.69% of the tax levy compared to 97.73% for the preceding year. The ratio of total collections (current and delinquent) to the current tax levy was about 98%, a decrease of 1% from the preceding year. Allocations of property tax by purpose for 2001 and the preceding two fiscal years are as follows (amounts per hundred dollars of assessed value):

Purpose	2001	2000	1999
General Fund	.14520	.14520	.14420
Special Revenue Funds	.01730	.01730	.01730
Debt Service Funds	.03350	.03350	.03450
Total general governmental tax rate	.19600	.19600	.19600

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. Budgets for major technology and major capital improvements are financed by tax collections.

The following schedule presents a summary of General Fund, Special Revenue Funds and Debt Service Funds expenditures for the fiscal year ended September 30, 2001, and the percentage of increases and decreases in relation to the prior year's amounts:

Function	Amount	Percent of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease)
General government	\$ 71,308	15.2%	\$ 1,253	1.8%
Judicial	90,063	19.2	2,859	3.3
Public safety	142,566	30.3	(1,726)	(1.2)
Streets and highways	20,355	4.3	2,216	12.2
Health	43,010	9.1	1,967	4.6
Public welfare	54,093	11.5	8,983	19.9
Debt service	49,107	10.4	(1,055)	(2.1)
Other expenditures	41	0.0	(6)	(12.8)
Total	\$ 470,543	100.0%	\$ 14,491	3.2%

Overall, fiscal year 2001 pay increases of 7% (5% as of October 2000 and 2% as of January 2001) impacted most of the functional categories. General government expenses increased due to increases in utility charges and other maintenance charges and departmental relocation expenditures incurred in readiness for redistricting. Streets and highway expenditures increased due to increases in operating costs and equipment costs. Increase in Public Welfare was due to increased Section 8 grant expenditures, utility increased assistance and increased spending on juveniles.

The increases in expenditures resulted in decreases in fund equity for the major operating funds; but fund balances were maintained at adequate levels. The General Fund balance of \$43,105 (the equivalent of 1.6 months of expenditures) was down \$92 from last year. The change in fund balance represents a less than

1% decrease from the previous year. This fund balance reflects sound financial management and keeps the County on a solid foundation for future operations.

The Debt Service Funds balance of \$17,567 was up \$520 from the preceding year and the Special Revenue Funds balance of \$56,319 was up \$13,365 from last year.

Component Unit - The County's discretely presented component unit is the District. In the fiscal year ended September 30, 2001, the District received approximately 37% of its support from ad valorem taxes. While maintaining adequate reserve funds, the District was able to adopt a tax rate of \$.254 per hundred dollars assessed valuation, same as last year's. The ad valorem taxes are used to support the operations of the District.

Total operating revenues for the District were \$462,329 for the year ended September 30, 2001. Operating expenses for the fiscal year were \$746,545.

The District's long-term debt at September 30, 2001, was \$ 16,709, of which \$3,039 is due within one year.

Debt Administration - At September 30, 2001, the County had unlimited tax and limited tax general obligation bonds outstanding in the amount of \$280,623. According to Texas statutes, the County has two debt limits. Bonds issued under Article 3, Section 52e of the Texas Constitution amount to \$187,828 and bonds issued under Article 722 of Vernon's Civil Statutes amount to \$92,795. The debt limits for the two authorizations are \$30,794,940 (25% of real property assessed valuation) and \$7,587,002 (5% of assessed valuation of all taxable property); therefore, the County has legal debt margins on general obligation debt of \$30,618,870 and \$7,500,016 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 policy was reviewed with minor changes approved by the finance committee during the year. 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 2001 totaled \$16,321 and were equal to revenues generated by 1.50 cents on the 2001 current tax rate.

The investments at September 30, 2001, for all County funds and the component unit consisted of the following:

U.S. Government securities	\$	95,757	32%
Commercial paper		79,864	26
Repurchase agreements		126,978	42
Total	\$	<u>302,599</u>	<u>100%</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.

During fiscal year 2001, 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, 2001, the carrying amount of the District's investment in TexPool was \$126,123.

The District's investment policy includes purchases of U.S. Treasury and Agency securities. The fair value of such investments was \$40,130 at September 30, 2001.

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 complied with this requirement by contracting with KPMG LLP, Certified Public Accountants, for an audit of the financial statements of Dallas County for the year ended September 30, 2001. The independent auditors' 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, 2000. 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 accounting principles generally accepted in the United States of America 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 20 consecutive years (fiscal years ended 1981 through 2000). 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

This page left blank intentionally.

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, 2000

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.



Timothy Druwe
President

Jeffrey L. Essler
Executive Director



200 Crescent Court
Suite 300
Dallas, TX 75201-1885

Independent Auditors' Report

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, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General 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 general purpose 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 the County as of September 30, 2001, and the results of its operations and the cash flows of its proprietary fund type and discretely presented component unit for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2002 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. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Schedule of Defined Benefit Pension Plan Costs and Contributions on page 52 and the Schedule of Funding Progress of Defined Benefit Pension Plan on page 53 are not a required part of the general purpose financial statements of Dallas County, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit this information and express no opinion on it.



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 accompanying table of contents under supplemental financial information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The 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.

KPMG LLP

February 16, 2002

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, 2001

(in thousands of dollars)

	<u>Governmental Fund Types</u>				<u>Proprietary</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fund Type Internal Service</u>
Assets and Other Debts					
Assets:					
Cash and investments	\$ 39,096	\$ 60,454	\$ 17,433	\$ 89,749	\$ 1,621
Receivables (net of allowances for uncollectibles of \$74,122 for primary government and \$148,263 for component unit):					
Taxes	179,088	21,108	41,510	—	—
Accounts	6,395	1,957	—	—	—
Accrued interest	216	—	24	—	—
Due from other funds	756	753	—	1,999	—
Due from other government units	6,512	11,623	—	6,241	—
Inventories	1,901	799	—	—	—
Prepayments and advances	1,218	—	—	—	—
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, where applicable	—	—	—	—	—
Other debits:					
Amount available for debt service	—	—	—	—	—
Amount to be provided for retirement of general long-term debt	—	—	—	—	—
Total assets and other debits	<u>\$ 235,182</u>	<u>\$ 96,694</u>	<u>\$ 58,967</u>	<u>\$ 97,989</u>	<u>\$ 1,621</u>

Exhibit A-1

Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	Component Unit	Totals (Memorandum Only) Reporting Entity		
	General	General Long-	Primary		September 30		
	Fixed Assets	Term Debt	Government		2001	2000	
Agency							
\$ 117,739	\$ —	\$ —	\$ 326,092	\$ 72,365	\$ 398,457	\$ 340,422	
—	—	—	241,706	3,111	244,817	225,730	
—	—	—	8,352	57,685	66,037	54,705	
2	—	—	242	—	242	1,308	
—	—	—	3,508	—	3,508	5,619	
—	—	—	24,376	—	24,376	16,221	
—	—	—	2,700	19,313	22,013	22,414	
—	—	—	1,218	—	1,218	1,350	
—	—	—	—	8,546	8,546	8,075	
—	—	—	—	2,229	2,229	1,111	
8,504	—	—	8,504	—	8,504	6,975	
—	—	—	—	87,742	87,742	82,533	
—	486,002	—	486,002	214,627	700,629	702,738	
—	—	17,567	17,567	—	17,567	17,047	
—	—	283,157	283,157	—	283,157	279,864	
<u>\$ 126,245</u>	<u>\$ 486,002</u>	<u>\$ 300,724</u>	<u>\$ 1,403,424</u>	<u>\$ 465,618</u>	<u>\$ 1,869,042</u>	<u>\$ 1,766,112</u>	

DALLAS COUNTY, TEXAS

Combined Balance Sheet - All Fund Types, Account Groups and
Discretely Presented Component Unit - Continued

September 30, 2001

(in thousands of dollars)

	<u>Governmental Fund Types</u>				<u>Proprietary</u>
	<u>General</u>	<u>Special</u>	<u>Debt</u>	<u>Capital</u>	<u>Fund Type</u>
		<u>Revenue</u>	<u>Service</u>	<u>Projects</u>	<u>Internal</u>
					<u>Service</u>
Liabilities, Equity and Other Credits					
Liabilities:					
Accounts payable	\$ 7,612	\$ 6,491	\$ —	\$ 3,217	\$ —
Other current liabilities	—	—	—	—	—
Compensated absences	181	—	—	—	—
Liability for workers' compensation	512	—	—	—	—
Arbitrage rebate	1,298	—	—	—	—
Fee office accounts payable	—	—	—	—	—
Accrued liabilities	—	—	—	—	192
Accrued interest payable	—	—	—	—	—
Due to other funds	9	644	21	1,999	—
Due to other governmental units	888	4,271	—	—	—
Deferred revenue	181,577	28,969	41,379	—	—
Current maturities of long-term debt	—	—	—	—	—
General obligation bonds payable	—	—	—	—	—
Revenue bonds payable	—	—	—	—	—
Capital lease obligations	—	—	—	—	—
Other long-term liabilities	—	—	—	—	—
Liability for future benefits	—	—	—	—	4,026
	<u>192,077</u>	<u>40,375</u>	<u>41,400</u>	<u>5,216</u>	<u>4,218</u>
Equity and other credits:					
Investments in general fixed assets	—	—	—	—	—
Retained earnings (deficit):					
Reserved for named activities by donors	—	—	—	—	—
Unreserved	—	—	—	—	(2,597)
Fund balances:					
Reserved for encumbrances	9,061	2,062	—	15,839	—
Reserved for inventory of supplies	1,901	799	—	—	—
Reserved for prepayments and advances	1,218	—	—	—	—
Reserved for payroll, escrow and change funds	104	—	—	—	—
Reserved for debt service	—	—	17,433	—	—
Unreserved:					
Designated for subsequent budget periods	11,475	1,519	134	—	—
Undesignated	19,346	51,939	—	76,934	—
	<u>43,105</u>	<u>56,319</u>	<u>17,567</u>	<u>92,773</u>	<u>(2,597)</u>
Total equity (deficit) and other credits					
Total liabilities, equity and other credits	\$ <u>235,182</u>	\$ <u>96,694</u>	\$ <u>58,967</u>	\$ <u>97,989</u>	\$ <u>1,621</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) Reporting Entity	
	General	General Long-	Primary		September 30	
	Fixed Assets	Term Debt	Government		2001	2000
\$ 65,995	\$ —	\$ —	\$ 83,315	\$ 72,643	\$ 155,958	\$ 140,192
—	—	—	—	633	633	1,323
—	—	14,567	14,748	1,171	15,919	13,155
—	—	4,134	4,646	3,059	7,705	5,123
—	—	—	1,298	—	1,298	1,112
59,415	—	—	59,415	—	59,415	59,745
—	—	—	192	12,405	12,597	10,685
—	—	—	—	304	304	355
835	—	—	3,508	—	3,508	5,619
—	—	—	5,159	—	5,159	4,000
—	—	—	251,925	—	251,925	229,668
—	—	—	—	3,039	3,039	2,828
—	—	280,623	280,623	—	280,623	277,356
—	—	—	—	12,494	12,494	15,201
—	—	—	—	1,176	1,176	1,463
—	—	1,400	1,400	5,498	6,898	12,157
—	—	—	4,026	—	4,026	4,200
<u>126,245</u>	<u>—</u>	<u>300,724</u>	<u>710,255</u>	<u>112,422</u>	<u>822,677</u>	<u>784,182</u>
—	486,002	—	486,002	—	486,002	482,005
—	—	—	—	6,624	6,624	5,612
—	—	—	(2,597)	346,572	343,975	320,602
—	—	—	26,962	—	26,962	21,739
—	—	—	2,700	—	2,700	1,316
—	—	—	1,218	—	1,218	1,350
—	—	—	104	—	104	106
—	—	—	17,433	—	17,433	16,878
—	—	—	13,128	—	13,128	8,730
—	—	—	148,219	—	148,219	123,592
<u>—</u>	<u>486,002</u>	<u>—</u>	<u>693,169</u>	<u>353,196</u>	<u>1,046,365</u>	<u>981,930</u>
\$ <u>126,245</u>	\$ <u>486,002</u>	\$ <u>300,724</u>	\$ <u>1,403,424</u>	\$ <u>465,618</u>	\$ <u>1,869,042</u>	\$ <u>1,766,112</u>

This page left blank intentionally.

DALLAS COUNTY, TEXAS

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - All Governmental Fund Types

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	September 30	
					2001	2000
Revenues:						
Taxes	\$ 162,654	\$ 19,213	\$ 37,406	\$ —	\$ 219,273	\$ 203,738
Highway license fees	—	35,918	—	—	35,918	34,448
Licenses and permits	327	—	—	—	327	305
Fines and forfeiture	9,425	10,213	—	—	19,638	17,124
Investments and rentals	12,966	1,771	5,013	—	19,750	20,153
Intergovernmental revenues	6,105	69,187	2	—	75,294	62,586
Charges for current services	86,859	12,206	—	—	99,065	100,471
Miscellaneous	11,612	2,272	—	—	13,884	12,586
Total revenues	289,948	150,780	42,421	—	483,149	451,411
Expenditures:						
Current:						
General government	62,377	8,931	—	—	71,308	70,055
Judicial	84,655	5,408	—	—	90,063	87,204
Public safety	139,504	3,062	—	—	142,566	144,292
Streets and highways	—	20,355	—	—	20,355	18,139
Health	23,700	19,310	—	—	43,010	41,043
Public welfare	8,261	45,832	—	—	54,093	45,110
Libraries	41	—	—	—	41	47
Capital outlay	—	—	—	18,202	18,202	24,049
Debt service:						
Principal retirement	—	—	36,105	—	36,105	37,200
Interest and fiscal agents fees	—	—	13,002	—	13,002	12,962
Total expenditures	318,538	102,898	49,107	18,202	488,745	480,101
Excess (deficiency) of revenues over (under) expenditures	(28,590)	47,882	(6,686)	(18,202)	(5,596)	(28,690)
Other financing sources (uses):						
Proceeds from sale of bonds	—	—	—	39,524	39,524	35,000
Proceeds from refunding bonds	—	—	—	74,884	74,884	—
Payment to refunded bond escrow agent	—	—	—	(73,946)	(73,946)	—
Operating transfers in	34,764	14,947	7,206	—	56,917	49,902
Operating transfers, out	(7,470)	(49,447)	—	—	(56,917)	(49,902)
Total other financing sources (uses)	27,294	(34,500)	7,206	40,462	40,462	35,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,296)	13,382	520	22,260	34,866	6,310
Fund balances as previously reported	43,197	42,954	17,047	70,513	173,711	167,476
Prior period adjustment	1,204	—	—	—	1,204	—
Fund balance as restated	44,401	42,954	17,047	70,513	174,915	167,476
Change in inventory - purchases method	—	(17)	—	—	(17)	(75)
Fund balances at end of fiscal year	\$ 43,105	\$ 56,319	\$ 17,567	\$ 92,773	\$ 209,764	\$ 173,711

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, 2001

(in thousands of dollars)

	General Fund			Budgeted Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$ 163,775	\$ 162,654	\$ (1,121)	\$ 19,749	\$ 19,213	\$ (536)
Highway license fees	—	—	—	35,990	35,918	(72)
Licenses and permits	315	327	12	—	—	—
Fines and forfeiture	11,511	9,425	(2,086)	10,496	10,213	(283)
Investments and rentals	12,736	12,966	230	1,718	1,771	53
Intergovernmental revenues	4,606	6,105	1,499	70,504	69,187	(1,317)
Charges for current services	92,235	86,859	(5,376)	12,311	12,206	(105)
Miscellaneous	8,351	11,612	3,261	749	812	63
Total revenues	293,529	289,948	(3,581)	151,517	149,320	(2,197)
Expenditures:						
Current:						
General government	68,255	62,377	5,878	24,856	8,931	15,925
Judicial	89,623	84,655	4,968	4,800	4,345	455
Public safety	145,663	139,504	6,159	3,370	3,062	308
Streets and highways	—	—	—	28,890	20,355	8,535
Health	25,215	23,700	1,515	19,515	19,310	205
Public welfare	9,057	8,261	796	46,470	45,832	638
Libraries	54	41	13	—	—	—
Debt service:						
Principal retirement	—	—	—	—	—	—
Interest and fiscal agents fees	—	—	—	—	—	—
Total expenditures	337,867	318,538	19,329	127,901	101,835	26,066
Excess (deficiency) of revenues over (under) expenditures	(44,338)	(28,590)	15,748	23,616	47,485	23,869
Other financing sources (uses):						
Operating transfers in	34,029	34,764	735	11,111	12,396	1,285
Operating transfers, out	(7,470)	(7,470)	—	(49,350)	(46,896)	2,454
Total other financing sources (uses)	26,559	27,294	735	(38,239)	(34,500)	3,739
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(17,779)	(1,296)	16,483	(14,623)	12,985	27,608
Fund balances as previously reported	43,197	43,197	—	40,602	40,602	—
Prior period adjustment	—	1,204	1,204	—	—	—
Fund balances as restated	43,197	44,401	1,204	40,602	40,602	—
Change in inventory-purchases method	—	—	—	—	(17)	(17)
Fund balances at end of fiscal year	\$ 25,418	\$ 43,105	\$ 17,687	\$ 25,979	\$ 53,570	\$ 27,591

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

Exhibit A-3

Debt Service Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 37,573	\$ 37,406	\$ (167)	\$ 221,097	\$ 219,273	\$ (1,824)
—	—	—	35,990	35,918	(72)
—	—	—	315	327	12
—	—	—	22,007	19,638	(2,369)
4,898	5,013	115	19,352	19,750	398
8	2	(6)	75,118	75,294	176
—	—	—	104,546	99,065	(5,481)
—	—	—	9,100	12,424	3,324
<u>42,479</u>	<u>42,421</u>	<u>(58)</u>	<u>487,525</u>	<u>481,689</u>	<u>(5,836)</u>
—	—	—	93,111	71,308	21,803
—	—	—	94,423	89,000	5,423
—	—	—	149,033	142,566	6,467
—	—	—	28,890	20,355	8,535
—	—	—	44,730	43,010	1,720
—	—	—	55,527	54,093	1,434
—	—	—	54	41	13
33,344	35,930	(2,586)	33,344	35,930	(2,586)
15,578	12,971	2,607	15,578	12,971	2,607
<u>48,922</u>	<u>48,901</u>	<u>21</u>	<u>514,690</u>	<u>469,274</u>	<u>45,416</u>
<u>(6,443)</u>	<u>(6,480)</u>	<u>(37)</u>	<u>(27,165)</u>	<u>12,415</u>	<u>39,580</u>
6,729	7,000	271	51,869	54,160	2,291
—	—	—	(56,820)	(54,366)	2,454
<u>6,729</u>	<u>7,000</u>	<u>271</u>	<u>(4,951)</u>	<u>(206)</u>	<u>4,745</u>
286	520	234	(32,116)	12,209	44,325
16,777	16,777	—	100,576	100,576	—
—	—	—	—	1,204	1,204
<u>16,777</u>	<u>16,777</u>	<u>—</u>	<u>100,576</u>	<u>101,780</u>	<u>1,204</u>
—	—	—	—	(17)	(17)
<u>\$ 17,063</u>	<u>\$ 17,297</u>	<u>\$ 234</u>	<u>\$ 68,460</u>	<u>\$ 113,972</u>	<u>\$ 45,512</u>

This page left blank intentionally.

DALLAS COUNTY, TEXAS

Combined Statement of Revenues, Expenses and Changes in
Retained Earnings (Deficit) - Proprietary Fund Type and
Discretely Presented Component Unit

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	Proprietary Fund Type		Totals (Memorandum Only)	
	Internal	Component	Reporting Entity	
	Service	Unit	2001	2000
Operating revenues:				
Patient service revenue (net of charity, contractual allowances and provisions for uncollectible accounts of \$140,365 in 2001 and \$111,787 in 2000)	\$ —	\$ 342,853	\$ 342,853	\$ 304,960
Premiums and reimbursements	23,773	78,957	102,730	68,350
Other operating revenue	—	40,519	40,519	33,230
Total operating revenues	<u>23,773</u>	<u>462,329</u>	<u>486,102</u>	<u>406,540</u>
Operating expenses:				
Salaries and wages	—	314,087	314,087	291,239
Supplies and other	—	275,376	275,376	261,743
Depreciation and amortization	—	34,260	34,260	32,122
Benefit payments	19,416	68,337	87,753	58,452
Administration	2,625	—	2,625	2,156
Provision for bad debts	—	54,485	54,485	76,958
Total operating expenses	<u>22,041</u>	<u>746,545</u>	<u>768,586</u>	<u>722,670</u>
Operating income (loss)	1,732	(284,216)	(282,484)	(316,130)
Nonoperating revenues (expenses):				
Ad valorem tax support	—	285,440	285,440	202,551
Tobacco settlement	—	11,268	11,268	17,884
Interest expense	—	(532)	(532)	(33)
Interest income and other	63	10,489	10,552	12,440
Donated assets and other	—	141	141	372
Net income (loss)	<u>1,795</u>	<u>22,590</u>	<u>24,385</u>	<u>(82,916)</u>
Retained earnings, at beginning of year, as previously reported	(4,392)	330,606	326,214	409,315
Prior period adjustment	—	—	—	(185)
Retained earnings (deficit) at beginning of fiscal year, as restated	<u>(4,392)</u>	<u>330,606</u>	<u>326,214</u>	<u>409,130</u>
Retained earnings (deficit) at end of fiscal year	\$ <u>(2,597)</u>	\$ <u>353,196</u>	\$ <u>350,599</u>	\$ <u>326,214</u>

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

DALLAS COUNTY, TEXAS

Combined Statement of Cash Flows - Proprietary Fund Type and
Discretely Presented Component Unit

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	Proprietary Fund Type		Totals (Memorandum Only)	
	Internal Service	Component Unit	Reporting Entity	
			2001	2000
Cash flows from operating activities:				
Cash received from patients	\$ —	\$ 414,050	\$ 414,050	\$ 351,937
Cash received from participants	23,248	—	23,248	23,065
Cash payments to suppliers for goods and services	—	(300,832)	(300,832)	(278,082)
Cash payments to employees for services	—	(311,984)	(311,984)	(296,795)
Cash payments for benefit claims	(19,590)	(68,337)	(87,927)	(58,340)
Cash payments for administrative fees	(2,625)	—	(2,625)	(2,184)
Other operating revenues	525	37,354	37,879	30,021
Net cash used in operating activities	1,558	(229,749)	(228,191)	(230,378)
Cash flows from noncapital financing activities:				
Ad valorem tax support	—	286,355	286,355	202,858
Net cash provided by noncapital financing activities	—	286,355	286,355	202,858
Cash flows from capital and related financing activities:				
Interest paid on bonds and equipment contracts	—	(1,074)	(1,074)	(1,037)
Purchase of property, plant and equipment	—	(27,896)	(27,896)	(31,751)
Repayment of long-term debt and capital lease obligations	—	(2,782)	(2,782)	(1,352)
Net cash used for capital and related financing activities	—	(31,752)	(31,752)	(34,140)
Cash flows from investing activities:				
Purchase of investment securities, net of maturities	—	(19,353)	(19,353)	44,658
Interest and dividends on investments	63	11,270	11,333	12,532
Net cash provided (used) in investing activities	63	(8,083)	(8,020)	57,190
Net increase in cash and cash equivalents	1,621	16,771	18,392	(4,470)
Cash and cash equivalents at beginning of year	—	26,190	26,190	30,660
Cash and cash equivalents at end of year	\$ 1,621	\$ 42,961	\$ 44,582	\$ 26,190

DALLAS COUNTY, TEXAS

Combined Statement of Cash Flows - Proprietary Fund Type and
Discretely Presented Component Unit - Continued

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	<u>Proprietary</u>		<u>Totals</u>	
	<u>Fund Type</u>		<u>(Memorandum Only)</u>	
	<u>Internal</u>	<u>Component</u>	<u>Reporting Entity</u>	
	<u>Service</u>	<u>Unit</u>	<u>2001</u>	<u>2000</u>
Reconciliation of operating income (loss) to net cash used by operating activities:				
Operating income (loss)	\$ 1,732	\$ (284,216)	\$ (282,484)	\$ (316,130)
Adjustment to reconcile operating loss to net cash provided by (used in) operating activities:				
Provision for bad debts	—	54,485	54,485	76,958
Depreciation and amortization	—	34,260	34,260	32,122
Loss on disposal of assets	—	384	384	935
Changes in operating assets and liabilities:				
(Decrease) increase in other current liabilities	—	(690)	(690)	(29)
(Decrease) increase in long-term liabilities	—	(659)	(659)	(126)
(Increase) decrease in accounts receivable	—	(62,245)	(62,245)	(48,706)
Increase in supplies and other assets	—	1,785	1,785	(600)
(Decrease) increase in due from restricted fund	—	(1,431)	(1,431)	208
Increase (decrease) in due to third-party reimbursement programs	—	5,172	5,172	6,295
(Decrease) increase in accounts payable and accrued expenses	(174)	3,193	3,019	13,431
Other	—	20,213	20,213	5,264
Net cash used in operating activities	<u>\$ 1,558</u>	<u>\$ (229,749)</u>	<u>\$ (228,191)</u>	<u>\$ (230,378)</u>
Supplemental disclosures of activities that affect assets or liabilities for the District:				
Receipt of donated assets	\$ 141			
Interest cost capitalized	\$ 491			
Capital leasing agreements	\$ 1,799			
Unrealized gain on investments in 2001 (Unrealized losses in 2000 of \$898)	\$ 704			
Increase in accrual for capital expenditures	\$ 501			
Reconciliation of cash, investments and cash equivalents for component unit:				
Cash and cash equivalents, Exhibit A-5		\$ 42,961		
Investments		40,130		
Cash, investments and cash equivalents not available for operations:				
Restricted assets		77,016		
Parkland Foundation		8,546		
Total		<u>\$ 168,653</u>		

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

This page left blank intentionally.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. General Statement

(a) *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), tax collection, roads and bridges maintenance, juvenile services and assistance to indigents.

(b) *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 652 beds and 158 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 accounting principles generally acceptable in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards* issued as of April 30, 2000, 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 to 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 accounting principles generally accepted in the United States of America. (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

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

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 F. The HFDC has no financial activity 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 Dallas MetroCare Services (formerly Mental Health and Mental Retardation), the Dallas County Local Workforce Development Board, Old Red Courthouse, Inc. Board of Trustees, Historical Foundation, Dallas County Child Welfare Board and Dallas NorthStar Authority and Regional Board. 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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

(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 based upon determination of financial 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:

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, judicial, public welfare, health services and capital acquisition.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Legal restrictions include those ordered by the County commissioners. 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.

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, Special Revenue and Debt Service Funds for continuity of information throughout the financial statements. No transactions occur in these funds.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of mainly road projects. 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 and investment of idle funds. Expenses are for claims and administrative expenses.
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:

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 capitalized 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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

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, 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, 2001 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 unless the FASB pronouncements contradict or conflict with GASB pronouncements.

(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). Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. 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

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

after the end of the fiscal period are reported as deferred revenue. Property taxes which were levied prior to September 30, 2001, and became due October 1, 2001 have been assessed to finance the budget of the fiscal year beginning October 1, 2001 and, accordingly, have been reflected as deferred revenue and taxes receivable in the combined financial statements at September 30, 2001.

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) some inventory items are expensed when purchased in the Road and Bridge Fund (a Special Revenue Fund); inventory costs for General Fund are expensed when used. 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.

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 accounting principles generally accepted in the United States of America by the County Budget Officer and approved by the Commissioners Court following a public hearing. Annual appropriations lapse at fiscal year-end but may be reserved for subsequent spending. Project-length financial plans are adopted for all Capital Projects Funds and for certain Special Revenue Funds.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

Appropriated budgets are approved and employed as a management control device during the year for the General Fund, 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. All 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 Commissioners Court establish the Capital Projects Funds' budget 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) Cash and Cash Equivalents and Investments

Cash and Cash Equivalents

The District considers all highly liquid investments with original maturities of less than 90 days at the date of purchase to be cash equivalents. Cash and cash equivalents include demand deposits and investments in the Texas Local Government Investment Pool which is a local government pool sponsored by the Texas Comptroller of Public Accounts.

Investments

Both the County and the District record investments at fair market value in accordance with provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. 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 expenditure at the time the inventory items are used. In the Special Revenue Funds, inventory items expected to be used within short period of time are recorded as expenditures at the time of purchase; other inventory items are expensed when used. Reported inventories of the 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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

(i) *Vacation and Sick Leave*

Primary Government - The County's permanent, full-time employees accrue 3.09 hours of vacation per pay period from date of employment to six years of service, 4.62 hours per pay period from 6 years to 15 years of service, and 6.16 hours per pay period 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 3.69 hours per pay period. 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.

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

(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, 2001 have been included in fund balance designated for subsequent budget period.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

(k) *Accounts Receivable*

Accounts receivables 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 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 K).

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

(n) *Prior Period Adjustment*

A prior period adjustment was made to record a change in inventory reporting of purchases for facilities department. The general fund beginning inventory balance increased by \$1,204.

(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 in the United States of America. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of these data.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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

(p) *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 revenues and expenses 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 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.

(q) *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, 2001, resources were also set aside for the disproportionate share programs.

(r) *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. 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. Effective August 1, 2000, outpatient services are reimbursed on a prospective basis from Medicare through the ambulatory payment classifications, which are based on clinical resources used in performing the procedure. For certain costs, as defined by the Medicare program, including kidney acquisition, medical education and bad debts, additional reimbursement is provided based on cost via pass through payments, and the cost report. Effective October 1, 1996, 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 1997 and 1996 for Medicare and Medicaid, respectively.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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 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/project 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 2001; 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, 509 Main Street, Room 407, Dallas, Texas 75202-3504.

<u>Reconciliation of Special Revenue and Debt Service Funds</u>	<u>Actual</u>
<u>Special Revenue Funds:</u>	
Fund balance at year end - Exhibit A-3	\$ 53,570
Additions and deductions:	
Additions - revenue - miscellaneous	1,460
Deductions - expenses - judicial	(1,063)
Net activities	397
Funds not budgeted:	
District Attorney - special	783
District Attorney - forfeiture - FN	400
District Attorney - forfeiture - OL	1,103
District Attorney - unadjusted forfeitures	25
District Attorney - matching funds	5
Forfeiture – auto theft	19
Escrow – auto theft	17
Total	2,352

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

Fund balances at end of fiscal year – Exhibit A-2	\$ <u>56,319</u>
<u>Debt Service Funds</u>	
Fund balances at end of fiscal year – Exhibit A-3	\$ 17,297
Fund not budgeted on annual basis:	
Parking Garage – Reserve and contingency	270
Fund balances at end of fiscal year – Exhibit A-2	\$ <u>17,567</u>

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 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 2001, the County invested in U.S. government securities, commercial paper and security repurchase agreements.

Deposits

At September 30, 2001, the carrying amount of the County's demand and time deposits was \$63,623. The \$55,511 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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE C - DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES

(Continued)

Investments

The County's investments are categorized as either (1) insured and registered 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. The following summarizes investments under GASB Statement No. 31.

	Category			Fair Value
	1	2	3	
U.S. government Securities	\$ 55,627	—	—	\$ 55,627
Commercial paper	79,864	—	—	79,864
Security repurchase agreements	126,978	—	—	126,978
	\$ 262,469	—	—	\$ 262,469

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 investments in mutual funds. At September 30, 2001, the fair value of the District's investment in TexPool was \$126,123.

Investments

The District's investment policy includes purchasing U.S. Treasury and Agency securities. The fair value of such investments totaled \$40,130 at September 30, 2001. 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, 2001, to be the fair value of investments.

	Category			Fair Value
	1	2	3	
U.S. government securities	\$ 40,130	—	—	\$ 40,130

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

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 Dallas, the City of Cockrell Hill, the City of Duncanville, the Duncanville Independent School District (ISD), Dallas Independent School District (DISD) and the County Education District (CED) of the Duncanville ISD, the City of Farmers Branch, the Fairway Bend Public Improvement District, the City of Grand Prairie, the Grand Prairie ISD and CED, the Town of Highland Park, the Highland Park ISD and CED, the City of Hutchins, 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 and the City of Wilmer. 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, Permanent Improvement, Major Projects, Major Technology 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.

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, 2001, was \$.17916 per \$100; therefore, the County had a tax margin of \$.62084 per \$100 and could have raised up to \$714,539 of additional taxes from the net assessed valuation of \$115,092,340 before reaching the limit.

Property taxes receivable at September 30, 2001, is reported net of an allowance for uncollectible taxes of \$45,155.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE D - PROPERTY TAXES (Continued)

II. Discrete Component Unit

The District received approximately 37% in 2001 of its total revenues from ad valorem taxes. These funds were used to totally support operations.

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

Assets (investments) limited as to use or restricted consists of the following funds which are all investments in U.S. Treasury and agencies obligations at September 30, 2001.

Designated for capital uses	\$ 77,016
Debt service under bond indenture	5,058
Other	<u>5,668</u>
Total	<u>\$ 87,742</u>

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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE E - FIXED ASSETS

I. Primary Government

Property, plant and equipment are recorded at cost or, if donated, at fair market value at the date of receipt.

A summary of changes in general fixed assets follows:

		<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, October 1, 2000	\$	31,559	\$ 371,359	\$ 1,528	\$ 77,559	\$ 482,005
Additions		—	1,599	—	5,975	7,574
Deletions		—	—	—	(3,577)	(3,577)
Balance, September 30, 2001	\$	<u>31,559</u>	<u>\$ 372,958</u>	<u>\$ 1,528</u>	<u>\$ 79,957</u>	<u>\$ 486,002</u>

II. Discretely Presented Component Unit

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.

Property, plant and equipment at September 30, 2001, are summarized as follows:

Land and improvements	\$	17,019
Building		296,931
Fixtures and equipment		191,427
Equipment under capital lease		<u>1,710</u>
		507,087
Accumulated depreciation and amortization		<u>(300,643)</u>
		206,444
Construction in progress		<u>8,183</u>
Property, plant and equipment, net	\$	<u><u>214,627</u></u>

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE E - FIXED ASSETS (Continued)

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 capitalized on construction projects in fiscal 2001 totaled \$491.

NOTE F - LONG-TERM DEBT

I. Primary Government

The long-term debt of the County consists of the following at September 30, 2001:

Description	Interest Rates (%)	Date of Issue	Date of Maturity	Bonds Out- Standing
Parking Garage, Series 1968	5.5	1968	2003	\$ 380
Road and Bridge Refunding Bonds, Series 1985A:				
Capital Appreciation Bonds	8.9-9.25	1986	2005	1,075
Road Refunding Bonds Series 1991A:				
Capital Appreciation Bonds	6.6	1991	2002	2,442
Road Refunding Bonds, Series 1993A:				
Current Interest Bonds	2.4-5.25	1993	2009	17,090
Capital Appreciation Bonds	5.55-5.75	1993	2007	13,454
Permanent Improvement Refunding Bonds Series 1993B	2.4-5.3	1993	2009	30,185
Road Bonds, Series 1995	5.25-7	1995	2015	7,200
Certificates of Obligation, Series 1995B	4.5-6.5	1995	2002	1,260
Certificates of Obligation, Series 1996	4.5-6.5	1996	2003	1,190
Road Bonds, Series 1996	5.0-5.5	1996	2017	17,500
Certificates of Obligation, Series 1996A	4.12-6.15	1996	2004	1,545
Road Refunding Bonds, Series 1997:				
Current Interest Bonds	3.85-4.75	1997	2009	14,120
Capital Appreciation Bonds	4.625	1997	2002	1,845
Permanent Improvement Refunding Bonds, Series 1997A	3.85-5.75	1997	2009	19,935
Certificates of Obligation, Series 1997B	4.10-6	1997	2006	5,000
Certificates of Obligation, Series 1998	3.75-4.0	1998	2007	6,530
Road Bonds, Series 2000	4.75-5.25	2000	2020	33,250
Road Refunding Bonds, Series 2000A:				
Current Interest Bonds	4.3-5	2000	2003	2,570
Capital Appreciation Bonds	4.7	2000	2004	1,291
Permanent Improvement Refunding bonds, Series 2000B	4.35-5.5	2000	2008	17,310
Road Refunding Bonds, Series 2001A:				
Current Interest Bonds	4.0-5.5	2001	2021	73,160
Capital Appreciation Bonds	4.2-4.35	2001	2007	2,831
Permanent Improvement Refunding Bonds, Series 2001B	4.0-5.0	2001	2012	<u>9,460</u>
Total general obligation debt (bonded debt)				\$ 280,623

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE F - LONG-TERM DEBT (Continued)

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 \$15,322 and will be payable serially with the total maturity amount of \$31,900.

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, 1997, and 1998, is \$1,298 at September 30, 2001.

Changes in Long-Term Debt

A summary of long-term debt transactions for the year ended September 30, 2001, follows:

	General Obligation Bonds	Other Long- Term Obligations
Principal balance, October 1, 2000	\$ 277,356	\$ 19,555
Amounts issued or incurred in fiscal 2001	110,541	546
Appreciation on capital appreciation bonds	1,290	—
Amounts retired in fiscal year	(36,104)	—
Amount defeased by refunding	(72,460)	—
Principal balance, September 30, 2001	<u>\$ 280,623</u>	<u>\$ 20,101</u>

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

General Obligation Bonds Advance Refundings

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 \$10,200 at September 30, 2001.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE F - LONG-TERM DEBT (Continued)

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 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 \$8,985 at September 30, 2001.

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 \$14,530 at September 30, 2001.

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 \$60,110 at September 30, 2001.

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

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE F - LONG-TERM DEBT (Continued)

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 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, 2001.

On November 29, 2000, the County issued \$25,105 in General Obligation Bonds with interest rates ranging from 4.30% to 5.50% to advance refund \$3,835 of outstanding Road Refunding Bonds, Series 1991A; \$14,000 of Permanent Improvement Bonds, Series 1988C; and \$6,830 Permanent Improvement Refunding Bonds, Series 1991B with interest rates ranging from 4.65% to 9.00%. From refunding proceeds of \$25,384, payments amounting to \$25,109 (after payment of underwriting fees and other issuance costs plus additional receipts of \$88 for accrued interest, \$86 premium on capital appreciation bonds, \$34 for premium of Road Bonds, and \$159 net 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 Long-Term Debt Account Group. The County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$21,080 at September 30, 2001.

The County advance refunded the bond issues identified in the preceding paragraph to reduce its total future debt service payments by \$332 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$418.

On August 16, 2001, the County issued \$46,921 in General Obligation Bonds with interest rates ranging from 4.00% to 5.50% to advance refund \$9,830 of outstanding Road Improvement and Refunding Bonds, Series 1992; \$18,000 of Road Bond Series 1995; \$10,500 of Road Bond Series 1996; and \$9,465 of Permanent Improvement and Refunding Bonds, Series 1992A with interest rates ranging from 5.00% to 7.625%. From refunding proceeds of \$49,500, payments amounting to \$48,837 (after payment of underwriting fees and other issuance costs plus additional receipts of \$148 for accrued interest, \$1,577 premium on Road Bonds and \$99 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 have been removed from the Long-Term Debt Account Group. The County is contingently liable for debt service requirements of the refunded issues in the principal amount of \$47,795 at September 30, 2001.

The County advance refunded the bond issues identified in the preceding paragraph to reduce its total future debt service payments by \$1,908 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,710.

New Bond Issue

As a part of the August 2001 bond refunding program, the bond issue Unlimited Tax Refunding and Improvement Bonds Series 2001A had 2 components; one portion was the refunding of debt discussed above. Another portion in the amount of \$38,515 was new issuance to provide funds for the construction, maintenance and operation of certain roads in the County including participation in State Highway projects. Net proceeds from new bond issue amounted to \$39,524.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE F - LONG-TERM DEBT (Continued)

Contractual Maturities

The annual requirements to amortize debt outstanding plus interest payments of approximately \$87,523 as of September 30, 2001 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:

Years Ending September 30	General Long-Term Debt Account Group General Obligation Debt
2002	\$ 47,157
2003	45,665
2004	39,070
2005	30,091
2006	33,207
2007 - 2011	104,225
2013 - 2016	47,895
2017 - 2021	20,836
	368,146
Less applicable interest	(87,523)
Principal due	\$ 280,623

The Debt Service Funds have \$17,567 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 homeowners. As of September 30, 2001, there were five series of single family revenue bonds outstanding, with an aggregate principal amount payable of \$20,083.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

II. Discretely Presented Component Unit

Long-term debt expected to be paid by the District consists of the following at September 30, 2001:

Revenue bonds:

Series 1994, with interest from 5% to 5.40% payable semiannually, principal payable annually from 1995 to 2006	\$ 15,355
Less unamortized original discount	(126)
Capital leases	1,480
Total component units long-term debt	16,709
Less current maturities	(3,039)
	\$ 13,670

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, 2001, follows:

	Revenue Bonds	Obligations Under Capital Leases
Principal balance, October 1, 2000	\$ 17,786	\$ 1,706
Amounts issued or incurred in fiscal 2001	—	—
Amounts retired in fiscal 2001	(2,557)	(226)
Principal balance, September 30, 2001	\$ 15,229	\$ 1,480
Composed of:		
Amounts due in one year	\$ 2,735	\$ 304
Amounts due after one year	12,494	1,176
	\$ 15,229	\$ 1,480

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE F - 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, 2001, the Series 1986 and Series 1992 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 1981, 1982, 1982A and 1984) when due or callable. At September 30, 2001, there was \$3,300 of these defeased bonds remaining outstanding.

Contractual Maturities

The annual requirements to amortize debt outstanding for general obligation and revenue bonds principal only, plus interest payments of approximately \$319 as of September 30, 2001, follow:

<u>Years Ending September 30,</u>	Component Unit	
	<u>General Obligation and Revenue Bond Debt</u>	<u>Obligations Under Capital Leases</u>
2002	\$ 2,735	\$ 432
2003	2,890	432
2004	3,060	432
2005	3,235	431
2006	3,435	72
	15,355	1,799
Less discount	(126)	(319)
Principal due	\$ 15,299	\$ 1,480

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

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE G - INTERFUND RECEIVABLE AND PAYABLE BALANCES

Accounting principles generally accepted in the United States of America require disclosure, as part of the combined financial statements, of individual fund interfund receivable and payable balances. Such balances at September 30, 2001, were:

Fund Description	Interfund Receivables	Interfund Payables
General fund	\$ 756	\$ 9
Special revenue funds:		
Road and bridge	753	—
HIV grant	—	1
Grants fund	—	371
Historical exhibit	—	160
Child support - special	—	43
Alternative dispute resolution	—	61
Law Library	—	7
Appellate justice system	—	1
Debt Service fund	—	21
Capital project funds:		
Road bonds, 1988	—	600
Road bonds, 1992	—	1,399
Road bonds, 1996	1,399	—
Road bonds, 2000	600	—
Agency funds:		
Payroll	—	5
Community supervision and corrections	—	69
State report	—	—
Escrow	—	8
Tax assessor and collector	—	753
	\$ 3,508	\$ 3,508

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE H - RETIREMENT COMMITMENTS

I. Primary Government

(a) *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 502 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 employed by Dallas County can retire at age 60 and above with ten or more years of service, with 30 years of service, 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.

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.

(b) *Funding Policy*

The County 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 County. This regular contribution rate of the County 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 County 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 County to contribute the same amount as the employees. The employee contribution rate and the County's contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE H - 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.

(c) Annual Pension Cost

For the employer's accounting year ended September 30, 2001, the annual pension cost for the TCDRS plan for its employees was \$14,548, and the actual contributions were \$14,548.

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, 1998 and December 31, 1999, the basis for assessing the adequacy of the financing arrangement beginning with the contribution rates for calendar years 2000 and 2001. The December 31, 2000, actuarial valuation is the most recent valuation.

Actuarial Valuation Information

	December 31, 1998	December 31, 1999	December 31, 2000
Actuarial valuation date	December 31, 1998	December 31, 1999	December 31, 2000
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	Long-term appreciation with adjustment	Long-term appreciation with adjustment	Long-term appreciation with adjustments
Actuarial Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	4.0%	5.0%	7.0%
Inflation	4.5%	4.0%	4.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE H - RETIREMENT COMMITMENTS (Continued)

Annual Pension Cost

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 1999	\$ 13,720	100%	—
September 30, 2000	\$ 13,177	100%	—
September 30, 2001	\$ 14,548	100%	—

**Schedule of Funding Progress
for the Retirement Plan**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>(Unfunded) Assets in Excess of AAL (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
December 31, 1998	423,362	422,856	506	100.12	181,650	.28
December 31, 1999	463,416	460,601	2,815	100.6	200,505	1.40
December 31, 2000	501,898	498,967	2,931	100.6	203,499	1.44

II. Discretely Presented Component Unit

(a) 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, 2001, was approximately \$224,784. For the year ended September 30, 2001, the District's total payroll was approximately \$291,128. Membership in the Plan as of January 1, 2001 and 2000, was composed of the following:

<u>Group</u>	<u>Members</u>	
	<u>2001</u>	<u>2000</u>
Retirees and beneficiaries currently receiving benefits	630	491
Vested terminated employees	1,853	1,652
Active employees:		
Fully vested	2,788	2,776
Nonvested	3,499	3,569

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE H - RETIREMENT COMMITMENTS (Continued)

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 amount 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 actuarial accrued liability, based on projected unit cost, was determined as part of an actuarial valuation of the Plan as of January 1, 2001. The January 1, 2000, actuarial valuation is included below for comparative purposes. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 8.25% per year compounded annually, (b) projected salary increases ranging from 4.25% to 6.85% per year compounded annually depending on years of service, averaging 5.25% in the aggregate (4.25% 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 (in thousands).

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE H - RETIREMENT COMMITMENTS (Continued)

	January 1	
	2001	2000
Retirees and beneficiaries currently receiving benefits	\$ 46,647	\$ 23,032
Terminated employees not yet receiving benefits	33,371	30,243
Current employees:		
Accumulated employee contributions, including allocated investment income	64,889	62,271
Employer financed	54,987	56,940
Total actuarial accrued liability	199,894	172,486
Net assets available for benefits, at market value	186,034	172,329
Assets in excess of actuarial accrued liability	\$ (13,860)	\$ (157)

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. The amortization period is open.

During the years ended September 30, 2001 and 2000, \$10,841 and \$10,317, respectively, of employee contributions (4.7% of covered payroll) were made in accordance with the established contribution requirements described above. The District contributed \$3,876 to the Plan during the year ended September 30, 2001, in accordance with contribution requirements determined by the January 1, 2001, actuarial valuation. These contributions consisted of \$3,761 for normal cost and \$115 for amortization of the unfunded actuarial accrued liability and represented 1.7% of covered payroll for the year.

Three-year historical trend pension plan data required under GASB Statement No. 27 are presented on pages 52 and 53. 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, 2001, 2000 and 1999, respectively, available assets were sufficient to fund 95.4%, 101.0%, and 100.2% of the actuarial accrued liability (AAL). The (unfunded) assets in excess of AAL in January 1, 2001, 2000 and 1999, represented (4.1%), 0.8%, and 0.1% of the annual payroll for employees covered for the District's 2001, 2000 and 1999 Plan fiscal years, respectively. In addition, for the Plan's fiscal years 2001 and 2000, the District's contributions made in accordance with actuarially determined requirements were 1.7% and 1.4%, respectively, of the annual covered payroll.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE H - RETIREMENT COMMITMENTS (Continued)

(b) 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, 2001, was approximately \$256,255; the District's total payroll was approximately \$291,128. Eligible employees can choose to contribute from 2% to 20% of their base salaries. The District will match employees' contributions 100% up to 6% of their base salary. 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, 2001, were approximately \$8,518 from the District and \$11,329 for employees, or 4.4% of covered payroll. The required contribution by the District for 2001 has been reduced by approximately \$74, representing forfeitures of prior District contributions and related investment income for nonvested employees withdrawing from the Plan upon termination.

NOTE I - 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, 2001, future minimum rental payments applicable to the operating leases were as follows:

2002	\$	779
2003		727
2004		683
2005		<u>517</u>
Total	\$	<u><u>2,706</u></u>

Rental expense for all operating leases was approximately \$3,470 in 2001.

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 \$5,258 at September 30, 2001.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE I - LEASES - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

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

2002	\$	563
2003		297
2004		262
2005		117
2006		117
Thereafter		<u>4,962</u>
Total	\$	<u><u>6,318</u></u>

NOTE J - DEFICIT RETAINED EARNINGS

The Dallas County Internal Service Fund has a deficit at September 30, 2001 of \$2,597. 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 K - 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 \$512 is reported as a liability of the general fund). The balance of \$4,134 is reported in the GLTDAG. The third-party administrator for the program, Cunningham Lindsey, 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.

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, North Texas Health Choice. 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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE K - RISK MANAGEMENT (Continued)

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 2001, a total of \$22,041 was paid in benefits and administrative costs compared to 23,311 in fiscal year 2000. The medical claims liability includes \$1,417 of incurred but not reported claims. The County has stop-loss coverage with its third-party administrator for individual claims in excess of \$250 and aggregate stop-loss of \$27,303.

Changes in the medical and workers' compensation claims liability amounts in fiscal years 2001 and 2000 follow:

	<u>Beginning Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Liability</u>
2001 Medical	\$ 4,200	\$ 19,416	\$ 19,590	\$ 4,026
2000 Medical	\$ 4,088	\$ 21,239	\$ 21,127	\$ 4,200
2001 Workers' Compensation	\$ 2,094	\$ 6,373	\$ 3,821	\$ 4,646
2000 Workers' Compensation	\$ 1,974	\$ 3,137	\$ 3,017	\$ 2,094

II. Discretely Presented Component Unit

The liabilities described below as of September 30, 2001 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 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 5% 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.

DALLAS COUNTY, TEXAS

Notes to General Purpose Financial Statements

September 30, 2001
(in thousands of dollars)

NOTE K - RISK MANAGEMENT (Continued)

To obtain coverage, employees authorize payroll withholdings to pay contributions for individual and dependent coverage. A third-party administrator acting on behalf of the District pays claims. 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 5% annual rate.

Changes in the Hospital Professional Liability and General Liability, Employee Health Care Benefit Liability and Workers' Compensation Liability amounts in fiscal 2001 and 2000 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:				
2001	\$ 5,500	\$ 642	\$ (1,313)	\$ 4,829
2000	5,629	1,432	(1,561)	5,500
Employee health care liability:				
2001	\$ 2,230	\$ 9,066	\$ (8,896)	\$ 2,400
2000	429	3,404	(1,603)	2,230
Workers' compensation liability:				
2001	\$ 3,029	\$ 1,584	\$ (1,554)	\$ 3,059
2000	2,773	1,498	(1,242)	3,029

NOTE L - 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 was not established because potential reimbursements are considered immaterial.

Several lawsuits that could affect the County's financial position are in various stages of litigation. A contingent liability of \$1,400 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.

This page left blank intentionally.

Required Supplemental Information
(Unaudited)

Supplemental Schedule 1

DALLAS COUNTY, TEXAS

Required Supplementary Information (Unaudited)

Discrete Component Unit
Defined Benefit Pension Plan Costs and Contributions
Three-Year Historical Trend

<u>Plan Fiscal Year</u>	<u>Annual Pension Cost</u>	<u>Percentage of Annual Required Contribution</u>
1998	\$ 3,182,462	100%
1999	\$ 3,643,000	57.7%
2000	\$ 4,613,165	0.0%

Note: The most recent audited financial statements of the defined benefit pension plan are as of December 31, 2000.

Supplemental Schedule 2

DALLAS COUNTY, TEXAS

Required Supplementary Information (Unaudited)

Scheduled of Funding Progress of Defined Benefit Pension Plan
 Three-Year historical Trend Beginning January 1, 1999
 (in thousands)

<u>Actuarial Valuation Date as of January 1</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Assets Over (Under) Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Actuarial Covered Payroll</u>	<u>Assets Over (Under) Actuarial Accrued Liability as a Percentage of Covered Payroll</u>
1999	\$ 149,881	\$ 149,627	\$ 254	100.2%	\$ 204,114	0.1%
2000	\$ 174,222	\$ 172,486	\$ 1,736	101.0%	\$ 216,880	0.8%
2001	\$ 190,643	\$ 199,894	\$ (9,251)	95.4%	\$ 224,784	(4.1)%

This page left blank intentionally.

Combining Individual Fund and Account
Group Financial Statements and Schedule

This page left blank intentionally.

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
 Comparative Balance Sheets - General Fund
 September 30, 2001 and 2000
 (in thousands of dollars)

Assets	<u>2001</u>	<u>2000</u>
Assets:		
Cash and investments	\$ 39,096	\$ 45,187
Receivables (net of allowances for uncollectibles of \$ 45,155):		
Taxes	179,088	164,233
Accounts	6,395	4,784
Accrued interest	216	1,274
Due from other funds	756	2,196
Due from other governmental units	6,512	4,737
Inventories	1,901	558
Prepayments and advances	1,218	1,350
	<u>235,182</u>	<u>224,319</u>
Total assets	\$	\$
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 7,612	\$ 10,283
Compensated absences	181	200
Liability for workers' compensation	512	484
Arbitrage rebate	1,298	1,112
Due to other funds	9	268
Due to other governmental units	888	515
Deferred revenue	181,577	168,260
	<u>192,077</u>	<u>181,122</u>
Total liabilities		
Fund balances:		
Reserved for encumbrances	9,061	9,862
Reserved for inventories	1,901	558
Reserved for payroll, escrow and change funds	104	106
Reserved for prepayments and advance	1,218	1,350
Unreserved:		
Designated for subsequent budget periods	11,475	6,761
Undesignated	19,346	24,560
	<u>43,105</u>	<u>43,197</u>
Total fund balances		
Total liabilities and fund balances	\$	\$
	<u>235,182</u>	<u>224,319</u>

DALLAS COUNTY, TEXAS

Comparative Statements of Revenues, Expenditures and Changes in
Fund Balances - General Fund

Fiscal Years Ended September 30, 2001 and 2000
(in thousands of dollars)

	<u>2001</u>	<u>2000</u>
Revenues:		
Taxes	\$ 162,654	\$ 149,922
Licenses and permits	327	305
Fines and forfeitures	9,425	8,073
Investments and rentals	12,966	12,903
Intergovernmental revenues	6,105	4,004
Charges for current services	86,859	89,418
Miscellaneous	11,612	9,786
Total revenues	<u>289,948</u>	<u>274,411</u>
Expenditures:		
Current:		
General government	62,377	55,978
Public safety	139,504	142,238
Health	23,700	23,043
Public welfare	8,261	8,450
Judicial	84,655	80,801
Libraries	41	47
Total expenditures	<u>318,538</u>	<u>310,557</u>
Excess of revenues (under) over expenditures	<u>(28,590)</u>	<u>(36,146)</u>
Other financing sources (uses):		
Operating transfers in	34,764	31,272
Operating transfers out	<u>(7,470)</u>	<u>(5,001)</u>
Total other financing sources (uses)	<u>27,294</u>	<u>26,271</u>
Excess of revenues and other sources over expenditures and other uses	(1,296)	(9,875)
Fund balances as previously reported	43,197	53,072
Prior period adjustment-Inventories	1,204	—
Fund balances as restated	<u>44,401</u>	<u>53,072</u>
Fund balances at end of fiscal year	<u>\$ 43,105</u>	<u>\$ 43,197</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - General Fund

Fiscal Years Ended September 30, 2001 and 2000
(in thousands of dollars)

	2001		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ 163,775	\$ 162,654	\$ (1,121)
Licenses and permits	315	327	12
Fines and forfeiture	11,511	9,425	(2,086)
Investments and rentals	12,736	12,966	230
Intergovernmental revenues	4,606	6,105	1,499
Charges for current services	92,235	86,859	(5,376)
Miscellaneous	8,351	11,612	3,261
Total revenues	<u>293,529</u>	<u>289,948</u>	<u>(3,581)</u>
Expenditures:			
General government:			
Salaries	32,436	30,855	1,581
Allowances	20	16	4
Operating	32,583	28,589	3,994
Property	3,216	2,917	299
Total general government	<u>68,255</u>	<u>62,377</u>	<u>5,878</u>
Public safety:			
Salaries	119,785	116,218	3,567
Allowances	186	136	50
Operating	23,456	21,525	1,931
Property	2,236	1,625	611
Total public safety	<u>145,663</u>	<u>139,504</u>	<u>6,159</u>
Health:			
Salaries	12,381	11,914	467
Allowances	58	50	8
Operating	12,500	11,643	857
Property	276	93	183
Total health	<u>25,215</u>	<u>23,700</u>	<u>1,515</u>
Public welfare:			
Salaries	5,265	4,675	590
Allowances	51	50	1
Operating	3,685	3,480	205
Property	56	56	—
Total public welfare	<u>9,057</u>	<u>8,261</u>	<u>796</u>

Exhibit B-3

2000		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 151,794	\$ 149,922	\$ (1,872)
395	305	(90)
8,461	8,073	(388)
10,827	12,903	2,076
4,364	4,004	(360)
89,399	89,418	19
7,412	9,786	2,374
<u>272,652</u>	<u>274,411</u>	<u>1,759</u>
30,894	29,404	1,490
16	15	1
29,189	25,656	3,533
3,080	903	2,177
<u>63,179</u>	<u>55,978</u>	<u>7,201</u>
116,109	114,541	1,568
191	163	28
26,725	25,217	1,508
3,606	2,317	1,289
<u>146,631</u>	<u>142,238</u>	<u>4,393</u>
11,484	11,359	125
62	44	18
12,823	11,452	1,371
275	188	87
<u>24,644</u>	<u>23,043</u>	<u>1,601</u>
4,604	4,413	191
49	48	1
3,958	3,876	82
128	113	15
<u>8,739</u>	<u>8,450</u>	<u>289</u>

DALLAS COUNTY, TEXAS

Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - General Fund - Continued

Fiscal Years Ended September 30, 2001 And 2000
(in thousands of dollars)

	2001		Variance Favorable (Unfavorable)
	Budget	Actual	
Judicial:			
Salaries	\$ 61,750	\$ 60,274	\$ 1,476
Allowances	40	36	4
Operating	27,518	24,160	3,358
Property	315	185	130
Total judicial	<u>89,623</u>	<u>84,655</u>	<u>4,968</u>
Libraries:			
Operating	54	41	13
Property	—	—	—
Total libraries	<u>54</u>	<u>41</u>	<u>13</u>
Total expenditures	<u>337,867</u>	<u>318,538</u>	<u>19,329</u>
Excess of revenues over (under) expenditures	<u>(44,338)</u>	<u>(28,590)</u>	<u>15,748</u>
Other financing sources (uses):			
Operating transfers in	34,029	34,764	735
Operating transfers, out	(7,470)	(7,470)	—
Total other financing sources (uses)	<u>26,559</u>	<u>27,294</u>	<u>735</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(17,779)</u>	<u>(1,296)</u>	<u>16,483</u>
Fund balances as previously reported	43,197	43,197	—
Prior period adjustment-Inventories	—	1,204	1,204
Fund balances as restated	<u>43,197</u>	<u>44,401</u>	<u>1,204</u>
Fund balances at end of fiscal year	<u>\$ 25,418</u>	<u>\$ 43,105</u>	<u>\$ 17,687</u>

Exhibit B-3

2000		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 58,902	\$ 56,614	\$ 2,288
45	45	—
26,067	23,806	2,261
507	336	171
<u>85,521</u>	<u>80,801</u>	<u>4,720</u>
55	47	8
—	—	—
55	47	8
<u>328,769</u>	<u>310,557</u>	<u>18,212</u>
<u>(56,117)</u>	<u>(36,146)</u>	<u>19,971</u>
31,285	31,272	(13)
<u>(5,001)</u>	<u>(5,001)</u>	<u>—</u>
<u>26,284</u>	<u>26,271</u>	<u>(13)</u>
(29,833)	(9,875)	19,958
53,072	53,072	—
—	—	—
<u>53,072</u>	<u>53,072</u>	<u>—</u>
\$ <u><u>23,239</u></u>	\$ <u><u>43,197</u></u>	\$ <u><u>19,958</u></u>

This page left blank intentionally.

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.

Major Projects - used to fund parks, trails, transportation and major County building projects.

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, 2001

(in thousands of dollars)

	<u>Road and Bridge</u>	<u>Major Projects</u>	<u>Permanent Improvements</u>	<u>Law Library</u>	<u>Parking Garage Revenue</u>
Assets:					
Cash and investments	\$ 19,541	\$ 31,015	\$ 1,506	\$ 1,448	\$ 46
Receivables:					
Taxes - current	—	13,109	2,538	—	—
Less allowance for uncollectibles	—	(337)	(298)	—	—
Net taxes receivable	—	12,772	2,240	—	—
Accounts	22,999	—	—	1,092	—
Less allowance for uncollectibles	(21,305)	—	—	(1,016)	—
Net accounts receivable	1,694	—	—	76	—
Accrued interest	—	—	—	—	—
Due from other funds	753	—	—	—	—
Due from other governmental units	—	—	—	—	—
Inventories	796	—	—	—	—
Total assets	<u>\$ 22,784</u>	<u>\$ 43,787</u>	<u>\$ 3,746</u>	<u>\$ 1,524</u>	<u>\$ 46</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 565	\$ 600	\$ 250	\$ 6	\$ 9
Due to other funds	—	—	—	7	—
Due to other governmental units	4,270	—	—	—	—
Deferred revenue	885	12,749	2,233	26	—
Total liabilities	5,720	13,349	2,483	39	9
Fund balances:					
Reserved for encumbrances	1,257	314	92	36	—
Reserved for inventory of supplies	796	—	—	—	—
Unreserved:					
Designated for subsequent budget periods	1,378	23	6	50	—
Undesignated	13,633	30,101	1,165	1,399	37
Total fund equity	17,064	30,438	1,263	1,485	37
Total liabilities and fund balances	<u>\$ 22,784</u>	<u>\$ 43,787</u>	<u>\$ 3,746</u>	<u>\$ 1,524</u>	<u>\$ 46</u>

<u>HIV Grant</u>	<u>Grants</u>	<u>Major Technology</u>	<u>District Attorney Forfeiture</u>	<u>District Attorney Special</u>	<u>District Attorney Forfeiture - FN</u>	<u>District Attorney Forfeiture - OL</u>	<u>District Attorney Unadjudicated Forfeitures</u>
\$ 549	\$ —	\$ 1,642	\$ 16	\$ 885	\$ 416	\$ 1,306	\$ 23
—	—	6,326	—	—	—	—	—
—	—	(230)	—	—	—	—	—
—	—	6,096	—	—	—	—	—
22	43	—	—	—	—	—	—
—	—	—	—	—	—	—	—
22	43	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	11,623	—	—	—	—	—	—
3	—	—	—	—	—	—	—
<u>\$ 574</u>	<u>\$ 11,666</u>	<u>\$ 7,738</u>	<u>\$ 16</u>	<u>\$ 885</u>	<u>\$ 416</u>	<u>\$ 1,306</u>	<u>\$ 23</u>
\$ 569	\$ 4,375	\$ 23	\$ —	\$ —	\$ —	\$ —	\$ —
1	371	—	—	—	—	—	—
1	—	—	—	—	—	—	—
—	6,920	6,083	—	—	—	—	—
571	11,666	6,106	—	—	—	—	—
—	—	148	—	—	—	—	—
3	—	—	—	—	—	—	—
—	—	13	—	—	—	—	—
—	—	1,471	16	885	416	1,306	23
3	—	1,632	16	885	416	1,306	23
<u>\$ 574</u>	<u>\$ 11,666</u>	<u>\$ 7,738</u>	<u>\$ 16</u>	<u>\$ 885</u>	<u>\$ 416</u>	<u>\$ 1,306</u>	<u>\$ 23</u>

DALLAS COUNTY, TEXAS

Combining Balance Sheets - Special Revenue Funds - Continued

September 30, 2001

(in thousands of dollars)

	District Attorney Forfeiture - Matching Funds	District Attorney Forfeiture - Auto Theft	District Attorney Escrow - Auto Theft	District Attorney Forfeiture- Fees	Historical Commission
Assets:					
Cash and investments	\$ 73	\$ 20	\$ 8	\$ 2	\$ 22
Receivables:					
Taxes - current	—	—	—	—	—
Less allowance for uncollectibles	—	—	—	—	—
Net taxes receivable	—	—	—	—	—
Accounts	—	—	—	—	—
Less allowance for uncollectibles	—	—	—	—	—
Net accounts receivable	—	—	—	—	—
Accrued interest	—	—	—	—	—
Due from other funds	—	—	—	—	—
Due from other governmental units	—	—	—	—	—
Inventories	—	—	—	—	—
Total assets	\$ 73	\$ 20	\$ 8	\$ 2	\$ 22
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ —	\$ —	\$ —	\$ —	\$ 1
Due to other funds	—	—	—	—	—
Due to other governmental units	—	—	—	—	—
Deferred revenue	—	—	—	—	—
Total liabilities	—	—	—	—	1
Fund balances:					
Reserved for encumbrances	—	—	—	—	—
Reserved for inventory of supplies	—	—	—	—	—
Reserved for escrow and change funds	—	—	—	—	—
Unreserved:					
Designated for subsequent budget periods	—	—	—	—	—
Undesignated	73	20	8	2	21
Total fund equity	73	20	8	2	21
Total liabilities and fund balances	\$ 73	\$ 20	\$ 8	\$ 2	\$ 22

Exhibit C-1

<u>Historical Exhibit</u>	<u>Child Support - Special</u>	<u>Alternative Dispute Resolution</u>	<u>Appellate Justice System</u>	<u>Total September 30, 2001</u>	<u>Total September 30, 2000</u>
\$ 720	\$ 160	\$ 355	\$ 701	\$ 60,454	\$ 46,399
—	—	—	—	21,973	21,503
—	—	—	—	(865)	(1,935)
—	—	—	—	21,108	19,568
—	—	719	397	25,272	23,158
—	—	(669)	(325)	(23,315)	(22,091)
—	—	50	72	1,957	1,067
—	—	—	—	—	2
—	—	—	—	753	734
—	—	—	—	11,623	7,980
—	—	—	—	799	758
<u>\$ 720</u>	<u>\$ 160</u>	<u>\$ 405</u>	<u>\$ 773</u>	<u>\$ 96,694</u>	<u>\$ 76,508</u>
—	—	—	—	—	—
\$ 61	\$ 22	\$ 1	\$ 9	\$ 6,491	\$ 4,292
160	43	61	1	644	2,129
—	—	—	—	4,271	3,485
—	—	48	25	28,969	23,648
221	65	110	35	40,375	33,554
—	—	—	—	—	—
202	10	—	3	2,062	3,566
—	—	—	—	799	758
—	—	—	—	—	—
—	—	2	47	1,519	1,800
297	85	293	688	51,939	36,830
499	95	295	738	56,319	42,954
<u>\$ 720</u>	<u>\$ 160</u>	<u>\$ 405</u>	<u>\$ 773</u>	<u>\$ 96,694</u>	<u>\$ 76,508</u>

DALLAS COUNTY, TEXAS

Combining Statements of Revenues, Expenditures and Changes in Fund -
Balances - Special Revenue Funds

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	Road and Bridge	Major Projects	Permanent Improvements	Law Library	Parking Garage Revenue
Revenues:					
Taxes	\$ —	\$ 11,638	\$ 2,011	\$ —	\$ —
Highway license fees	35,918	—	—	—	—
Fines and forfeitures	10,213	—	—	—	—
Investments and rentals	330	456	—	79	721
Intergovernmental revenues	4,273	—	—	—	—
Charges for current services	7,587	—	—	764	—
Miscellaneous	124	—	—	—	—
	<u>58,445</u>	<u>12,094</u>	<u>2,011</u>	<u>843</u>	<u>721</u>
Expenditures:					
Current:					
General government	—	1,843	2,600	—	127
Judicial	—	—	—	859	—
Public safety	—	—	—	—	—
Streets and highways	20,355	—	—	—	—
Health	—	—	—	—	—
Public welfare	—	—	—	—	—
	<u>20,355</u>	<u>1,843</u>	<u>2,600</u>	<u>859</u>	<u>127</u>
Excess of revenues over (under) expenditures	<u>38,090</u>	<u>10,251</u>	<u>(589)</u>	<u>(16)</u>	<u>594</u>
Other financing sources (uses):					
Transfer to child support-special fund	—	—	—	—	—
Transfer to general fund	(33,026)	(475)	—	(150)	(450)
Transfer to debt service funds	(5,750)	—	—	—	(206)
Transfer from general fund	—	1,100	—	13	—
Transfer from alternative dispute	—	—	—	—	—
Transfer to major technology	—	—	—	—	—
Transfer to major projects	(5,768)	—	—	—	—
Transfer from road & bridge dist.	—	5,768	—	—	—
Transfer from major projects	—	—	—	—	—
Transfer from major technology	—	2,551	—	—	—
	<u>(44,544)</u>	<u>8,944</u>	<u>—</u>	<u>(137)</u>	<u>(656)</u>
Excess of revenues and other sources sources over (under) expenditures and other uses	<u>(6,454)</u>	<u>19,195</u>	<u>(589)</u>	<u>(153)</u>	<u>(62)</u>
Fund balances at beginning of fiscal year	23,535	11,243	1,852	1,638	99
Change in inventory - purchase method	(17)	—	—	—	—
	<u>23,518</u>	<u>11,243</u>	<u>1,852</u>	<u>1,638</u>	<u>99</u>
Fund balances at end of fiscal year	<u>\$ 17,064</u>	<u>\$ 30,438</u>	<u>\$ 1,263</u>	<u>\$ 1,485</u>	<u>\$ 37</u>

Exhibit C-2

<u>HIV Grant</u>	<u>Grants</u>	<u>Major Technology</u>	<u>District Attorney Forfeiture</u>	<u>District Attorney Special</u>	<u>District Attorney Forfeiture - FN</u>	<u>District Attorney Forfeiture - OL</u>	<u>District Attorney Unadjudicated Forfeitures</u>
\$ —	\$ —	\$ 5,564	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—	—
10	—	58	—	—	—	—	—
4,324	60,590	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	500	16	566	31	544	3
<u>4,334</u>	<u>60,590</u>	<u>6,122</u>	<u>16</u>	<u>566</u>	<u>31</u>	<u>544</u>	<u>3</u>
—	—	1,862	—	—	—	—	—
—	1,892	—	—	464	15	341	5
—	2,300	—	—	—	—	—	—
—	—	—	—	—	—	—	—
4,334	14,976	—	—	—	—	—	—
—	45,832	—	—	—	—	—	—
<u>4,334</u>	<u>65,000</u>	<u>1,862</u>	<u>—</u>	<u>464</u>	<u>15</u>	<u>341</u>	<u>5</u>
—	(4,410)	4,260	16	102	16	203	(2)
—	—	—	—	—	—	—	—
—	—	(587)	—	—	—	—	—
—	4,410	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	(2,551)	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	4,410	(3,138)	—	—	—	—	—
—	—	1,122	16	102	16	203	(2)
3	—	510	—	783	400	1,103	25
—	—	—	—	—	—	—	—
<u>\$ 3</u>	<u>\$ —</u>	<u>\$ 1,632</u>	<u>\$ 16</u>	<u>\$ 885</u>	<u>\$ 416</u>	<u>\$ 1,306</u>	<u>\$ 23</u>

(Continued)

DALLAS COUNTY, TEXAS

Combining Statements of Revenues, Expenditures and Changes in Fund -
Balances - Special Revenue Funds - Continued

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	District Attorney Forfeiture - Matching Funds	District Attorney Forfeiture - Auto Theft	District Attorney Escrow - Auto Theft	District Attorney Forfeiture Fees	Historical Commission
Revenues:					
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —
Highway license fees	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—
Investments and rentals	—	—	—	—	1
Intergovernmental revenues	—	—	—	—	—
Charges for current services	—	—	—	—	—
Miscellaneous	68	1	229	2	1
Total revenues	68	1	229	2	2
Expenditures:					
Current:					
General government	—	—	—	—	1
Judicial	—	—	238	—	—
Public safety	—	—	—	—	—
Streets and highways	—	—	—	—	—
Health	—	—	—	—	—
Public welfare	—	—	—	—	—
Total expenditures	—	—	238	—	1
Excess of revenues over (under) expenditures	68	1	(9)	2	1
Other financing sources (uses):					
Transfer to child support	—	—	—	—	—
Transfer to general fund	—	—	—	—	—
Transfer to debt service funds	—	—	—	—	—
Transfer from general fund	—	—	—	—	—
Transfer from alternative dispute	—	—	—	—	—
Transfer to major technology	—	—	—	—	—
Transfer to major projects	—	—	—	—	—
Transfer from road & bridge dist.	—	—	—	—	—
Transfer from major projects	—	—	—	—	—
Transfer from major technology	—	—	—	—	—
Total other financing sources (uses)	—	—	—	—	—
Excess of revenues and other sources over (under) expenditures and other uses	68	1	(9)	2	1
Fund balances at beginning of fiscal year	5	19	17	—	20
Change in inventory - purchase method	—	—	—	—	—
Fund balances at end of fiscal year	\$ 73	\$ 20	\$ 8	\$ 2	\$ 21

Exhibit C-2

Historical Exhibit	Child Support - Special	Alternative Dispute Resolution	Appellate Justice System	Totals September 30, 2001	Totals September 30, 2000
\$ —	\$ —	\$ —	\$ —	\$ 19,213	\$ 17,842
—	—	—	—	35,918	34,448
—	—	—	—	10,213	9,051
48	29	5	34	1,771	1,687
—	—	—	—	69,187	58,572
2,357	683	478	337	12,206	11,053
140	47	—	—	2,272	2,800
<u>2,545</u>	<u>759</u>	<u>483</u>	<u>371</u>	<u>150,780</u>	<u>135,453</u>
2,498	—	—	—	8,931	14,077
—	1,080	326	188	5,408	6,403
—	762	—	—	3,062	2,054
—	—	—	—	20,355	18,139
—	—	—	—	19,310	18,000
—	—	—	—	45,832	36,660
<u>2,498</u>	<u>1,842</u>	<u>326</u>	<u>188</u>	<u>102,898</u>	<u>95,333</u>
<u>47</u>	<u>(1,083)</u>	<u>157</u>	<u>183</u>	<u>47,882</u>	<u>40,120</u>
—	—	—	—	—	(150)
—	—	—	(76)	(34,764)	(31,272)
(408)	—	—	—	(6,364)	(5,328)
—	1,105	—	—	6,628	4,360
—	—	—	—	—	150
—	—	—	—	—	(3,572)
—	—	—	—	(8,319)	(4,579)
—	—	—	—	5,768	4,579
—	—	—	—	—	3,572
—	—	—	—	2,551	—
<u>(408)</u>	<u>1,105</u>	<u>—</u>	<u>(76)</u>	<u>(34,500)</u>	<u>(32,240)</u>
(361)	22	157	107	13,382	7,880
860	73	138	631	42,954	35,149
—	—	—	—	(17)	(75)
<u>\$ 499</u>	<u>\$ 95</u>	<u>\$ 295</u>	<u>\$ 738</u>	<u>\$ 56,319</u>	<u>\$ 42,954</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Road and Bridges						
Revenues:						
Highway license fees	\$ 35,990	\$ 35,918	\$ (72)	\$ 33,703	\$ 34,448	\$ 745
Fines and forfeiture	10,496	10,213	(283)	10,568	9,051	(1,517)
Intergovernmental revenues	4,184	4,273	89	2,920	3,549	629
Charges for current services	7,562	7,587	25	7,558	6,626	(932)
Investments and rentals	440	330	(110)	500	555	55
Miscellaneous	75	124	49	26	75	49
Total revenues	<u>58,747</u>	<u>58,445</u>	<u>(302)</u>	<u>55,275</u>	<u>54,304</u>	<u>(971)</u>
Expenditures:						
Streets and highways:						
Salaries	6,135	5,467	668	5,668	4,953	715
Allowances	28	27	1	25	25	—
Operating	16,978	12,838	4,140	15,175	11,109	4,066
Property	5,749	2,023	3,726	4,666	2,052	2,614
Total expenditures	<u>28,890</u>	<u>20,355</u>	<u>8,535</u>	<u>25,534</u>	<u>18,139</u>	<u>7,395</u>
Excess of revenues over (under) expenditures	<u>29,857</u>	<u>38,090</u>	<u>8,233</u>	<u>29,741</u>	<u>36,165</u>	<u>6,424</u>
Other financing sources (uses):						
Transfer to debt service funds	(5,750)	(5,750)	—	(4,981)	(4,981)	—
Transfer to general fund	(33,026)	(33,026)	—	(30,363)	(30,285)	78
Transfer to major projects	(5,768)	(5,768)	—	(4,579)	(4,579)	—
Total other financing sources (uses)	<u>(44,544)</u>	<u>(44,544)</u>	<u>—</u>	<u>(39,923)</u>	<u>(39,845)</u>	<u>78</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(14,687)</u>	<u>(6,454)</u>	<u>8,233</u>	<u>(10,182)</u>	<u>(3,680)</u>	<u>6,502</u>
Fund balances at beginning of fiscal year	23,535	23,535	—	27,290	27,290	—
Change in inventory - purchases method	—	(17)	(17)	—	(75)	(75)
Fund balances at end of fiscal year	<u>\$ 8,848</u>	<u>\$ 17,064</u>	<u>\$ 8,216</u>	<u>\$ 17,108</u>	<u>\$ 23,535</u>	<u>\$ 6,427</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Major Projects						
Revenues:						
Ad valorem taxes	\$ 11,914	11,638	\$ (276)	\$ 10,888	\$ 10,812	\$ (76)
Investments and rentals	350	456	106	350	199	(151)
Miscellaneous			—	—	1	1
Total revenues	<u>12,264</u>	<u>12,094</u>	<u>(170)</u>	<u>11,238</u>	<u>11,012</u>	<u>(226)</u>
Expenditures:						
General government:						
Property	16,819	1,843	14,976	862	595	267
Total expenditures	<u>16,819</u>	<u>1,843</u>	<u>14,976</u>	<u>862</u>	<u>595</u>	<u>267</u>
Excess of revenues over (under) expenditures	<u>(4,555)</u>	<u>10,251</u>	<u>14,806</u>	<u>10,376</u>	<u>10,417</u>	<u>41</u>
Other financing sources (uses):						
Transfers to general fund	(475)	(475)	—	(181)	(181)	—
Transfers from major technology		2,551	2,551	(3,572)	(3,572)	—
Transfer from general fund	—	1,100	1,100	—	—	—
Transfer from road & bridge dist	5,768	5,768	—	—	4,579	4,579
Total other financing sources (uses):	<u>5,293</u>	<u>8,944</u>	<u>3,651</u>	<u>(3,753)</u>	<u>826</u>	<u>4,579</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	738	19,195	18,457	6,623	11,243	4,620
Fund balances at beginning of fiscal year	<u>11,243</u>	<u>11,243</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances at end of fiscal year	<u>\$ 11,981</u>	<u>\$ 30,438</u>	<u>\$ 18,457</u>	<u>\$ 6,623</u>	<u>\$ 11,243</u>	<u>\$ 4,620</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Permanent Improvements						
Revenues:						
Ad valorem taxes	\$ 2,152	\$ 2,011	\$ (141)	\$ 1,887	\$ 1,862	(25)
Miscellaneous	—	—	—	—	—	—
Total revenues	<u>2,152</u>	<u>2,011</u>	<u>(141)</u>	<u>1,887</u>	<u>1,862</u>	<u>(25)</u>
Expenditures:						
General government:						
Property	<u>2,600</u>	<u>2,600</u>	<u>—</u>	<u>2,157</u>	<u>2,039</u>	<u>118</u>
Total expenditures	<u>2,600</u>	<u>2,600</u>	<u>—</u>	<u>2,157</u>	<u>2,039</u>	<u>118</u>
Excess of revenues over (under) expenditures	(448)	(589)	(141)	(270)	(177)	93
Fund balances at beginning of fiscal year	<u>1,852</u>	<u>1,852</u>	<u>—</u>	<u>2,029</u>	<u>2,029</u>	<u>—</u>
Fund balances at end of fiscal year	<u>\$ 1,404</u>	<u>\$ 1,263</u>	<u>\$ (141)</u>	<u>\$ 1,759</u>	<u>\$ 1,852</u>	<u>\$ 93</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Law Library						
Revenues:						
Investments and rentals	\$ 80	79	\$ (1)	\$ 70	96	\$ 26
Charges for current services	821	764	(57)	752	923	171
Total revenues	901	843	(58)	822	1,019	197
Expenditures:						
Judicial:						
Salaries	369	353	16	344	329	15
Operating	523	506	17	495	468	27
Property	—	—	—	4	3	1
Total expenditures	892	859	33	843	800	43
Excess of revenues over (under) expenditures	9	(16)	(25)	(21)	219	240
Other financing sources (uses) -						
Transfer from general fund	13	13	—	16	16	—
Transfer to general fund	(175)	(150)	25	—	—	—
Total other financing sources (uses)	(162)	(137)	25	16	16	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(153)	(153)	—	(5)	235	240
Fund balances at beginning of fiscal year	1,638	1,638	—	1,403	1,403	—
Fund balances at end of fiscal year	\$ 1,485	\$ 1,485	\$ —	\$ 1,398	\$ 1,638	\$ 240

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Parking Garage Revenue						
Revenues:						
Investments and rentals	\$ 683	721	\$ 38	\$ 687	683	\$ (4)
Total revenues	683	721	38	687	683	(4)
Expenditures:						
General government:						
Operating	127	127	—	116	114	2
Property	—	—	—	257	257	—
Total expenditures	127	127	—	373	371	2
Excess of revenues over (under) expenditures	556	594	38	314	312	(2)
Other financing sources (uses):						
Transfer to general fund	(450)	(450)	—	(275)	(275)	—
Transfer to debt service funds	(205)	(206)	(1)	(205)	(205)	—
Total other financing sources (uses)	(655)	(656)	(1)	(480)	(480)	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(99)	(62)	37	(166)	(168)	(2)
Fund balances at beginning of fiscal year	99	99	—	267	267	—
Fund balances at end of fiscal year	\$ —	\$ 37	\$ 37	\$ 101	\$ 99	\$ (2)

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
HIV Grant						
Revenues:						
Intergovernmental revenues	\$ 4,325	4,324	\$ (1)	\$ 14,404	\$ 12,852	\$ (1,552)
Investments and rentals	9	10	1	21	19	(2)
Total revenues	4,334	4,334	—	14,425	12,871	(1,554)
Expenditures:						
Health:						
Salaries	181	181	—	1,012	706	306
Operating	4,154	4,151	3	13,406	12,162	1,244
Property	2	2	—	18	11	7
Total expenditures	4,337	4,334	3	14,436	12,879	1,557
Excess of revenues over (under) expenditures	(3)	—	3	(11)	(8)	3
Other financing sources (uses)	—	—	—	—	—	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(3)	—	3	(11)	(8)	3
Fund balances at beginning of fiscal year	3	3	—	11	11	—
Fund balances at end of fiscal year	\$ —	\$ 3	\$ 3	\$ —	\$ 3	\$ 3

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Grants						
Revenues:						
Intergovernmental revenues	\$ 61,995	\$ 60,590	\$ (1,405)	\$ 43,041	\$ 42,171	\$ (870)
Total revenues	<u>61,995</u>	<u>60,590</u>	<u>(1,405)</u>	<u>43,041</u>	<u>42,171</u>	<u>(870)</u>
Expenditures:						
Judicial:						
Salaries	1,150	1,144	6	1,205	1,007	198
Allowances	—	—	—	1	1	—
Operating	620	615	5	794	682	112
Property	140	133	7	607	560	47
Total judicial	<u>1,910</u>	<u>1,892</u>	<u>18</u>	<u>2,607</u>	<u>2,250</u>	<u>357</u>
Public safety:						
Salaries	1,711	1,661	50	771	626	145
Allowances	—	—	—	8	—	8
Operating	596	560	36	403	372	31
Property	205	79	126	320	260	60
Total public safety	<u>2,512</u>	<u>2,300</u>	<u>212</u>	<u>1,502</u>	<u>1,258</u>	<u>244</u>
Health:						
Salaries	4,604	4,517	87	3,411	3,399	12
Allowances	119	116	3	150	100	50
Operating	10,395	10,299	96	1,400	1,351	49
Property	60	44	16	298	271	27
Total health	<u>15,178</u>	<u>14,976</u>	<u>202</u>	<u>5,259</u>	<u>5,121</u>	<u>138</u>
Public welfare:						
Salaries	9,153	9,112	41	7,681	7,678	3
Allowances	65	57	8	62	58	4
Operating	34,583	34,010	573	28,395	28,325	70
Property	2,669	2,653	16	689	599	90
Total public welfare	<u>46,470</u>	<u>45,832</u>	<u>638</u>	<u>36,827</u>	<u>36,660</u>	<u>167</u>
Total expenditures	<u>66,070</u>	<u>65,000</u>	<u>1,070</u>	<u>46,195</u>	<u>45,289</u>	<u>906</u>
Excess of revenues over (under) expenditures	<u>(4,075)</u>	<u>(4,410)</u>	<u>(335)</u>	<u>(3,154)</u>	<u>(3,118)</u>	<u>36</u>
Other financing sources (uses):						
Transfer from general fund	4,075	4,410	335	3,154	3,177	23
Transfer to general fund	—	—	—	—	(59)	(59)
Other financing sources (uses)	<u>4,075</u>	<u>4,410</u>	<u>335</u>	<u>3,154</u>	<u>3,118</u>	<u>(36)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
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>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Major Technology						
Revenues:						
Ad valorem taxes	\$ 5,683	\$ 5,564	\$ (119)	\$ 5,243	\$ 5,168	\$ (75)
Investments and rentals	50	58	8	200	24	(176)
Miscellaneous	500	500	—	1,160	1,160	—
Total revenues	6,233	6,122	(111)	6,603	6,352	(251)
Expenditures:						
General government:						
Property	2,258	1,862	396	9,983	9,222	761
Total expenditures	2,258	1,862	396	9,983	9,222	761
Excess of revenues over (under) expenditures	3,975	4,260	285	(3,380)	(2,870)	510
Other financing sources (uses):						
Transfers to major projects	(2,551)	(2,551)	—	3,572	3,572	—
Transfers to general fund	(587)	(587)	—	(393)	(393)	—
Total other financing sources (uses)	(3,138)	(3,138)	—	3,179	3,179	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	837	1,122	285	(201)	309	510
Fund balances at beginning of fiscal year	510	510	—	201	201	—
Fund balances at end of fiscal year	\$ 1,347	\$ 1,632	\$ 285	\$ —	\$ 510	\$ 510

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Historical Commission						
Revenues:						
Investments and rentals	\$ 1	\$ 1	\$ —	\$ 1	\$ 1	\$ —
Miscellaneous	—	1	1	—	—	—
Total revenues	1	2	1	1	1	—
Expenditures:						
General governmental operating	15	1	14	15	6	9
Total expenditures	15	1	14	15	6	9
Excess of revenues over (under) expenditures	(14)	1	15	(14)	(5)	9
Fund balances at beginning of fiscal year	20	20	—	25	25	—
Fund balances at end of fiscal year	\$ 6	\$ 21	\$ 15	\$ 11	\$ 20	\$ 9

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Historical Exhibit						
Revenues:						
Investments and rentals	\$ 40	\$ 48	\$ 8	\$ 21	\$ 46	\$ 25
Charges for current services	2,613	2,357	(256)	2,279	2,245	(34)
Miscellaneous	—	140	140	—	—	—
Total revenues	<u>2,653</u>	<u>2,545</u>	<u>(108)</u>	<u>2,300</u>	<u>2,291</u>	<u>(9)</u>
Expenditures:						
General government operating	2,327	2,269	58	1,853	1,844	9
Property	710	229	481	300	—	300
Total expenditures	<u>3,037</u>	<u>2,498</u>	<u>539</u>	<u>2,153</u>	<u>1,844</u>	<u>309</u>
Excess of revenues over (under) expenditures	<u>(384)</u>	<u>47</u>	<u>431</u>	<u>147</u>	<u>447</u>	<u>300</u>
Other financing sources (uses):						
Transfer to general fund						
Transfer to debt service	(137)	(408)	(271)	(147)	(142)	5
Total other financing sources (uses)	<u>(137)</u>	<u>(408)</u>	<u>(271)</u>	<u>(147)</u>	<u>(142)</u>	<u>5</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(521)</u>	<u>(361)</u>	<u>160</u>	<u>—</u>	<u>305</u>	<u>305</u>
Fund balances at beginning of fiscal year	<u>860</u>	<u>860</u>	<u>—</u>	<u>555</u>	<u>555</u>	<u>—</u>
Fund balances at end of fiscal year	<u>\$ 339</u>	<u>\$ 499</u>	<u>\$ 160</u>	<u>\$ 555</u>	<u>\$ 860</u>	<u>\$ 305</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Child Support - Special						
Revenues:						
Investments and rentals	\$ 17	\$ 29	\$ 12	\$ 4	\$ 21	\$ 17
Charges for current services	533	683	150	546	493	(53)
Miscellaneous	174	47	(127)	51	51	—
Total revenues	724	759	35	601	565	(36)
Expenditures:						
Judicial:						
Salaries	1,059	1,049	10	1,011	975	36
Allowances	5	5	—	4	5	(1)
Operating	24	24	—	27	23	4
Property	2	2	—	11	10	1
Total judicial	1,090	1,080	10	1,053	1,013	40
Public safety:						
Salaries	637	604	33	563	544	19
Operating	219	157	62	251	244	7
Property	2	1	1	9	8	1
Total public safety	858	762	96	823	796	27
Total expenditures	1,948	1,842	106	1,876	1,809	67
Excess of revenues over (under) expenditures	(1,224)	(1,083)	141	(1,275)	(1,244)	31
Other financing sources (uses):						
Transfer from general fund	1,105	1,105	—	1,167	1,167	—
Transfer from alternative dispute resolution fund	150	—	(150)	150	150	—
Other financing sources (uses)	1,255	1,105	(150)	1,317	1,317	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	31	22	(9)	42	73	31
Fund balances at beginning of fiscal year	73	73	—	—	—	—
Fund balances at end of fiscal year	\$ 104	\$ 95	\$ (9)	\$ 42	\$ 73	\$ 31

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Alternative Dispute Resolution						
Revenues:						
Investments and rentals	\$ 8	\$ 5	\$ (3)	\$ 8	\$ 6	\$ (2)
Charges for current services	495	478	(17)	495	472	(23)
Total revenues	503	483	(20)	503	478	(25)
Expenditures:						
Judicial:						
Salaries	46	31	15	43	43	—
Operating	322	295	27	352	344	8
Total expenditures	368	326	42	395	387	8
Excess of revenues over (under) expenditures	135	157	22	108	91	(17)
Other financing sources (uses):						
Transfer to child support - special fund	(150)	—	150	(150)	(150)	—
Total other financing sources (uses)	(150)	—	150	(150)	(150)	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(15)	157	172	(42)	(59)	(17)
Fund balances at beginning of fiscal year	138	138	—	197	197	—
Fund balances at end of fiscal year	\$ 123	\$ 295	\$ 172	\$ 155	\$ 138	\$ (17)

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds - Continued

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Appellate Justice System						
Revenues:						
Investments and rentals	\$ 40	\$ 34	\$ (6)	\$ 26	\$ 37	\$ 11
Charges for current services	287	337	50	275	294	19
Total revenues	327	371	44	301	331	30
Expenditures:						
Judicial - operating	388	171	217	394	231	163
Property	152	17	135	152	9	143
Total expenditures	540	188	352	546	240	306
Excess of revenues over (under) expenditures	(213)	183	396	(245)	91	336
Other financing sources (uses):						
Transfer to general fund	(76)	(76)	—	(79)	(79)	—
Total other financing sources (uses)	(76)	(76)	—	(79)	(79)	—
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(289)	107	396	(324)	12	336
Fund balances at beginning of fiscal year	631	631	—	619	619	—
Fund balances at end of fiscal year	\$ 342	\$ 738	\$ 396	\$ 295	\$ 631	\$ 336

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.

DALLAS COUNTY, TEXAS
 Combining Balance Sheets - Debt Service Funds
 September 30, 2001
 (in thousands of dollars)

	Countrywide General Obligation	Parking Garage Reserve	Parking Garage Contingency	Totals September 30,	
				2001	2000
Assets					
Cash and investments	\$ 17,163	\$ 210	\$ 60	\$ 17,433	\$ 16,570
Receivables:					
Taxes	46,297	—	—	46,297	41,743
Less allowance for uncollectibles	(4,787)	—	—	(4,787)	(3,840)
Net taxes receivable	41,510	—	—	41,510	37,903
Accounts	—	—	—	—	309
Accrued interest	24	—	—	24	26
Total assets	\$ 58,697	\$ 210	\$ 60	\$ 58,967	\$ 54,808
Liabilities and Fund Balances					
Liabilities:					
Due to other funds	\$ 21	\$	\$	\$ 21	\$
Accounts payable	—	—	—	—	1
Deferred revenue	41,379	—	—	41,379	37,760
Total liabilities	41,400	—	—	41,400	37,761
Fund balances:					
Reserved for debt service	17,163	210	60	17,433	16,878
Unreserved - designated for subsequent budget periods	134	—	—	134	169
Total fund balances	17,297	210	60	17,567	17,047
Total liabilities and fund balances	\$ 58,697	\$ 210	\$ 60	\$ 58,967	\$ 54,808

DALLAS COUNTY, TEXAS

Combining Statements of Revenues, Expenditures and Changes in Fund Balances -
Debt Service FundsFiscal Year Ended September 30, 2001
(in thousands of dollars)

	Countrywide General Obligation	Parking Garage	Parking Garage Reserve	Parking Garage	Totals September 30,	
		Revenue and General Obligation		Contingency	2001	2000
Revenues:						
Ad valorem taxes	\$ 37,406	\$ —	\$ —	\$ —	\$ 37,406	\$ 35,974
Investments and rentals	5,013	—	—	—	5,013	5,563
Intergovernmental revenues	2	—	—	—	2	10
Total revenues	<u>42,421</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>42,421</u>	<u>41,547</u>
Expenditures:						
Principal retirement	35,930	175	—	—	36,105	37,200
Interest	12,865	31	—	—	12,896	12,911
Fiscal agent fees	106	—	—	—	106	51
Total expenditures	<u>48,901</u>	<u>206</u>	<u>—</u>	<u>—</u>	<u>49,107</u>	<u>50,162</u>
Excess of revenues over (under) expenditures	<u>(6,480)</u>	<u>(206)</u>	<u>—</u>	<u>—</u>	<u>(6,686)</u>	<u>(8,615)</u>
Other financing sources (uses):						
Transfer from road and bridge fund	5,750	—	—	—	5,750	4,981
Transfers from parking garage revenue fund	—	206	—	—	206	205
Transfer from historical exhibit	408	—	—	—	408	142
Transfer from general fund	842	—	—	—	842	641
Total other financing sources (uses)	<u>7,000</u>	<u>206</u>	<u>—</u>	<u>—</u>	<u>7,206</u>	<u>5,969</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	520	—	—	—	520	(2,646)
Fund balances at beginning of fiscal year	<u>16,777</u>	<u>—</u>	<u>210</u>	<u>60</u>	<u>17,047</u>	<u>19,693</u>
Fund balances at end of fiscal year	<u>\$ 17,297</u>	<u>\$ —</u>	<u>\$ 210</u>	<u>\$ 60</u>	<u>\$ 17,567</u>	<u>\$ 17,047</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Debt Service Funds

Fiscal Years Ended September 30, 2001 and 2000

(in thousands of dollars)

	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Countywide General Obligation						
Revenues:						
Ad valorem taxes	\$ 37,573	\$ 37,406	\$ (167)	\$ 36,310	\$ 35,974	\$ (336)
Investments and rentals	4,898	5,013	115	4,965	5,563	598
Intergovernmental revenues	8	2	(6)	2	10	8
Total revenues	<u>42,479</u>	<u>42,421</u>	<u>(58)</u>	<u>41,277</u>	<u>41,547</u>	<u>270</u>
Expenditures:						
Principal retirement	33,344	35,930	(2,586)	33,212	37,035	(3,823)
Interest	15,478	12,865	2,613	16,694	12,871	3,823
Fiscal agent fees	100	106	(6)	71	51	20
Total expenditures	<u>48,922</u>	<u>48,901</u>	<u>21</u>	<u>49,977</u>	<u>49,957</u>	<u>20</u>
Excess of revenues over (under) expenditures	<u>(6,443)</u>	<u>(6,480)</u>	<u>(37)</u>	<u>(8,700)</u>	<u>(8,410)</u>	<u>290</u>
Other financing sources (uses):						
Transfer from road and bridge	5,750	5,750	—	4,981	4,981	—
Transfer from historical fund	137	408	271	147	142	(5)
Transfer from general fund	842	842	—	641	641	—
Total other financing sources (uses)	<u>6,729</u>	<u>7,000</u>	<u>271</u>	<u>5,769</u>	<u>5,764</u>	<u>(5)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	286	520	234	(2,931)	(2,646)	285
Fund balances at beginning of fiscal year	<u>16,777</u>	<u>16,777</u>	<u>—</u>	<u>19,423</u>	<u>19,423</u>	<u>—</u>
Fund balances at end of fiscal year	<u>\$ 17,063</u>	<u>\$ 17,297</u>	<u>\$ 234</u>	<u>\$ 16,492</u>	<u>\$ 16,777</u>	<u>\$ 285</u>

DALLAS COUNTY, TEXAS

Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Debt Service Funds

Fiscal Years Ended September 30, 2001 and 2000
(in thousands of dollars)

	2001			2000		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Parking Garage Revenue and General Obligations						
Expenditures:						
Principal retirement	\$ 175	\$ 175	\$ —	\$ 165	\$ 165	\$ —
Interest	<u>31</u>	<u>31</u>	<u>—</u>	<u>40</u>	<u>40</u>	<u>—</u>
Total expenditures	<u>206</u>	<u>206</u>	<u>—</u>	<u>205</u>	<u>205</u>	<u>—</u>
Excess of revenues over (under) expenditures	<u>(206)</u>	<u>(206)</u>	<u>—</u>	<u>(205)</u>	<u>(205)</u>	<u>—</u>
Other financing sources - transfer from parking garage revenue fund	<u>206</u>	<u>206</u>	<u>—</u>	<u>205</u>	<u>205</u>	<u>—</u>
Excess (deficiency) of revenues and other sources over (under) expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
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>

This page left blank intentionally.

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 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.

Certificates of Obligation Fund, Series 1998 - used to finance various capital improvement projects..

Permanent Improvement Bond Funds, Series, 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.

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.

Limited Tax Refunding Bonds, Series 2000B – used to provide funds to refund Permanent Improvement 1988C and 1991B.

Limited Tax Refunding Bonds, Series 2001B – used to provide funds to refund Permanent Improvement 1992A.

Road Bond Funds, Series 1977, 1985, 1988, 1992, 1995, 1996, and 2000 - 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.

Unlimited Tax Road Refunding Bonds, Series 2000A – used to provide funds to partially refund 1991A road bonds.

Unlimited Tax Refunding and Improvement Bonds, Series 2001A – used to provide funds to partially refund Road Bonds, Series 1992, 1995, and 1996 and to provide funds for the construction, maintenance and operation of certain roads in the County, including participation in state highway projects.

DALLAS COUNTY, TEXAS

Combining Balance Sheets - Capital Projects funds

September 30, 2001

(in thousands of dollars)

	Certificates of Obligation						Permanent Improvement Bonds			
	1994	1995	1996	1996A	1997B	1998	1985	1988	1992	1995
Assets										
Cash and investments	\$ 48	\$ 548	\$ 87	\$ 289	\$ 142	\$ 1,046	\$ 38	\$ 199	\$ 558	\$ 1,325
Due from other funds	-	-	-	-	-	-	-	-	-	-
Due from other governmental units:										
State	-	-	-	-	-	-	-	-	-	-
Local	-	-	-	43	-	362	-	-	-	-
Total assets	\$ 48	\$ 548	\$ 87	\$ 332	\$ 142	\$ 1,408	\$ 38	\$ 199	\$ 558	\$ 1,325
Liabilities and Fund Equity										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 102	\$ -	\$ 38
Due to other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	1	102	-	38
Fund balances:										
Reserved for encumbrances	-	126	3	9	85	120	-	-	115	18
Unreserved - undesignated	48	422	84	323	57	1,288	37	97	443	1,269
Total fund balances	48	548	87	332	142	1,408	37	97	558	1,287
Total liabilities and fund balances	\$ 48	\$ 548	\$ 87	\$ 332	\$ 142	\$ 1,408	\$ 38	\$ 199	\$ 558	\$ 1,325

See accompanying notes to combining financial statements.

Exhibit E-1

Road Bonds								Totals	
1977	1998	1988	1992	1995	1996	2000	2001A	September 30,	
								2001	2000
\$ 790	\$ 1,536	\$ 1,669	\$ 2,630	\$ 2,109	\$ 9,076	\$ 28,277	\$ 39,382	\$ 89,749	\$ 69,735
-	-	-	-	-	1,399	600	-	1,999	2,421
-	-	-	-	-	-	-	-	-	-
		858	1,306	1,529	2,096	47		6,241	3,504
<u>\$ 790</u>	<u>\$ 1,536</u>	<u>\$ 2,527</u>	<u>\$ 3,936</u>	<u>\$ 3,638</u>	<u>\$ 12,571</u>	<u>\$ 28,924</u>	<u>\$ 39,382</u>	<u>\$ 97,989</u>	<u>\$ 75,660</u>
\$ -	\$ 9	\$ -	\$ 48	\$ 412	\$ 1,899	\$ 692	\$ 16	\$ 3,217	\$ 2,726
-	-	600	1,399	-	-	-	-	1,999	2,421
-	9	600	1,447	412	1,899	692	16	5,216	5,147
54	170	143	1,385	2,185	2,755	8,671	-	15,839	8,311
736	1,357	1,784	1,104	1,041	7,917	19,561	39,366	76,934	62,202
<u>790</u>	<u>1,527</u>	<u>1,927</u>	<u>2,489</u>	<u>3,226</u>	<u>10,672</u>	<u>28,232</u>	<u>39,366</u>	<u>92,773</u>	<u>70,513</u>
<u>\$ 790</u>	<u>\$ 1,536</u>	<u>\$ 2,527</u>	<u>\$ 3,936</u>	<u>\$ 3,638</u>	<u>\$ 12,571</u>	<u>\$ 28,924</u>	<u>\$ 39,382</u>	<u>\$ 97,989</u>	<u>\$ 75,660</u>

DALLAS COUNTY, TEXAS

Combining Statements of Revenues, Expenditures and Changes in Fund Balances -
Capital Projects Funds

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	<u>Certificates of Indebtedness</u>									
	<u>Certificates of Obligation</u>						<u>Permanent</u>			
	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1996A</u>	<u>1997B</u>	<u>1998</u>	<u>1985</u>	<u>1988</u>	<u>1992</u>	<u>1995</u>
Expenditures:										
Capital outlay	\$ 4	\$ 142	\$ 21	\$ 342	\$ 80	\$ 79	\$ 13	\$ 99	\$ 44	\$ 44
Other financing sources (uses):										
Proceeds from sale of bonds	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding bonds	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of other financing sources over (under) expenditures and other uses	(4)	(142)	(21)	(342)	(80)	(79)	(13)	(99)	(44)	(44)
Fund balances at beginning of fiscal year	52	690	108	674	222	1,487	50	196	602	1,331
Fund balances at end of fiscal year	\$ <u>48</u>	\$ <u>548</u>	\$ <u>87</u>	\$ <u>332</u>	\$ <u>142</u>	\$ <u>1,408</u>	\$ <u>37</u>	\$ <u>97</u>	\$ <u>558</u>	\$ <u>1,287</u>

See accompanying notes to combining financial statements.

Exhibit E-2

Permanent		Road Bonds									Totals	
2000B	2001B	1977	1985	1988	1992	1995	1996	2000	2000A	2001A	September 30,	
											2001	2000
\$ 227	\$ 72	\$ —	\$ 9	\$ 84	\$ 1,253	\$ 4,642	\$ 4,668	\$ 5,582	\$ 48	\$ 749	\$ 18,202	\$ 24,049
-	-	-	-	-	-	-	-	-	-	39,524	39,524	35,000
21,429	9,559	-	-	-	-	-	-	-	3,955	39,941	74,884	-
(21,202)	(9,487)								(3,907)	(39,350)	(73,946)	-
227	72	-	-	-	-	-	-	-	48	40,115	40,462	35,000
—	—	—	(9)	(84)	(1,253)	(4,642)	(4,668)	(5,582)	—	39,366	22,260	10,951
—	—	790	1,536	2,011	3,742	7,868	15,340	33,814	—	—	70,513	59,562
\$ —	\$ —	\$ 790	\$ 1,527	\$ 1,927	\$ 2,489	\$ 3,226	\$ 10,672	\$ 28,232	\$ —	\$ 39,366	\$ 92,773	\$ 70,513

This page left blank intentionally.

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.

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 hold contingency funds for expired federal 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.

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, 2001
(in thousands of dollars)

	<u>Administrative Funds</u>		<u>Grant Funds</u>	
			<u>Juvenile</u>	<u>Job</u>
	<u>Payroll</u>	<u>Escrow</u>	<u>Probation</u>	<u>Training</u>
			<u>Commission</u>	<u>Partnership</u>
Assets:				
Cash and investments	\$ 1,976	\$ 11,231	\$ 80	\$ 5
Restricted assets	—	8,504	—	—
Total assets	\$ 1,976	\$ 19,735	\$ 80	\$ 5
Liabilities:				
Accounts payable:				
Administrative	\$ 1,971	\$ 19,727	\$ —	\$ —
Grants	—	—	80	5
Total accounts payable	1,971	19,727	80	5
Fee from accounts payable	—	—	—	—
Due to other funds	5	8	—	—
Total liabilities	\$ 1,976	\$ 19,735	\$ 80	\$ 5

Exhibit F-1

Fee Office Funds			
<u>State Report</u>	<u>County Clerk</u>	<u>District Clerk</u>	<u>Sheriff</u>
\$ 1,639	\$ 28,504	\$ 18,226	\$ 1,120
—	—	—	—
<u>\$ 1,639</u>	<u>\$ 28,504</u>	<u>\$ 18,226</u>	<u>\$ 1,120</u>
\$ —	\$ —	\$ —	\$ —
—	—	—	—
—	—	—	—
1,639	28,504	18,226	1,120
—	—	—	—
<u>\$ 1,639</u>	<u>\$ 28,504</u>	<u>\$ 18,226</u>	<u>\$ 1,120</u>

DALLAS COUNTY, TEXAS

Combining Balance Sheets - All Agency Funds - Continued

September 30, 2001
(in thousands of dollars)

	<u>Fee Office Funds</u>			<u>Housing</u>	<u>Juvenile</u>
	<u>Community</u>	<u>Justices</u>		<u>Finance</u>	<u>Department</u>
	<u>Supervision</u>	<u>of the</u>		<u>Corporation -</u>	<u>Child</u>
	<u>and</u>	<u>of the</u>		<u>1993</u>	<u>Support</u>
	<u>Corrections</u>	<u>Peace</u>	<u>Constables</u>	<u>Refunding</u>	
Assets:					
Cash and investments	\$ 8,024	\$ 1,866	\$ 103	\$ 448	\$ 523
Accounts receivable	—	—	—	—	—
Accrued interest	2	—	—	—	—
Due from other funds	—	—	—	—	—
Restricted assets	—	—	—	—	—
Total assets	<u>\$ 8,026</u>	<u>\$ 1,866</u>	<u>\$ 103</u>	<u>\$ 448</u>	<u>\$ 523</u>
Liabilities:					
Accounts payable:					
Administrative	\$ —	\$ —	\$ —	\$ —	\$ —
Grants	—	—	—	—	—
Departmental special	—	—	—	448	523
Total accounts payable	<u>—</u>	<u>—</u>	<u>—</u>	<u>448</u>	<u>523</u>
Fee from accounts payable	7,957	1,866	103	—	—
Due to other funds	69	—	—	—	—
Total liabilities	<u>\$ 8,026</u>	<u>\$ 1,866</u>	<u>\$ 103</u>	<u>\$ 448</u>	<u>\$ 523</u>

Departmental Special Funds

Housing Finance Corporation - 1994 Refunding	Community Supervision and Corrections Special	Youth Village	District Attorney Check Collection	Tax Assessor - Collector	Totals September 30,	
					2001	2000
\$ 618	\$ 1,797	\$ 6	\$ 23	\$ 41,550	\$ 117,739	\$ 110,885
—	—	—	—	—	—	50
—	—	—	—	—	2	6
—	—	—	—	—	—	268
—	—	—	—	—	8,504	6,975
<u>\$ 618</u>	<u>\$ 1,797</u>	<u>\$ 6</u>	<u>\$ 23</u>	<u>\$ 41,550</u>	<u>\$ 126,245</u>	<u>\$ 118,184</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 21,698	\$ 19,601
—	—	—	—	—	85	268
<u>618</u>	<u>1,797</u>	<u>6</u>	<u>23</u>	<u>40,797</u>	<u>44,212</u>	<u>37,769</u>
<u>618</u>	<u>1,797</u>	<u>6</u>	<u>23</u>	<u>40,797</u>	<u>65,995</u>	<u>57,638</u>
—	—	—	—	—	59,415	59,745
—	—	—	—	753	835	801
<u>\$ 618</u>	<u>\$ 1,797</u>	<u>\$ 6</u>	<u>\$ 23</u>	<u>\$ 41,550</u>	<u>\$ 126,245</u>	<u>\$ 118,184</u>

DALLAS COUNTY, TEXAS

Combining Statement of Changes in Assets and Liabilities - All Agency Funds

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
Assets:				
Cash and investments	\$ 110,885	\$ 8,198,765	\$ 8,191,911	\$ 117,739
Accounts receivable	50	—	50	—
Accrued interest	6	2	6	2
Due from other funds	268	—	268	—
Restricted assets	<u>6,975</u>	<u>6,231</u>	<u>4,702</u>	<u>8,504</u>
Total assets	<u>\$ 118,184</u>	<u>\$ 8,204,998</u>	<u>\$ 8,196,937</u>	<u>\$ 126,245</u>
Liabilities:				
Administrative:				
Payroll deduction payable	\$ 398	\$ 140,758	\$ 139,185	\$ 1,971
Payable to the City of Grand Prairie	29	—	29	—
Payable to bail bondsmen	7,612	3,757	1,494	9,875
Other payables	<u>11,562</u>	<u>23,510</u>	<u>25,220</u>	<u>9,852</u>
Total administrative accounts payable	<u>19,601</u>	<u>168,025</u>	<u>165,928</u>	<u>21,698</u>
Due to other funds	<u>5</u>	<u>8</u>	<u>—</u>	<u>13</u>
Grants:				
Payable to the State of Texas	263	1,550	1,733	80
Accounts payable	<u>5</u>	<u>—</u>	<u>—</u>	<u>5</u>
Total grants accounts payable	<u>268</u>	<u>1,550</u>	<u>1,733</u>	<u>85</u>

DALLAS COUNTY, TEXAS

Combining Statement of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
Fee Office:				
Payable to the State of Texas	\$ 1,519	\$ 32,372	\$ 32,252	\$ 1,639
Payable to District Adult Probation Department	8,736	94,857	95,636	7,957
Payable to fee officers	49,490	42,917	42,588	49,819
Total fee office accounts payable	<u>59,745</u>	<u>170,146</u>	<u>170,476</u>	<u>59,415</u>
Due to other funds	<u>67</u>	<u>69</u>	<u>67</u>	<u>69</u>
Departmental Special:				
Accounts payable	8,230	1,379	6,194	3,415
Payable to taxing units	29,539	501,449	490,191	40,797
Total departmental special accounts payable	<u>37,769</u>	<u>502,828</u>	<u>496,385</u>	<u>44,212</u>
Due to other funds	<u>729</u>	<u>753</u>	<u>729</u>	<u>753</u>
Total liabilities	<u>\$ 118,184</u>	<u>\$ 843,379</u>	<u>\$ 835,318</u>	<u>\$ 126,245</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<u>Administrative Fund - Payroll</u>				
Assets:				
Cash and investments	\$ 403	\$ 1,299,203	\$ 1,297,630	\$ 1,976
Total assets	<u>\$ 403</u>	<u>\$ 1,299,203</u>	<u>\$ 1,297,630</u>	<u>\$ 1,976</u>
Liabilities:				
Accounts payable - administrative	\$ 398	\$ 140,758	\$ 139,185	\$ 1,971
Due to other funds	<u>5</u>	<u>—</u>	<u>—</u>	<u>5</u>
Total liabilities	<u>\$ 403</u>	<u>\$ 140,758</u>	<u>\$ 139,185</u>	<u>\$ 1,976</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<u>Administrative Fund - Escrow</u>				
Assets:				
Cash and investments	\$ 12,228	\$ 42,013	\$ 43,010	\$ 11,231
Restricted assets	<u>6,975</u>	<u>6,231</u>	<u>4,702</u>	<u>8,504</u>
Total assets	<u>\$ 19,203</u>	<u>\$ 48,244</u>	<u>\$ 47,712</u>	<u>\$ 19,735</u>
Liabilities:				
Accounts payable - administrative	\$ 19,203	\$ 27,267	\$ 26,743	\$ 19,727
Due to other funds	<u>—</u>	<u>8</u>	<u>—</u>	<u>8</u>
Total liabilities	<u>\$ 19,203</u>	<u>\$ 27,275</u>	<u>\$ 26,743</u>	<u>\$ 19,735</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<hr/>				
Grant Fund - Juvenile Probation Commission				
<hr/>				
Assets:				
Cash and investments	\$ 263	\$ 1,550	\$ 1,733	\$ 80
Total assets	<u>\$ 263</u>	<u>\$ 1,550</u>	<u>\$ 1,733</u>	<u>\$ 80</u>
Liabilities:				
Accounts payable - grants	\$ 263	\$ 923	\$ 1,106	\$ 80
Total liabilities	<u>\$ 263</u>	<u>\$ 923</u>	<u>\$ 1,106</u>	<u>\$ 80</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<u>Grant Fund - Job Training Partnership</u>				
Assets:				
Cash and investments	\$ 5	\$ —	\$ —	\$ 5
Total assets	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5</u>
Liabilities:				
Accounts payable - grants	\$ 5	\$ —	\$ —	\$ 5
Total liabilities	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<u>Fee Office Fund - State Reports</u>				
Assets:				
Cash and investments	\$ 1,519	\$ 415,503	\$ 415,383	\$ 1,639
Total assets	<u>\$ 1,519</u>	<u>\$ 415,503</u>	<u>\$ 415,383</u>	<u>\$ 1,639</u>
Liabilities:				
Fee office accounts payable	\$ 1,519	\$ 32,372	\$ 32,252	\$ 1,639
Total liabilities	<u>\$ 1,519</u>	<u>\$ 32,372</u>	<u>\$ 32,252</u>	<u>\$ 1,639</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<hr/>				
Fee Office Fund - County Clerk				
Assets:				
Cash and investments	\$ 29,544	\$ 3,604,172	\$ 3,605,212	\$ 28,504
Total assets	<u>\$ 29,544</u>	<u>\$ 3,604,172</u>	<u>\$ 3,605,212</u>	<u>\$ 28,504</u>
Liabilities:				
Fee office accounts payable	\$ 29,544	\$ 610	\$ 1,650	\$ 28,504
Total liabilities	<u>\$ 29,544</u>	<u>\$ 610</u>	<u>\$ 1,650</u>	<u>\$ 28,504</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<u>Fee Office Fund - District Clerk</u>				
Assets:				
Cash and investments	\$ 16,884	\$ 45,328	\$ 43,986	\$ 18,226
Total assets	\$ <u>16,884</u>	\$ <u>45,328</u>	\$ <u>43,986</u>	\$ <u>18,226</u>
Liabilities:				
Fee office accounts payable	\$ 16,884	\$ 41,937	\$ 40,595	\$ 18,226
Total liabilities	\$ <u>16,884</u>	\$ <u>41,937</u>	\$ <u>40,595</u>	\$ <u>18,226</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<hr/>				
Fee Office Fund - Sheriff				
Assets:				
Cash and investments	1,307	\$ 17,584	\$ 17,771	\$ 1,120
Total assets	\$ 1,307	\$ 17,584	\$ 17,771	\$ 1,120
Liabilities:				
Fee office accounts payable	\$ 1,307	\$ 140	\$ 327	\$ 1,120
Total liabilities	\$ 1,307	\$ 140	\$ 327	\$ 1,120

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
<u>Fee Office Fund - Community Supervision and Corrections</u>				
Assets:				
Cash and investments	\$ 8,529	\$ 2,296,285	\$ 2,296,790	\$ 8,024
Due from other funds	268	—	268	—
Accrued interest receivable	6	2	6	2
Total assets	<u>\$ 8,803</u>	<u>\$ 2,296,287</u>	<u>\$ 2,297,064</u>	<u>\$ 8,026</u>
Liabilities:				
Fee office accounts payable	\$ 8,736	\$ 94,857	\$ 95,636	\$ 7,957
Due to other funds	67	69	67	69
Total liabilities	<u>\$ 8,803</u>	<u>\$ 94,926</u>	<u>\$ 95,703</u>	<u>\$ 8,026</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<u>Fee Office Fund - Justices of the Peace</u>				
Assets:				
Cash and investments	\$ <u>1,677</u>	\$ <u>1,342</u>	\$ <u>1,153</u>	\$ <u>1,866</u>
Total assets	\$ <u><u>1,677</u></u>	\$ <u><u>1,342</u></u>	\$ <u><u>1,153</u></u>	\$ <u><u>1,866</u></u>
Liabilities:				
Fee office accounts payable	\$ <u>1,677</u>	\$ <u>205</u>	\$ <u>16</u>	\$ <u>1,866</u>
Total liabilities	\$ <u><u>1,677</u></u>	\$ <u><u>205</u></u>	\$ <u><u>16</u></u>	\$ <u><u>1,866</u></u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<u>Fee Office Fund - Constables</u>				
Assets:				
Cash and investments	\$ 78	\$ 903	\$ 878	\$ 103
Total assets	<u>\$ 78</u>	<u>\$ 903</u>	<u>\$ 878</u>	<u>\$ 103</u>
Liabilities:				
Fee office accounts payable	\$ 78	\$ 25	\$ —	\$ 103
Total liabilities	<u>\$ 78</u>	<u>\$ 25</u>	<u>\$ —</u>	<u>\$ 103</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<hr/>				
Departmental Special Fund - Housing Finance Corporation - 1993 Refunding				
<hr/>				
Assets				
Cash and investments	\$ 528	\$ 134,964	\$ 135,044	\$ 448
Total assets	<u>\$ 528</u>	<u>\$ 134,964</u>	<u>\$ 135,044</u>	<u>\$ 448</u>
Liabilities:				
Accounts payable - departmental special	\$ 528	\$ 232	\$ 312	\$ 448
Total liabilities	<u>\$ 528</u>	<u>\$ 232</u>	<u>\$ 312</u>	<u>\$ 448</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<u>Departmental Special Fund -</u>				
<u>Juvenile Department Child Support</u>				
Assets:				
Cash and investments	\$ 556	\$ 29,903	\$ 29,936	\$ 523
Total assets	<u>\$ 556</u>	<u>\$ 29,903</u>	<u>\$ 29,936</u>	<u>\$ 523</u>
Liabilities:				
Accounts payable - departmental special	\$ 556	\$ 28	\$ 61	\$ 523
Total liabilities	<u>\$ 556</u>	<u>\$ 28</u>	<u>\$ 61</u>	<u>\$ 523</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<hr/>				
Departmental Special Fund - Housing Finance Corporation - 1994 Refunding				
<hr/>				
Assets				
Cash and investments	\$ 432	\$ 33,299	\$ 33,113	\$ 618
Total assets	<u>\$ 432</u>	<u>\$ 33,299</u>	<u>\$ 33,113</u>	<u>\$ 618</u>
Liabilities:				
Accounts payable - departmental special	\$ 432	\$ 186	\$ —	\$ 618
Total liabilities	<u>\$ 432</u>	<u>\$ 186</u>	<u>\$ —</u>	<u>\$ 618</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<hr/>				
Departmental Special Fund - Community Supervision and Collections Special				
<hr/>				
Assets:				
Cash and investments	\$ 1,781	\$ 8,081	\$ 8,065	\$ 1,797
Total assets	<u>\$ 1,781</u>	<u>\$ 8,081</u>	<u>\$ 8,065</u>	<u>\$ 1,797</u>
<hr/>				
Liabilities:				
Accounts payable - departmental special	\$ 1,781	\$ 642	\$ 626	\$ 1,797
Total liabilities	<u>\$ 1,781</u>	<u>\$ 642</u>	<u>\$ 626</u>	<u>\$ 1,797</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<u>Departmental Special Fund - Youth Village</u>				
Assets:				
Cash and investments	\$ 4	\$ 3	\$ 1	\$ 6
Total assets	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 6</u>
Liabilities:				
Accounts payable - departmental special	\$ 4	\$ 2	\$ —	\$ 6
Total liabilities	<u>\$ 4</u>	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ 6</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance</u> <u>October 1,</u> <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2001</u>
<u>Departmental Special Fund -</u>				
<u>District Attorney Check Collection</u>				
Assets:				
Cash and investments	\$ 100	\$ 23	\$ 100	\$ 23
Total assets	<u>\$ 100</u>	<u>\$ 23</u>	<u>\$ 100</u>	<u>\$ 23</u>
Liabilities:				
Accounts payable - departmental special	\$ 100	\$ 289	\$ 366	\$ 23
Total liabilities	<u>\$ 100</u>	<u>\$ 289</u>	<u>\$ 366</u>	<u>\$ 23</u>

DALLAS COUNTY, TEXAS

Statements of Changes in Assets and Liabilities - All Agency Funds - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2001</u>
<u>Departmental Special Fund - Tax Assessor and Collector</u>				
Assets:				
Cash and investments	\$ 35,047	\$ 268,609	\$ 262,106	\$ 41,550
Accounts receivable	50	—	50	—
Total assets	<u>\$ 35,097</u>	<u>\$ 268,609</u>	<u>\$ 262,156</u>	<u>\$ 41,550</u>
Liabilities:				
Accounts payable - departmental special	\$ 34,368	\$ 496,620	\$ 490,191	\$ 40,797
Due to other funds	729	753	729	753
Total liabilities	<u>\$ 35,097</u>	<u>\$ 497,373</u>	<u>\$ 490,920</u>	<u>\$ 41,550</u>

This page left blank intentionally.

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.

DALLAS COUNTY, TEXAS

Schedule of General Fixed Assets - By Source

September 30, 2001
(in thousands of dollars)

General fixed assets:	
Land	\$ 31,559
Buildings	372,958
Improvements other than buildings	1,528
Machinery and equipment	<u>79,957</u>
Total general fixed assets	<u>\$ 486,002</u>
Investment in general fixed assets by source:	
Capital projects funds	\$ 379,312
Current revenues	105,512
Gifts	<u>1,178</u>
Total investment in general fixed assets	<u>\$ 486,002</u>

DALLAS COUNTY, TEXAS

Schedule of Changes in General Fixed Assets

Fiscal Year Ended September 30, 2001

(in thousands of dollars)

	Changes by Function and Activity			
	Balance October 1, 2000	Additions	Deductions	Balance September 30, 2001
General government	\$ 140,525	\$ 2,662	\$ 1,071	\$ 142,116
Public safety	306,594	2,008	1,037	307,565
Streets and highways	19,251	1,591	1,367	19,475
Health	10,394	700	12	11,082
Public welfare	2,284	57	45	2,296
Schools	6	—	—	6
Judicial	—	556	45	511
Libraries	2,951	—	—	2,951
Total	<u>\$ 482,005</u>	<u>7,574</u>	<u>3,577</u>	<u>\$ 486,002</u>

DALLAS COUNTY, TEXAS

Schedule of Changes in General Fixed Assets - Continued

Fiscal Year Ended September 30, 2001
(in thousands of dollars)

	Changes by Asset Types and Source				
	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
Balance, October 1, 2000	\$ 31,559	\$ 371,359	\$ 1,528	\$ 77,559	\$ 482,005
Add:					
Expenditures from County Funds:					
General	—	1,020	—	2,435	3,455
Road and bridge	—	—	—	1,740	1,740
Permanent improvement	—	221	—	764	985
Capital projects	—	310	—	955	1,265
Other funds	—	48	—	81	129
Total additions	—	1,599	—	5,975	7,574
Deduct:					
Assets sold or otherwise disposed of	—	—	—	(3,577)	(3,577)
Balance, September 30, 2001	\$ 31,559	\$ 372,958	\$ 1,528	\$ 79,957	\$ 486,002

DALLAS COUNTY, TEXAS

Schedule of General Fixed Assets - By Function and Activity

As of September 30, 2001
(in thousands of dollars)

	<u>Land</u>	<u>Buildings</u>	<u>Improvements other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
General government	\$ 21,580	\$ 81,690	\$ 836	\$ 38,010	\$ 142,116
Public safety	8,725	279,287	313	19,240	307,565
Streets and highways	142	1,939	283	17,111	19,475
Health	1,086	8,511	—	1,485	11,082
Public welfare	26	1,531	96	643	2,296
Schools	—	—	—	6	6
Judicial	—	—	—	511	511
Libraries	—	—	—	2,951	2,951
Total	<u>\$ 31,559</u>	<u>\$ 372,958</u>	<u>\$ 1,528</u>	<u>\$ 79,957</u>	<u>\$ 486,002</u>

This page left blank intentionally.

STATISTICAL SECTION

Table 1

DALLAS COUNTY, TEXAS

Assessed Value and Estimated True Value of all Taxable Property -
Last Ten Years

(in thousands of dollars)

(Unaudited)

Year	Real Property		Personal Property		Total		Statutory Ratio of Assessed Value to True Value
	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	
1992	\$ 74,412,681	\$ 75,159,313	\$ 18,312,400	\$ 18,312,400	\$ 92,725,081	\$ 93,471,713	100.00%
1993	\$ 72,122,560	\$ 72,778,934	\$ 19,007,702	\$ 19,007,703	\$ 91,130,262	\$ 91,786,637	100.00%
1994	\$ 73,502,664	\$ 74,184,153	\$ 18,881,430	\$ 18,881,430	\$ 92,384,094	\$ 93,065,583	100.00%
1995	\$ 76,647,860	\$ 77,127,088	\$ 19,819,358	\$ 19,819,358	\$ 96,467,218	\$ 96,946,446	100.00%
1996	\$ 80,238,089	\$ 80,545,377	\$ 20,732,381	\$ 20,732,381	\$ 100,970,470	\$ 101,277,758	100.00%
1997	\$ 86,336,077	\$ 86,577,918	\$ 21,539,587	\$ 21,539,588	\$ 107,875,664	\$ 108,117,506	100.00%
1998 *	\$ 95,048,536	\$ 95,838,013	\$ 21,539,793	\$ 21,539,793	\$ 116,588,329	\$ 117,377,806	100.00%
1999 *	\$ 104,784,168	\$ 105,215,142	\$ 24,414,768	\$ 24,414,768	\$ 129,198,936	\$ 129,629,910	100.00%
2000 *	\$ 113,609,498	\$ 114,741,061	\$ 25,530,867	\$ 25,530,867	\$ 139,140,365	\$ 140,271,929	100.00%
2001 *	\$ 123,189,433	\$ 124,337,500	\$ 28,560,279	\$ 28,560,279	\$ 151,749,712	\$ 152,897,779	100.00%

* Estimated true value includes values under protest as claimed by property owners.

Note: Assessed values shown in this table includes rolling stock and amounts allowed for all exemptions. The Dallas County Commissioners Court approved an allowance for homestead exemption for taxpayers over 65 years of age. The Dallas County Commissioners Court approved the greater of 20% or \$5,000 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%.

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.

The assessment date is January 1.

Source: Dallas County Tax Assessor-Collector.

This page left blank intentionally.

DALLAS COUNTY, TEXAS

Property Tax Rates and Tax Levies - Last Ten Years
Tax Rates Per \$100 of Taxable Value
(Unaudited)

<u>Year</u>	<u>General fund Tax Rates (1)</u>	<u>Jury Fund</u>	<u>Major Technology Fund</u>	<u>Permanent Improvement Fund</u>	<u>Major Capital Development Fund</u>
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	—
1999	0.14420	—	0.00500	0.00180	0.01050
2000	0.14520	—	0.00500	0.00180	0.01050
2001	0.14520	—	0.00500	0.00180	0.01050

Tax levies (1)

(in thousands of dollars)

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	—
1999	\$	153,098	\$	—	\$	5,306	\$	1,915	11,154
2000	\$	165,529	\$	—	\$	5,700	\$	2,052	11,970
2001	\$	179,571	\$	—	\$	6,184	\$	2,226	12,985

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	0.01684
	<u>1.71684</u>
	<u>\$ 1.71684</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

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

Table 2

Debt Service Funds	Total Primary Government	Component Unit	Total Reporting Entity
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
0.03450	0.19600	0.19600	0.39200
0.03350	0.19600	0.25400	0.45000
0.03350	0.19600	0.25400	0.45000
\$ 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
\$ 36,625	\$ 208,098 (a)	\$ 208,098	\$ 416,196
\$ 38,190	\$ 223,441 (a)	\$ 289,535	\$ 512,976
\$ 41,430	\$ 242,396 (a)	\$ 314,100	\$ 556,496

(a) includes tax increment financing in excess of \$1 million as projected for collection by Dallas County with remittance to the City without actual revenue recognition.

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)

(Unaudited)

<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>	<u>Total Collections</u>	<u>Percentage of Total Collections to Tax Levies</u>
1992	\$ 314,033	\$ 303,865	96.76%	\$ 6,929	\$ 310,794	98.97%
1993	\$ 307,471	\$ 299,079	97.27%	\$ 5,779	\$ 304,858	99.15%
1994	\$ 305,837	\$ 297,790	97.37%	\$ 5,426	\$ 303,216	99.14%
1995	\$ 330,271	\$ 322,057	97.51%	\$ 5,658	\$ 327,715	99.23%
1996	\$ 337,931	\$ 331,162	98.00%	\$ 6,708	\$ 337,870	99.98%
1997	\$ 348,014	\$ 339,105	97.44%	\$ 8,025	\$ 347,130	99.75%
1998	\$ 365,721	\$ 360,151	98.48%	\$ 6,774	\$ 366,925	100.00%
1999	\$ 416,196	\$ 406,745	97.73%	\$ 4,897	\$ 411,643	98.91%
2000	\$ 512,976	\$ 501,144	97.69%	\$ 3,650	\$ 504,794	98.40%
2001	\$ 556,496 (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 2001 tax roll are incomplete until the end of the fiscal tax year, June 30, 2002.

Tax collections are reported net of 1.4% commission for the office of the Tax Assessor Collector.

Original levy excludes property under protest which is subsequently added to tax rolls as a result of arbitration.

Source: Dallas County financial records.

DALLAS COUNTY, TEXAS

Ratio of Net General Obligation Bonded Debt to Assessed Value and
Net Bonded Debt Per Capita - Last Ten Years

(Unaudited)

Year	Estimated Population	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1992	1,873,850	\$ 92,725,081,175	\$ 409,570,000	\$ 19,232,000	\$ 390,338,000	0.00421	\$ 208
1993	1,882,400	\$ 91,130,262,447	\$ 388,898,000	\$ 20,849,000	\$ 368,049,000	0.00404	\$ 196
1994	1,913,395	\$ 92,384,094,273	\$ 359,200,000	\$ 21,787,000	\$ 337,413,000	0.00365	\$ 176
1995	1,942,303	\$ 96,467,218,236	\$ 368,012,000	\$ 20,495,000	\$ 347,517,000	0.00360	\$ 179
1996	1,959,281	\$ 100,970,470,200	\$ 333,920,000	\$ 18,479,000	\$ 315,441,000	0.00312	\$ 161
1997	2,013,700	\$ 107,875,664,180	\$ 336,793,000	\$ 20,828,000	\$ 315,965,000	0.00293	\$ 157
1998	2,023,140	\$ 117,377,806,012	* \$ 305,536,000	\$ 21,397,000	\$ 284,139,000	0.00242	\$ 140
1999	2,050,865	\$ 129,629,910,137	* \$ 278,142,000	\$ 19,693,000	\$ 258,449,000	0.00199	\$ 126
2000	2,062,100	\$ 140,271,928,741	* \$ 277,356,000	\$ 17,047,000	\$ 260,309,000	0.00186	\$ 126
2001	2,218,899	\$ 152,897,777,858	* \$ 280,623,000	\$ 17,567,000	\$ 263,056,000	0.00172	\$ 118

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

* As of 1998, Assessed Value includes rolling stock, values under protest as claimed by property owners and adjusted market value.

Source: Dallas County financial records.

Note: Population is the total of April 2001 Census. Estimates for 2001 will not be available until April 2002 per Census Bureau.

Table 5

DALLAS COUNTY, TEXAS

Top Ten Taxpayers

September 30, 2001

(in thousands of dollars)

(Unaudited)

<u>Name of Taxpayer</u>	<u>Type of Property</u>	<u>Total Assessed Valuation</u>	<u>Percent of Assessed Valuation (a)</u>	
Texas Instruments	Manufacturer of electronic equipment	\$ 1,693,719	1.37	%
Southwestern Bell Telephone Company	Telephone utility	1,593,285	1.29	
Texas Utilities Electric Company	Electric utility	1,388,807	1.13	
Crescent Real Estate	Real Estate	1,080,569	0.88	
Southwest Airlines	Airline	565,343	0.46	
Post Apartment Homes LP	Real estate	390,442	0.32	
Verizon	Telephone utility	380,788	0.31	
Trammel Crow	Real estate	361,937	0.29	
MCI Worldcom	Telephone utility	341,555	0.28	
Metropolitan Life Insurance	Insurance	271,943	0.22	
Total		\$ <u>8,068,388</u>	<u>6.55</u>	%

(a) Excludes property under protest.

Note: Estimated amounts based on 2001 appraisal roll.

Source: Dallas County Tax Assessor-Collector.

DALLAS COUNTY, TEXAS

Revenues From Selected Sources - All Governmental Fund Types
Last Ten Years

September 30, 2001

(in thousands of dollars)

(Unaudited)

Year	Property Taxes	Licenses, Fees and Permits	Fines and Forfeitures	Investments and Rentals	Inter- Governmental Revenues	Charges for Current Services	Selected Sources Totals
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
1999	\$ 189,660	\$ 31,918	\$ 18,773	\$ 18,068	\$ 55,572	\$ 89,162	\$ 403,153
2000	\$ 203,738	\$ 34,753	\$ 17,124	\$ 20,153	\$ 62,586	\$ 100,471	\$ 438,825
2001	\$ 219,273	\$ 36,245	\$ 19,638	\$ 19,750	\$ 75,294	\$ 99,065	\$ 469,265

Note: This schedule does not include miscellaneous revenue items.

Source: Dallas County financial records.

DALLAS COUNTY, TEXAS

**Expenditures For Selected Functions - All Governmental Fund Types
Last Ten Years**

September 30, 2001

(in thousands of dollars)

(Unaudited)

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets and Highways</u>	<u>Health</u>	<u>Welfare</u>
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
1999	\$ 149,444	\$ 133,848	\$ 11,183	\$ 35,990	\$ 36,470
2000	\$ 157,259	\$ 144,292	\$ 18,139	\$ 41,043	\$ 45,110
2001	\$ 161,371	\$ 142,566	\$ 20,355	\$ 43,010	\$ 54,093

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>
\$	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
\$	45	\$ 26,233	\$ 52,570	\$ 445,783
\$	47	\$ 24,049	\$ 50,162	\$ 480,101
\$	41	\$ 18,202	\$ 49,107	\$ 488,745

DALLAS COUNTY, TEXAS

Ratio of Annual Debt Service for General Obligation Bonded Debt to
Total Expenditures - All Governmental Fund Types - Last Ten Years

September 30, 2001

(in thousands of dollars)

(Unaudited)

<u>Year</u>	<u>Total Expenditures</u>	<u>Debt Service</u>	<u>Debt Service as Percent of Total</u>
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 %
1999	\$ 445,783	\$ 52,570	11.79 %
2000	\$ 480,101	\$ 50,162	10.45 %
2001	\$ 488,745	\$ 49,107	10.05 %

Source: Dallas County financial records.

DALLAS COUNTY, TEXAS

Computation of Legal Debt Margin - Primary Government

September 30, 2001

(in thousands of dollars)

(Unaudited)

Assessed valuation of real property*		\$	<u>123,179,760</u>
Assessed valuation of all taxable property*			<u>151,740,039</u>
Bonds issued under Article 3, Section 52 of the Texas Constitution:			
Debt limit, one-fourth of real property assessed valuation			30,794,940
Amount of debt applied to debt limit:			
Bonded debt	\$	187,828	
Less debt service funds - appropriation for future debt payments		<u>11,758</u>	
Total amount of debt applicable to debt limit			<u>176,070</u>
Legal debt margin, bonds issued under Article 3, section 52, of the Texas Constitution		\$	<u><u>30,618,870</u></u>
Bonds issued under Texas General Laws:			
Debt limit, five percent of assessed valuation of all taxable property		\$	7,587,002
Amount of debt applied to debt limit:			
Bonded debt	\$	92,795	
Less debt service funds - appropriation for future debt payments		<u>5,809</u>	
Total amount of debt applicable to debt limit			<u>86,986</u>
Legal debt margin, bonds issued under Texas General Laws		\$	<u><u>7,500,016</u></u>

*Excludes rolling stock.

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."

Government Code 1301.003 (c) "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."

This page left blank intentionally.

DALLAS COUNTY, TEXAS

Salaries and Surety Bonds of Principal Officers

As of September 30, 2001

(Unaudited)

Official Title	Incumbent	Amounts of	
		Salary	Surety Bond
County Judge	Lee Jackson	\$ 122,784	\$ 5,000
Commissioner, Precinct 1	Jimmy L. Jackson	\$ 101,196	\$ 5,000
Commissioner, Precinct 2	Michael E. Cantrell	\$ 101,196	\$ 5,000
Commissioner, Precinct 3	John Wiley Price	\$ 101,196	\$ 5,000
Commissioner, Precinct 4	Kenneth A. Mayfield	\$ 101,196	\$ 5,000
County Auditor	Virginia Porter	\$ 113,496	\$ 5,000
County Treasurer	Bill Melton	\$ 97,932	\$ 25,000
Assessor-Collector of Taxes	David Childs	\$ 97,932	\$ 200,000 (a)
County Clerk	Earl C. Bullock, Jr.	\$ 97,932	\$ 500,000
District Attorney	William Hill	\$ * 149,769	\$ 5,000 (b)
District Clerk	Jim Hamlin	\$ 97,932	\$ 100,000
Sheriff	James C. Bowles	\$ 111,816	\$ 10,000

Note:

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

(b) Bonded to the State of Texas	\$ 5,000
----------------------------------	----------

* Note: Portion of salary paid by the State of Texas	\$ 101,700
--	------------

Note: Official salaries excludes car allowance.

DALLAS COUNTY, TEXAS

Schedule of Insurance in Force
Primary Government

September 30, 2001

(Unaudited)

<u>Type of Coverage</u>	<u>Property/Group Covered</u>
Broad form property including earthquake and flood	All County buildings and their contents (\$500,000 deductible) except the Substance Abuse Facility (\$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, checks, 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

Note: Settlements did not exceed insurance coverage for the past three fiscal years.

(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>Premium</u>	<u>Amount of Coverage</u>	<u>Term</u>	<u>Carrier</u>
\$ 131,027	\$ 519,460,022	5/01to5/02	Allianz Insurance Company
\$ 14,556	\$ 50,000,000	5/01to5/02	Allianz Insurance Company
\$ 4,053	\$ 17,242,726	5/01to5/02	Allianz Insurance Company
\$ 20,320	\$ 400,000	3/01 to 3/04	Great America Insurance Company
\$ 23,514	\$ 300,000	7/01 to 7/04	Great America Insurance Company
\$ 888	\$ 500,000	3/98 to 3/02	U.S. Fire Insurance
\$ 142,000*	—	5/01 to 5/02	Self-insured; Cunningham Lindsey, Third Party Administrator
\$ 358,838	Stop Loss	1/01 to 1/02	American Fidelity Assurance Company
\$ 1,184,660	Life Insurance	1/01 to 1/02	Group Life & Health Insurance Co.
\$ 693,810	Long Term Disability	1/01 to 1/02	Standard Insurance Co.

* Amount paid to Third Party Administrator

DALLAS COUNTY, TEXAS

Computation of Direct and Overlapping Bonded Debt

September 30, 2001

(in thousands of dollars)

(Unaudited)

Name	Indebtedness as of	Gross Debt Less Sinking Funds	Percentage of Debt Applicable to Dallas County	Dallas County's Share of Debt
Dallas County	09/30/2001	\$ 280,623	100.0%	\$ 280,623
Hospital District	09/30/2001	\$ —	100.0%	\$ —
Water Control and Improvement District No. 6	09/30/2001	\$ 9,965	100.0%	\$ 9,965
Independent school districts:				
Carrollton-Farmers Branch	08/31/2001	\$ 321,810	81.8%	\$ 263,241
Cedar Hill	08/31/2001	\$ 44,232	100.0%	\$ 44,232
Coppell	08/31/2001	\$ 173,911	100.0%	\$ 173,911
Dallas	08/31/2001	\$ 393,913	100.0%	\$ 393,913
DeSoto	08/31/2001	\$ 75,694	100.0%	\$ 75,694
Duncanville	08/31/2001	\$ 53,047	100.0%	\$ 53,047
Ferris	08/31/2001	\$ 1,800	8.0%	\$ 144
Garland	08/31/2001	\$ 28,944	100.0%	\$ 28,944
Grand Prairie*	08/31/2001	\$ 81,024	100.0%	\$ 81,024
Grapevine	08/31/2001	\$ 264,549	0.1%	\$ 265
Highland Park	08/31/2001	\$ 228,602	100.0%	\$ 228,602
Irving	08/31/2001	\$ 210,758	100.0%	\$ 210,758
Lancaster	08/31/2001	\$ 24,363	100.0%	\$ 24,363
Mesquite	08/31/2001	\$ 309,993	100.0%	\$ 309,993
Richardson	08/31/2001	\$ 286,935	100.0%	\$ 286,935
Wilmer-Hutchins	08/31/2001	\$ 4,001	100.0%	\$ 4,001
Total independent school districts		\$ 2,503,576		\$ 2,179,066

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

* No response reporting same as last year

DALLAS COUNTY, TEXAS

Computation of Direct and Overlapping Bonded Debt - Continued

September 30, 2001

(in thousands of dollars)

(Unaudited)

Name	Indebtedness as of	Gross Debt Less Sinking Funds	Percentage of Debt Applicable to Dallas County	Dallas County's Share of Debt
Cities and towns:				
Addison	09/30/2001	\$ 56,179	100.0%	\$ 56,179
Balch Springs	09/30/2001	8,365	100.0%	8,365
Carrollton	09/30/2001	118,342	64.7%	76,567
Cedar Hill	09/30/2001	19,455	98.3%	19,124
Coppell	09/30/2001	56,330	98.9%	55,710
Dallas	09/30/2001	738,486	97.1%	717,070
DeSoto	09/30/2001	59,838	100.0%	59,838
Duncanville	09/30/2001	20,423	100.0%	20,423
Farmers Branch	09/30/2001	18,590	100.0%	18,590
Garland	09/30/2001	157,552	100.0%	157,552
Glenn Heights	09/30/2001	180	72.4%	130
Grand Prairie	09/30/2001	77,907	55.9%	43,550
Highland Park	09/30/2001	—	100.0%	—
Hutchins	09/30/2001	2,950	100.0%	2,950
Irving	09/30/2001	216,649	100.0%	216,649
Lancaster	09/30/2001	8,183	100.0%	8,183
Mesquite	09/30/2001	55,650	100.0%	55,650
Richardson*	09/30/2001	141,829	86.7%	122,966
Rowlett	09/30/2001	33,270	85.8%	28,546
Sachse	09/30/2001	2,823	93.5%	2,640
Seagoville	09/30/2001	2,025	99.6%	2,017
University Park	09/30/2001	215	100.0%	215
Wilmer*	09/30/2001	595	100.0%	595
Total cities and towns		1,795,836		1,673,509
Total		\$ 4,299,412		\$ 3,852,575

* No response - reporting same as last year.

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

DALLAS COUNTY
Revenue Bond Coverage - Parking Garage
Last Ten Years

(in thousands of dollars)

(Unaudited)

Year	Total Resources (1)	Operating Transfers	Net Resources Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1992	\$ 890	\$ 405	\$ 485	\$ 110	\$ 97	\$ 207	2.34
1993	\$ 1,068	\$ 405	\$ 663	\$ 115	\$ 91	\$ 206	3.22
1994	\$ 1,215	\$ 450	\$ 765	\$ 120	\$ 85	\$ 205	3.73
1995	\$ 1,282	\$ 450	\$ 832	\$ 125	\$ 78	\$ 203	4.10
1996	\$ 1,307	\$ 450	\$ 857	\$ 135	\$ 72	\$ 207	4.14
1997	\$ 1,280	\$ 450	\$ 830	\$ 140	\$ 64	\$ 204	4.07
1998	\$ 1,150	\$ 450	\$ 700	\$ 150	\$ 56	\$ 206	3.40
1999	\$ 1,079	\$ 450	\$ 629	\$ 155	\$ 48	\$ 203	3.10
2000	\$ 954	\$ 275	\$ 679	\$ 165	\$ 40	\$ 205	3.32
2001	\$ 820	\$ 450	\$ 370	\$ 175	\$ 31	\$ 206	1.80

(1) Includes undesignated fund balance at October 1.

Source: Dallas County financial records.

DALLAS COUNTY, TEXAS
 Property Values and New Construction -
 Last Ten Years
 (in thousands of dollars)
 (Unaudited)

<u>Year</u>	<u>Total Property Value</u>	<u>Total New Construction</u>
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	\$ 117,377,806	\$ 2,537,526
1999	\$ 129,629,910	\$ 3,130,385
2000	\$ 140,271,928	\$ 3,504,710
2001	\$ 152,897,779	\$ 3,390,743

Source: Dallas Central Appraisal District.

DALLAS COUNTY, TEXAS

Tax Rates for Governmental Units
With Overlapping Debt

(Unaudited)

(Rates are per \$100 property value)

Name	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Dallas County	0.19600	0.19600	0.19600	0.19720	0.20100	0.21000	0.21610	0.20240	0.20240	0.20240
Hospital District	0.25400	0.25400	0.19600	0.17990	0.18577	0.19409	0.19959	0.19959	0.20271	0.20696
Community College District	0.05000	0.05000	0.05000	0.05000	0.05000	0.05206	0.05206	0.05206	0.05210	0.04935
School Districts										
Carrollton	1.72420	1.61370	1.61370	1.53770	1.49610	1.46190	1.43290	1.43210	1.44250	1.42060
Cedar Hill	1.43000	1.43000	1.63000	1.77900	1.76000	1.75000	1.75000	1.63000	1.65000	1.73000
Coppell	1.60000	1.60000	1.60000	1.60000	1.60000	1.60000	1.59500	1.54500	1.54500	1.52520
Dallas	1.00000	1.47803	1.46053	1.46053	1.46053	1.46053	1.41810	1.41813	1.41800	1.29330
DeSoto	1.66000	1.66000	1.66000	1.77000	1.69000	1.64860	1.61860	1.61860	1.61360	1.61360
Duncanville	1.68000	1.68000	1.64000	1.68000	1.64000	1.60680	1.60680	1.57240	1.55760	1.44240
Ferris	1.51000	1.49000	1.49000	1.53000	1.53000	1.50000	1.50000	1.50000	1.44000	1.44860
Garland	1.47170	1.67550	1.47840	1.54450	1.48720	1.44280	1.44280	1.44280	1.37840	1.39360
Grand Prairie	1.66760	1.60810	1.46680	1.50780	1.46780	1.46780	1.46780	1.46780	1.46780	1.42800
Grapevine	1.58200	1.55200	1.55229	1.53779	1.53779	1.46700	1.46910	1.47910	1.41920	1.39000
Highland Park	1.69500	1.60550	1.60550	1.49500	1.54010	1.61310	1.60450	1.66040	1.68040	1.42420
Hutchins	1.55840	1.52760	1.49910	1.64240	1.46450	1.70700	1.72100	1.74470	1.75000	1.80400
Irving	1.69500	1.66840	1.66840	1.67840	1.64840	1.66340	1.63860	1.56960	1.55460	1.49490
Lancaster	1.67000	1.65200	1.67579	1.73000	1.69930	1.69930	1.69990	1.69990	1.66880	1.62250
Mesquite	1.58000	1.58000	1.58000	1.58000	1.53000	1.50000	1.50000	1.50000	1.46000	1.45760
Richardson	1.79000	1.64860	1.63000	1.62570	1.60000	1.56980	1.56980	1.56980	1.56980	1.50960
Sunnyvale	1.30000	1.24670	1.21750	1.20000	1.20500	1.20500	1.22200	1.24200	1.26140	1.26140
Cities and Towns										
Addison	0.38480	0.38100	0.38460	0.40000	0.44750	0.45500	0.51770	0.52450	0.52710	0.53380
Balch Springs	0.62900	0.59999	0.59999	0.62000	0.59000	0.59241	0.59625	0.60211	0.58630	0.55000
Carrollton	0.59900	0.60430	0.60430	0.60430	0.60430	0.60430	0.60430	0.57830	0.57830	0.58660
Cedar Hill	0.64269	0.64269	0.64269	0.64269	0.64269	0.66130	0.65289	0.64220	0.64220	0.61390
Cockrell Hill	0.74508	0.77048	0.75202	0.77183	0.70432	0.73996	0.71538	0.70064	0.66830	0.64270
Coppell	0.64860	0.64860	0.64860	0.64860	0.66860	0.66860	0.66950	0.66950	0.68950	0.69950
Dallas	0.66750	0.66750	0.66750	0.64910	0.65160	0.67220	0.65260	0.67440	0.67440	0.67440
DeSoto	0.61139	0.61139	0.61139	0.61139	0.61139	0.62860	0.58860	0.64850	0.63000	0.61000
Duncanville	0.71800	0.71800	0.71800	0.71800	0.71800	0.72000	0.72190	0.85480	0.85800	0.83610
Farmers Branch	0.44000	0.44000	0.44000	0.44000	0.44000	0.44000	0.44000	0.44000	0.44000	0.44000
Garland	0.63360	0.61360	0.63360	0.63360	0.63360	0.63360	0.63360	0.63360	0.61910	0.59900
Glenn Heights	0.72840	0.79000	0.79240	0.80000	0.83000	0.84830	0.84830	0.85000	0.85000	0.68000
Grand Prairie	0.67500	0.67500	0.67500	0.67999	0.67999	0.69560	0.69560	0.69560	0.69560	0.64090
Highland Park	0.22900	0.25750	0.25750	0.26930	0.29700	0.29700	0.29700	0.29710	0.29250	0.28290
Hutchins	0.48165	0.50151	0.54412	0.54636	0.54793	0.57115	0.57115	0.57120	0.57110	0.57160
Irving	0.48800	0.48800	0.48800	0.49300	0.49300	0.50860	0.50570	0.52210	0.52210	0.50500
Lancaster	0.67170	0.67170	0.55170	0.55170	0.55170	0.55170	0.55170	0.67170	0.67170	0.67170
Mesquite	0.54148	0.54148	0.54148	0.58148	0.48148	0.54148	0.54148	0.52830	0.51000	0.47000
Richardson*	0.44385	0.44385	0.44385	0.44385	0.44385	0.44385	0.44385	0.45390	0.45390	0.41000
Rowlett	0.64000	0.64000	0.64000	0.64000	0.62000	0.60500	0.60500	0.57320	0.57320	0.56550
Sachse	0.50000	0.64670	0.64670	0.67470	0.67470	0.66450	0.64950	0.64950	0.65000	0.60100
Seagoville	0.58000	0.58000	0.53779	0.53779	0.55176	0.55408	0.53634	0.52660	0.60020	0.58390
Sunnyvale	0.37997	0.37997	0.37997	0.37997	0.35739	0.35739	0.35233	0.34390	0.34980	0.35980
University Park	0.33999	0.37159	0.39537	0.43537	0.45995	0.46137	0.46581	0.47730	0.49620	0.48520
Wilmer	0.66000	0.66000	0.66000	0.66000	0.66000	0.66000	0.66000	0.66000	0.66000	0.66000

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

* Failure to respond. Reporting same as last year.

DALLAS COUNTY TEXAS

Miscellaneous Statistical Data

(Unaudited)

Date of Incorporation 1846

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

Number of County employees, September 30, 2001 5633*

Area - square miles 900

Population (a):	1860	8,665	1930	325,691	1991	1,858,341	1998	2,023,140
	1870	13,314	1940	398,564	1992	1,873,850	1999	2,050,865
	1880	33,488	1950	614,799	1993	1,882,400	2000	2,062,100
	1890	67,042	1960	951,527	1994	1,913,395	2001	2,218,899
	1900	82,726	1970	1,327,321	1995	1,942,303		
	1910	135,748	1980	1,556,549	1996	1,959,281		
	1920	210,551	1990	1,852,810	1997	2,013,700		

Elections (b):	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
	<u>General</u>	<u>General</u>	<u>General</u>	<u>General</u>	<u>General</u>
Registered voters	1,109,916	1,146,673	1,138,235	1,248,351	1,967,200
Number of votes cast	85,464	344,661	54,384	617,187	45,780
Percentage of registered voters voting	7.70%	30.06%	4.78%	49.44%	2.33%

Miles of maintained roads, 2001 (c) (includes federal and state highways and city streets):

Paved streets, bridges and culverts	1,607.39
Earth and gravel streets, bridges and culverts	1.56
Total	1,608.95

Climate, 2001 (d):

Altitude	500 - 800 feet
Rainfall (inches):	
Normal	32.22
Actual	35.40
Temperature (f):	
Normal average	High 76.6 Low 54.6
Actual average	76.8 57.3

Data Sources:

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

* Full-time employees only

DALLAS COUNTY TEXAS

Miscellaneous Statistical Data - Continued

(Unaudited)

County of Dallas:	
Total assets, all Dallas area banks - 2001 (e)*	\$ 14,106,972,000
Total consumption of natural gas mcf - 2001 (f)	\$ 122,598,514
Radio and television (g):	
Radio stations	55
Television stations	17
Colleges and Universities	28

FEE OFFICE FACTS (h)

	<u>1999</u>	<u>2000</u>	<u>2001</u>
Justice of the Peace Courts:			
Employees	140	112	143
Cases	244,800	242,446	270,600
Budget	\$ 4,770,093	\$ 5,095,773	\$ 5,494,532
Fee income	\$ 1,431,965	\$ 1,546,290	\$ 1,746,221
Fine income	\$ 6,022,803	\$ 6,301,969	\$ 7,265,565
County Treasurer:			
Employees	18	20	20
Total receipts	\$ 25,877,091,312	\$ 29,696,956,521	\$ 39,248,527,875
Total disbursements	\$ 25,910,437,075	\$ 29,770,629,186	\$ 39,269,633,722
Investment earnings	\$ 16,483,180	\$ 16,704,149	\$ 16,320,912
Budget charges	\$ 865,200	\$ 1,052,280	\$ 1,028,362
Fee income	\$ 796,035	\$ 561,879	\$ 895,944

Data Sources:

- (e) Federal Reserve
 *Bank One of Texas (Formally with assets of \$30 billion) has now become Bank One of Chicago.
- (f) TXU Gas
- (g) Chamber of Commerce
- (h) Dallas County financial records

DALLAS COUNTY TEXAS

Miscellaneous Statistical Data - Continued

(Unaudited)

	1999	2000	2001
Constables:			
Employees	217	199	221
Civil process	150,784	157,953	165,627
Budget charges	\$ 10,652,143	\$ 11,263,070	\$ 11,468,186
Fee income	\$ 6,473,201	\$ 6,777,838	\$ 7,355,235
District Clerk:			
Employees	240	243	246
Civil process cases	48,262	51,359	42,601
Criminal cases	25,943	26,170	26,246
Jurors	116,252	115,474	123,653
Budget charges	\$ 7,974,582	\$ 8,188,727	\$ 9,011,101
Fee income	\$ 4,606,725	\$ 5,113,324	\$ 5,291,709
Assessor-Collector of Taxes:			
Employees	229	206	227
Ad valorem assessment notices issued	724,845	729,154	731,051
Motor vehicle registrations	2,225,885	2,351,354	1,818,868
Budget charges	\$ 7,610,828	\$ 8,815,339	\$ 9,476,370
Collections	\$ 1,126,680,897	\$ 1,237,729,258	\$ 1,363,098,347
County Clerk:			
Employees	169	191	174
Marriage licenses	18,612	18,482	19,660
Civil suits	14,201	14,854	13,557
Probate cases	9,566	9,545	9,331
Criminal cases	64,260	62,829	61,194
Budget charges	\$ 7,124,616	\$ 9,699,964	\$ 9,460,584
Fee income	\$ 8,393,909	\$ 8,068,167	\$ 8,967,870
Sheriff:			
Employees	1,840	1,820	1,823
Daily average in county jail	6,584	6,776	6,218
Persons booked	110,179	108,909	99,751
Civil process	5,345	5,338	6,083
Budget charges	\$ 81,901,887	\$ 86,510,709	\$ 85,902,424
Fee income	\$ 2,661,361	\$ 2,591,516	\$ 2,802,441
Average food cost per person per day	\$1.79	\$1.71	\$1.68

Data Sources:

(h) Dallas County financial records

DALLAS COUNTY TEXAS

Miscellaneous Statistical Data - Continued

(Unaudited)

Dallas County Schools (i)

	Balance September 1, 2000	Receipts	Disbursements	Balance September 30, 2001
Operating account	\$ 5,885,354	\$ 51,325,166	\$ 56,563,706	\$ 646,814
Consolidated payroll account	40,000	23,284,653	23,284,653	40,000
Investments	11,418,026	13,646,671	5,674,835	19,389,862
Total	\$ 17,343,380	\$ 88,256,490	\$ 85,523,194	\$ 20,076,676

Data Sources:

- (i) Dallas County School District