

ANNUAL COMPREHENSIVE FINANCIAL REPORT
DALLAS COUNTY, TEXAS
REPORT FOR THE YEAR ENDED
SEPTEMBER 30, 2025



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DALLAS COUNTY, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025



Prepared by:
Timothy J. Hicks, CPA
Office of County Auditor
500 Elm Street, Suite 4200
Dallas, Texas 75202

DALLAS COUNTY, TEXAS
 Annual Comprehensive Financial Report
 For the Fiscal Year Ended September 30, 2025

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION (Unaudited)	
Letter of Transmittal	1
GFOA Certificate of Achievement	6
Organizational Chart	7
List of Elected and Appointed Officials	8
FINANCIAL SECTION	
Independent Auditor’s Report	10
Management’s Discussion and Analysis	15
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	29
Statement of Activities	30
Fund Financial Statements:	
Balance Sheet – Governmental Funds	31
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Statement of Net Position – Proprietary Fund	34
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Fund	35
Statement of Cash Flows – Proprietary Fund	36
Statement of Fiduciary Net Position	37
Statement of Changes in Fiduciary Net Position	38
Notes to the Basic Financial Statements	39
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	107
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Major Projects Special Revenue Fund	110

DALLAS COUNTY, TEXAS
 Annual Comprehensive Financial Report
 For the Fiscal Year Ended September 30, 2025

TABLE OF CONTENTS

Required Supplementary Information (Continued):	Page
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Major Grants Special Revenue Fund	111
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – American Rescue Plan Special Revenue Fund	112
Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	113
Infrastructure Assets Under Modified Approach	115
Schedule of Changes in Net Pension Liability and Related Ratios – Primary Government	117
Schedule of Employer Pension Contributions – Primary Government	118
Schedule of Changes in Other Post Employment Benefit Liability – Primary Government	119
Schedule of Changes in Net Pension Liability and Related Ratios Discretely Presented Component Unit	120
Schedule of Employer Pension Contributions – Discretely Presented Component Unit	121
Supplementary Information	
Combining and Individual Funds Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	126
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	129
Schedules of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual:	
Debt Service Fund County Wide Fund	132
Nonmajor Special Revenue Funds	133
Combining Statement of Fiduciary Net Position – All Custodial Funds	146
Combining Statement of Changes in Fiduciary Net Position – All Custodial Funds	148

DALLAS COUNTY, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025

TABLE OF CONTENTS

STATISTICAL SECTION (Unaudited)	Page
Net Position of Primary Government	152
Changes in Net Position	153
Governmental Activities Tax Revenues by Source	154
Fund Balances of Governmental Funds	155
Changes in Fund Balances of Governmental Funds	156
Assessed Value and Estimated Actual Value of Taxable Property	157
Property Tax Rates and Tax Levies	158
Property Tax Rates – Direct and Overlapping Governments	159
Principal Property Taxpayers	160
Property Tax Levies and Collections	161
Ratios of Outstanding Debt	162
Ratio of General Bonded Debt Outstanding	163
Computation of Direct and Overlapping Bonded Debt	164
Legal Debt Margin – Primary Government	166
Pledged Revenue Coverage	167
Demographic and Economic Statistics	168
Principal Employers	169
Full-time Equivalent County Government Employees by Function	170
Operating Indicators by Function	171
Capital Asset Statistics by Function	172

INTRODUCTORY SECTION
(Unaudited)



DALLAS COUNTY
TIMOTHY J. HICKS, CPA
COUNTY AUDITOR

March 27, 2026

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

State law, V.T.C.A. Local Government Code 114.025 and 115.045, requires issuance of an annual financial report and an annual independent audit of all matters relating to fiscal affairs of Dallas (County). Pursuant to those requirements, we hereby release the annual comprehensive financial report of the County of Dallas for the fiscal year ended September 30, 2025.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the basic financial statements will be free from material misstatement. Responsibility for internal controls is shared by Commissioners Court, which is the governing body; the County Auditor (appointed by the District Judges); the Office of Budget and Evaluation (appointed by Commissioners Court); and the County Treasurer (an elected position). We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements were audited by CliftonLarsonAllen LLP, an independent audit firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County, for fiscal year ended September 30, 2025, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements are fairly presented in conformity with GAAP in all material respects. The independent auditor's report is presented as the first component of the financial section of this report. Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report, provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Generally accepted accounting principles require a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. The introduction includes this transmittal letter, the County's organizational chart, and a list of principal officials. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The financial section also includes government-wide financial statements, fund financial statements, notes to the financial statements, required

supplementary information, and the combining and individual fund financial statements and schedules, as well as the report of the independent auditors on the financial statements. The statistical section of this report includes selected financial and demographic information, which is generally presented on a multi-year basis.

PROFILE OF DALLAS COUNTY

The County is located in north central Texas and is strategically central to the economic regions 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 empresario 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 a 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 908.64 square miles. Dallas County is the eighth-largest county in the U.S. The 2020 census reported population for the County at 2,613,539. The Census Bureau has indicated that the population has increased approximately 1.6% since the 2020 census, while Texas' population has increased 8.8%. 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, Section 18 of the Texas Constitution. Commissioners serve four-year staggered terms, two members elected every two years. The County Judge is elected at large to serve a four-year term.

The Commissioners Court sets County tax rates, establishes policies for County operations, approves contracts for the County, and develops and adopts the County budget within the resources estimated by the County Auditor. The Commissioners Court is also 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 are crucial to the success of the County in financial management and growth. Dallas County bonds are rated AAA by S&P Global Ratings and Aaa by Moody’s. Dallas County’s bond ratings are a positive reflection of its financial management and the fact that its taxable valuation has increased from \$412.8 billion in 2024 to \$431.3 billion in 2025. The commissioners serve on various boards and committees including the Dallas County Criminal Justice Advisory Board, Bail Bond Task Force, DWI Task Force, North Texas Behavioral Health Authority (NTBHA), Greater Dallas Homeless Policy Alliance, Public Employee Benefits Cooperative (PEBC), Prostitute Diversion Initiative (PDI) and an alternate for the Regional Transportation Committee, Dallas Convention Visitors Bureau, Dallas Zoological Society, New Friends New Life, Methodist Dallas Medical Center, Dallas County Civil Service Commission, Dallas County Continuous Improvement Committee, Jail Population Committee, Dallas County Juvenile Board, Jail Sanitation and Maintenance Committee, Dallas County Housing Finance Corporation, Public Health Advisory, Bioterrorism and Safety, the Texas Conference of Urban Counties, Behavioral Health Leadership Team, and Civil Service Committee.

The County Auditor is appointed according to Texas State Statutes for two-year terms by the District Judges. The County Auditor has responsibilities for prescribing systems and procedures for handling finances of the County, certifying available funds for County budgets, and “examining, auditing, and approving” all disbursements from County funds prior to their submission to the Commissioners Court for approval. It is the Auditor’s duty under statutory mandates to determine if claims are in conformance to laws governing county finance and to audit records of precinct offices that collect funds. The Auditor presents status of audit risk assessments to the Finance Committee and publishes final audit reports on the web. Additionally, the County Auditor serves as Chief Financial Officer for federal and Texas financial award programs, Juvenile Programs, and Adult Probation Departments.

Financial management controls regarding banking and investments are managed by the County Treasurer, an elected position. The Treasurer chairs the County Finance Committee and submits for annual recertification an official investment policy. In accordance with Texas statutes, the County's investment policy was reviewed with recommended updates. Budget authority, control over purchasing transactions, accounts payable, payroll, and human resource management are assigned to directors appointed by Commissioners Court. Policy and procedures are developed according to sound business practices and in strict conformance to federal, state, and local financial statutes.

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 civil and criminal county and district courts, justices of the peace, constables, district attorney, investigators, clerks of the courts, sheriff, jail, security and emergency management, medical examiner, crime laboratory, and grand jury bailiffs. Other functions performed by the County include construction and maintenance of roads and bridges, either independently or in cooperation with other entities; administration of public health services; assistance to indigents; and provision of juvenile, health, education, and welfare services involving care and correction of dependent or delinquent children, as well as property tax collections for multiple agencies.

The annual budget serves as the foundation for the County's planning and control. Budget workshops are hosted periodically by the Office of Budget and Evaluation, with the final budget approved by the Commissioners Court in accordance with statutory guidelines. Potential loss of State and federal funds is considered in developing the budget. The final budget includes contingency and emergency reserves line items. Encumbrances are carried forward to the subsequent year for all funds—unencumbered appropriations for the General Fund lapse at fiscal year-end. The General Fund unassigned reserves are addressed in budget policies, targeted at 10.5% of budgeted current expenditures expected to be paid currently. It should be noted the Commissioners Court may use funds from other funds to meet financial needs or requirements of the General Fund. Those funds include, but are not limited to, Major Projects, Permanent Improvement, and Major Technology. The Commissioners Court has committed funds for major technology projects and major capital development. Any available budget for these committed funds is carried forward annually for those specific purposes. Most appropriated budgets are prepared by fund, function, department, and category. Capital expenditures for general operations are approved on a line-item basis, but a multiyear capital improvement plan is utilized to track major capital projects. All budget transfers between departments and/or projects must follow statutory approval processes. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. Budgets funded by federal and State financial assistance are authorized individually on application and acceptance of awards by order of the Commissioners Court.

Another governmental unit is included in the County's reporting entity because the County's governing body appoints the board and approves its tax rate and annual budget. Operational and financial relationship with the County is significant.

Discretely Presented Component Unit -The Dallas County Hospital District dba Parkland Health & Hospital System (Parkland) is under the direction of an eleven-member Board of Managers, 10 of whom are appointed by the Commissioners Court, and one is appointed at large. Although the Commissioners Court approves the Parkland budget, sets its tax rate, and approves major contracts, Parkland is an organization separate from the County. These factors dictate inclusion of Parkland in the County's financial statements. According to the Texas Constitution, Parkland, not the County, is responsible for Parkland's ongoing debt payments regardless of any future financial/economic events. Parkland's financial data is presented separately to emphasize that it is legally separate from the County. Parkland operates under different statutory and constitutional

authority. Parkland also has a separate constitutional tax limitation, independent power of eminent domain, and individual right of ownership of property. Parkland 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. The medical facility is a Level I Trauma Center, a Level III Neonatal Intensive Care Unit, and a regional burn center.

LOCAL ECONOMY

The Dallas Metropolitan area is headquarters for many Fortune 500 companies representing a diversified economy which includes technology, retail, manufacturing, and services. The ongoing industry in Texas is growing faster than the national average. Public transit options continue to expand significantly, though in several outlying suburbs, it remains limited. The area also reflects art, fashion, and entertainment. It is the site of a district Federal Reserve Bank and Dallas-Fort Worth International Airport. Together with the Fort Worth Metropolitan area, DFW comprises the nation's fourth-largest urban economy. Dallas County, Texas, inflation-adjusted median household income was \$76,547, which is less than the U.S. median household income of \$80,734, as reported in the latest U.S. Census Bureau data. Persons in poverty as a percentage of population for Dallas County is 12.5% compared to 13.4% for Texas and 10.6% for the United States as reported by the U.S. Census Bureau. Dallas County's per capita income was \$42,559 compared to the U.S. of \$44,673 and Texas of \$40,752. The unemployment rate for Dallas County, Texas, was 4.3% at September 30, 2025, which is higher than the national rate of 4.4%. The area enjoys relatively low taxes with no personal or corporate state income tax and a maximum state and city sales tax of 8.25%.

Dallas home prices decreased 1.5% in September from a year earlier, according to S&P Case-Shiller Home Price Index as compared to 1.40% for the United States. Construction starts for apartment buildings, offices, and warehouse locations are strong. Research indicates the number of Dallas-area homes posted for foreclosure continues to decline. Based upon total assessed valuation of principal property taxpayers between 2024 and 2025 indicates a stable economic environment. The combined assessed valuation of the 10 largest taxpayers total 2.19% of the County's 2025 total assessed valuation. A schedule listing the 10 largest taxpayers can be found in statistical sections of this report.

County business planning continues to address performance and reliability of jail operations and transportation systems, and maintains commitment to e-government. Budget initiatives reflect ongoing focus for public safety, transportation funding, and inmate health/security. Significant budgetary challenges are housing needs for people experiencing homelessness, insurance/hospital options for employees, and inmate housing/care. Technology planning is focused on development of an automated courts system. The County and surrounding cities are focusing on transportation and infrastructure. Walking trails are championed for alternate transportation as well as community use areas.

The County adopted an "Administrative Plan," which sets priorities to guide decision-making and planning for the next five years. Also, the County utilizes a five-year Capital Improvement Plan as a significant budget tool. The Capital Improvement Plan consists of those items whose long useful lives distinguish them from recurring operational items. The Major Projects Fund, also referred to as the Major Capital Development Fund (MCDF)/(MPF), provides a funding mechanism as an alternative to debt financing for major projects. The MCDF receives property tax funding and is used to fund large capital projects similar in nature to projects funded by the County through bonds. The MCDF has five project categories: transportation, parks and open space, technology, community development, and buildings, plus an energy conservation initiative to reduce utility costs. Revenue projections are expected to replenish reserves for future use. In accordance with the Major Capital Plan, a percentage of assessed taxes is devoted to large-scale capital projects. A total of 3.707 cents per hundred tax rate is committed to combined Debt Service and MCDF in fiscal 2025 and 3.816 cents per hundred for fiscal 2024.

The Major Technology Fund receives dedicated property taxes and funds both regular information technology operations and long-term technology objectives. A dedicated tax rate of 1.853 cents per \$100 for fiscal 2025 was committed to funding projects, including statewide initiatives to develop technology programs, AI projects, Microsoft licensing, and various business management systems.

Another property tax-funded program, the Permanent Improvement Fund, managed by the Facilities Management Department, is largely utilized to maintain the integrity of County buildings.

Risk management and self-insurance with stop-loss policies for medical, workers' compensation, and property continue to be effective. Various actuarial studies are periodically performed to aid in financial planning. Cost increases incurred by the County for medical claims are significantly less than industry averages. Cost-sharing formulas for establishing premiums are reviewed annually. Focus remains on providing high-level care for employees with reasonable rates and offering a Health Savings Account (HSA).

AWARDS AND ACKNOWLEDGEMENTS

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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024. 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 ACFR, whose contents conform to program standards. The ACFR 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 44 consecutive years (fiscal years ended 1981 through 2024). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

The preparation of the ACFR 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 the members of the office who assisted in and contributed to its preparation. Additionally, credit must be given to the County Treasurer, the Directors of the Office of Budget and Evaluation, Human Resources, Purchasing, Payroll, Accounts Payable, Facilities, and Public Works for verifying and reviewing key elements of the financial report.

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,



Timothy J. Hicks, CPA
County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dallas County
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

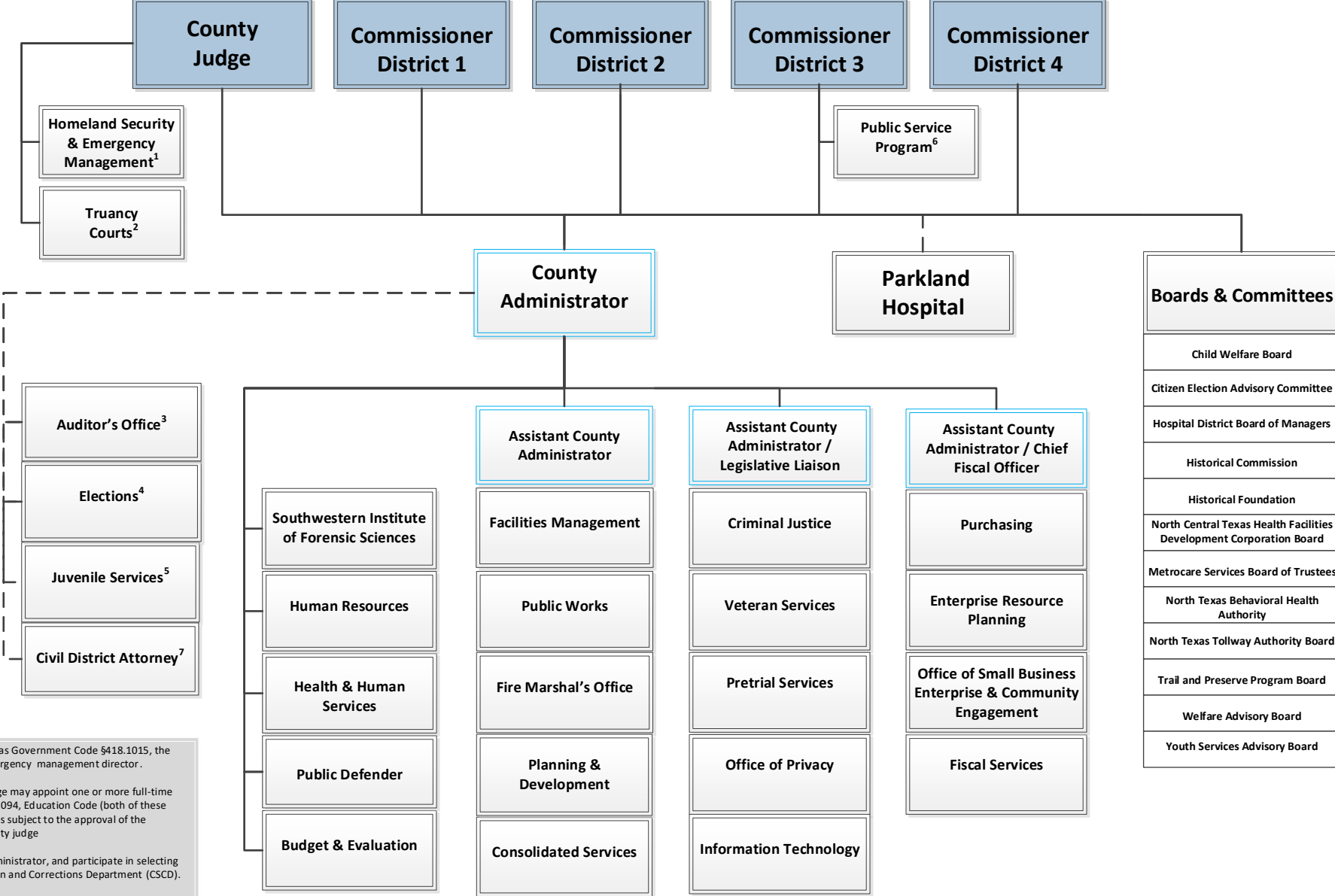
Christopher P. Morill

Executive Director/CEO

Citizens of Dallas County

- Elected Officials**
- County Clerk
 - Constables
 - District Attorney
 - District Clerk
 - Sheriff
 - Tax Assessor/Collector
 - Treasurer

- Elected Judiciary**
- District Judges
 - County Judges
 - Justices of the Peace



1. Homeland Security and Emergency Management – Authorized by Texas Government Code §418.1015, the presiding Officer of the governing body of a county is designated as emergency management director.

2. Truancy Court – Texas Government Code 54.1172, (a) The county judge may appoint one or more full-time magistrates to hear a matter alleging a violation of Section 25.093 or 25.094, Education Code (both of these deal with school attendance), (b) An appointment under Subsection (a) is subject to the approval of the commissioners court, (c) A magistrate serves at the pleasure of the county judge

3. The District Judges appoint the County Auditor, the District Court Administrator, and participate in selecting the Directors of the Juvenile Department and the Community Supervision and Corrections Department (CSCD).

4. Elections reports to the Election Board (County Judge, County Clerk, Tax Assessor/Collector, County Democratic Party Chair, County Republican Party Chair) Texas Election Code, Sec. 31037.

5. Reports to the Juvenile Board. The Juvenile Board shall appoint a person to serve as the director of juvenile services. The director serves at the pleasure of the board. Texas Human Resources Code, Sec. 152.0631.

6. Public Service Program was placed under the supervision of Commissioner, District 3, by order of the Commissioners Court (Order No. 2001-2148)

7. The Civil District Attorney is an employee and reports to the Dallas County District Attorney.



DALLAS COUNTY, TEXAS

Principal Officials

As of September 30, 2025

Official Title	Incumbent
County Judge	Clay Lewis Jenkins
Commissioner, Precinct 1	Dr. Theresa Daniel
Commissioner, Precinct 2	Andy Sommerman
Commissioner, Precinct 3	John Wiley Price
Commissioner, Precinct 4	Dr. Elba Garcia
County Auditor	Timothy J. Hicks
County Treasurer	Pauline Medrano
Assessor-Collector of Taxes	John R. Ames
County Clerk	John Warren
District Attorney	John Creuzot
District Clerk	Felicia Pitre
Sheriff	Marian Brown

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Honorable County Judge and Commissioners Court
Dallas County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dallas County, Texas, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Dallas County, Texas' basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dallas County, Texas, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We did not audit the financial statements of Dallas County Hospital District, which represent the entire discretely presented component unit as of September 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Dallas County Hospital District, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dallas County, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note I to the financial statements, in 2025, Dallas County, Texas adopted Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences and GASB Statement No. 102, Certain Risk Disclosures. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dallas County, Texas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dallas County, Texas' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dallas County, Texas' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual: General Fund, Major Projects Special Revenue Fund, Major Grants Special Revenue Fund, American Rescue Plan Special Revenue Fund, and related notes, the Infrastructure Assets under Modified Approach, the Schedule of Changes in Net Pension Liability and Related Ratios – Primary Government, the Schedule of Employer Pension Contributions – Primary Government, the Schedule of Changes in Other Post Employment Benefit Liability – Primary Government, the Schedule of Changes in Net Pension Liability and Related Ratios – Discretely Presented Component Unit, and the Schedule of Employer Pension Contributions – Discretely Presented Component Unit, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dallas County, Texas’ basic financial statements. The combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the combining and individual fund financial statements and schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

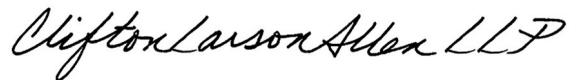
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors’ report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

Honorable County Judge and Commissioners Court
Dallas County, Texas

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of Dallas County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Dallas County, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dallas County, Texas' internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

San Antonio, Texas
March 27, 2026

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DALLAS COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Primary Governmental Activities

This MD&A of the County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2025. The MD&A should be read in conjunction with the basic financial statements and the accompanying notes to those financial statements. *All amounts, unless otherwise indicated, are expressed in thousands of dollars.* The MD&A includes comparative data for the prior year.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- The government-wide total net position increased \$115,667 from current year operations. Total net position is comprised of:
 - 10.9% - restricted by external regulators
 - 2.1% - restricted for debt
 - 7.5% - unrestricted deficit funds that may be used to meet ongoing obligations to citizens and creditors, negative due to pension and other postemployment benefits (OPEB) liabilities
 - 79.5% - net investment in capital assets
- Major factors contributing to change in net position are:
 - OPEB liability decreased as a result of a change in the discount rate used to evaluate the OPEB liability.
 - Pension liability decreased as a result of net gain from invested pension assets.
 - Property tax revenues increased by \$92,091 during the fiscal year. The increase is primarily attributable to a 10.0 percent rise in taxable assessed valuations resulting from higher local real estate values, as well as \$20,987 in newly constructed property added to the tax roll. These factors were partially offset by a reduction in the County's tax rate.

Governmental Funds Financial Statements

- The County's governmental funds reported combined fund balances of \$628,335 compared to \$630,999 in the prior year. The components of fund balance are:
 - 4.3% - nonspendable: inventories and prepaids
 - 22.7% - restricted to nonmajor governmental funds
 - 4.4% - restricted to debt service
 - 36.9% - committed to major projects
 - 2.6% - committed to non-major governmental funds
 - 3.9% - assigned general fund
 - 5.3% - restricted County building improvements
 - 0.2% - restricted to American Rescue Plan
 - 19.7% - unassigned general fund
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$123,292 or 16.0% of general fund expenditures and represents a \$42,844 increase compared to the prior fiscal period. The budget policy requires this ratio to be 10.5%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide financial statements. *The government-wide financial statements* are designed to provide readers with a broad overview of the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using full accrual basis of accounting. These statements include all assets of the County (including infrastructure), as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred in regard to inter-fund activity, payables, and receivables.

The *Statement of Net Position* presents information on the assets, deferred outflows of resources, liabilities, and deferred inflows of resources for the County and its component unit. Components of net position exclude fiduciary accounts. Increases or decreases in net position, contrasted with budgetary decisions, serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year using accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government, public safety, highways and streets, public welfare, health, judicial, and education.

Fund financial statements. A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance and related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike government-wide financial statements, however, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. In particular, unrestricted, unassigned, assigned, and committed fund balances may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintains 27 individual governmental funds (excluding fiduciary funds), 20 special revenue funds, a Capital Project Fund, and the following major funds: American Rescue Plan, Debt Service, Major

Grants, Major Projects, County Building Improvements, and General. Information is presented separately in the governmental fund balance sheet and governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Debt Service, Major Projects, American Rescue Plan, County Building Improvements, and Major Grants, which are classified as major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this Annual Comprehensive Financial Report.

Proprietary funds. *Proprietary funds* provide the same type of information as government-wide financial statements, only in more detail. The Internal Service Fund (a type of proprietary fund) is used to report activities that provide supplies and services for other programs and activities – such as the County’s self-insurance program (including workers’ compensation) and employee benefits. Because these services predominantly benefit governmental rather than business-type functions, the Internal Service Fund is reported with *governmental activities* in the government-wide financial statements.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The County’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the County’s other financial statements since the County cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning infrastructure assets reported using the modified approach, pension and OPEB benefits for the County and its component unit, and General Fund and major special revenue fund budgetary schedules.

Discretely Presented Component Unit. Parkland is a political subdivision of the State of Texas (State) and is a discretely presented component unit of the County. Its components include Parkland Health & Hospital System (Hospital), Parkland Community Health Plan, Inc. (Health Plan), Parkland Foundation (Foundation), and Parkland Center for Clinical Innovation (PCCI). As an essential government function of the County, the Hospital is under the direction of an eleven-member Board of Managers, 10 of whom are appointed by the Commissioners Court, and one is appointed at large. Although the Commissioners Court approves the Hospital’s budget, sets its tax rate, and approves major contracts, the Hospital is an organization separate from the County. These factors dictate the inclusion of these entities in the County’s financial statements. According to the Texas Constitution, the Hospital, not the County, is responsible for the Hospital’s ongoing debt payments regardless of any future financial/economical events. Only the dissolution of the Hospital’s taxing authority by a vote of the County’s voters would terminate the Hospital’s responsibility to provide health care to its indigent eligible residents. The Hospital also has a separate constitutional tax limitation, independent power of eminent domain, and individual right of ownership of property. The financial data of Dallas County Hospital District is presented separately to emphasize that it is legally separate from the County.

Complete financial statements of the Dallas County Hospital District may be obtained from:

Parkland Health & Hospital System
 5200 Harry Hines Boulevard
 Dallas, TX 75235
 Attention: Richard Humphrey
 Executive Vice President Finance and Chief Financial Officer

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County’s net position on September 30, 2025 and 2024 are summarized as follows:

Dallas County’s Net Position Governmental Activities (in thousands of dollars)			
	2025	2024	Increase (Decrease)
Current and other assets	\$ 1,751,569	\$ 1,813,114	\$ (61,545)
Capital assets (net of depreciation)	1,362,460	1,206,038	156,422
Total assets	<u>3,114,029</u>	<u>3,019,152</u>	<u>94,877</u>
Deferred outflow of resources	<u>108,151</u>	<u>141,086</u>	<u>(32,935)</u>
Current and other liabilities	264,468	303,191	(38,723)
Long-term liabilities	<u>650,136</u>	<u>707,398</u>	<u>(57,262)</u>
Total liabilities	<u>914,604</u>	<u>1,010,589</u>	<u>(95,985)</u>
Deferred inflows of resources	<u>1,043,545</u>	<u>1,001,285</u>	<u>42,260</u>
Net investments in capital assets	1,005,286	953,609	51,677
Restricted	163,867	158,536	5,331
Unrestricted (deficit)	<u>94,878</u>	<u>36,219</u>	<u>58,659</u>
Total net position	<u>\$ 1,264,031</u>	<u>\$ 1,148,364</u>	<u>\$ 115,667</u>

The financial reporting model focuses on net position and serves as a useful indicator of a government’s financial position. Categories of net position are unrestricted, restricted (subject to external restrictions as to how it may be used), or net investment in capital assets. Current and other assets and liabilities decreased primarily due to decreased cash balances in the American Rescue Plan & CBI Funds.

Additionally, long-term liabilities decreased between FY24 and FY25, as a result of the County’s pension liability; the pension liability decrease was due to a net gain from invested assets of \$293,948 and increases from member contributions. Deferred inflows increased in FY25 from increased property tax inflows as a result of increased property tax values.

The largest portion of net position reflects investments in capital assets (e.g., land, buildings, machinery, and equipment), less outstanding debt used to acquire those assets. Current activity for capital assets reflects

increases from land, machinery, and equipment purchases, from lease execution, and from additional SBITA assets. Capital assets are used to provide services to citizens; consequently, these assets are *not* available for future spending. Although investments in capital assets are reported net of related debt, the County’s philosophy is “pay-as-you-go.” Resources needed to repay any necessary debt must be provided from other sources; capital assets are not expected to be used to liquidate these liabilities.

A portion of Net Position represents resources subject to external restrictions such as statutory requirements, bond covenants, or grantor conditions, which limit use.

The Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Government Funds on page 33 provides further details of the increase from governmental operations to net position of \$115,667.

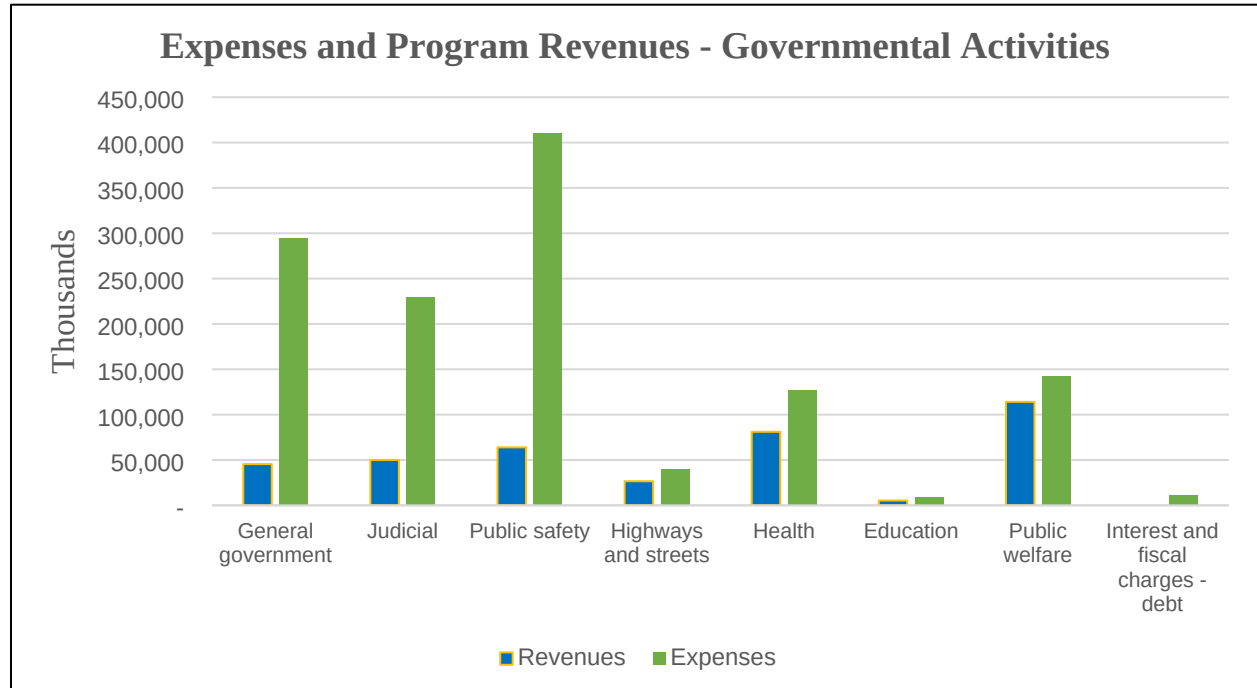
Governmental activities. Program revenues and expenses are presented net of interfund eliminations. Key elements for the years ended September 30, 2025, and 2024 are as follows:

Dallas County’s Change in Net Position
(in thousands of dollars)

	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>
Revenues:			
Net program revenues:			
Charges for services	\$ 171,975	\$ 168,200	\$ 3,775
Operating grants and contributions	214,628	202,365	12,263
Sub-total:	<u>386,603</u>	<u>370,565</u>	16,038
General revenues:			
Property taxes	829,854	737,763	92,091
Other taxes	55,877	56,086	(209)
Grants and contributions not restricted	71,241	190,345	(119,104)
Investment earnings	36,803	64,609	(27,806)
Total revenues:	<u>993,775</u>	<u>1,048,803</u>	<u>(55,028)</u>
Expenses:			
General government	294,072	289,329	4,743
Judicial	229,738	229,181	557
Public safety	410,826	384,207	26,619
Highways and streets	40,290	49,424	(9,134)
Health	127,283	131,029	(3,746)
Education	9,151	11,762	(2,611)
Public welfare	142,518	157,870	(15,352)
Interest and fiscal charges on long-term debt	10,833	9,007	1,826
Total expenses:	<u>1,264,711</u>	<u>1,261,809</u>	<u>2,902</u>
Change in net position:	115,667	157,559	(41,892)
Net position - beginning	1,148,364	990,805	157,559
Net position - ending	<u>\$ 1,264,031</u>	<u>\$ 1,148,364</u>	<u>\$ 115,667</u>

General revenues are not assigned to support a specific function but are available to provide financial resources as necessary. Included in general revenues are ad valorem taxes, other tax-related revenues, interest earned from investments, and grants and contributions, not restricted to specific programs. The change between FY25 and FY24 was primarily due to:

- Property tax revenues increased by \$92,091 during the fiscal year. The increase is primarily attributable to a 10.0 percent rise in taxable assessed valuations resulting from higher local real estate values, as well as \$20,987 in newly constructed property added to the tax roll. These factors were partially offset by a reduction in the County’s tax rate.
- Investment earnings decreased by \$27,806, reflecting lower yields on cash-equivalent investments during the fiscal year.
- Grants and contributions not restricted decreased due to decreased spending in the American Rescue Plan Funds.
- Operating grants and contributions increased by \$9,100, due to additional allocations received under the Housing Choice Voucher (Section 8) program.
- Charges for services increased due to higher collections of court-related fees and additional funding for jury reimbursement.



Program revenues of \$386,603 less expenses of \$1,264,711 for FY25 was a net expense of \$878,108. Program revenue less expenses was a net expense of \$891,244 in FY24. The change between FY25 and FY24 was primarily due to:

- Salaries increased 3.0% effective December 2024, along with higher overtime costs associated with an increasing jail population. Public welfare spending decreased due to reduced funding from the American Rescue Plan.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted, the County uses *fund accounting* to ensure and demonstrate compliance with financial and related legal requirements. Fund accounting, budget controls, and fiscal responsibility are the frameworks of the County’s strong fiscal management and accountability.

Governmental funds. Governmental fund balances decreased by \$2,664 during the fiscal year, ending at \$628,335. Increases were recorded in the General Fund and Debt Service Fund. Property tax revenues rose by \$71,403, driven by higher taxable valuations and new construction added to the tax roll, with a reduction in the tax rate.

The General Fund ended the year with an unassigned fund balance of \$123,292, up from \$80,448 in the prior year, driven by higher revenues and transfers from other tax-supported funds. Total fund balance increased to \$153,867 from \$106,917. Expenditures rose across most categories due to salary and cost-of-living adjustments, and higher jail-related costs. Unassigned fund balance totaled 16.0% of General Fund expenditures, exceeding the County’s 10.5% budgetary target.

The Debt Service Fund balance increased due to investment income on restricted balances.

The Major Projects Fund decreased to \$232,226 from \$262,505, reflecting capital asset purchases, increased lease payments, and community development costs.

The County Building Improvements Fund continues to be financed primarily through debt issued in FY16 and FY22 for building improvement projects, and projects in the fund are nearing completion.

The Major Grants Fund reported a fund balance of \$4,955 and includes federal and state programs subject to grantor regulations.

Nonmajor governmental funds had a minor overall impact, with increases largely attributable to higher tax collections, investment income, and increased expenditures in Road and Bridge districts.

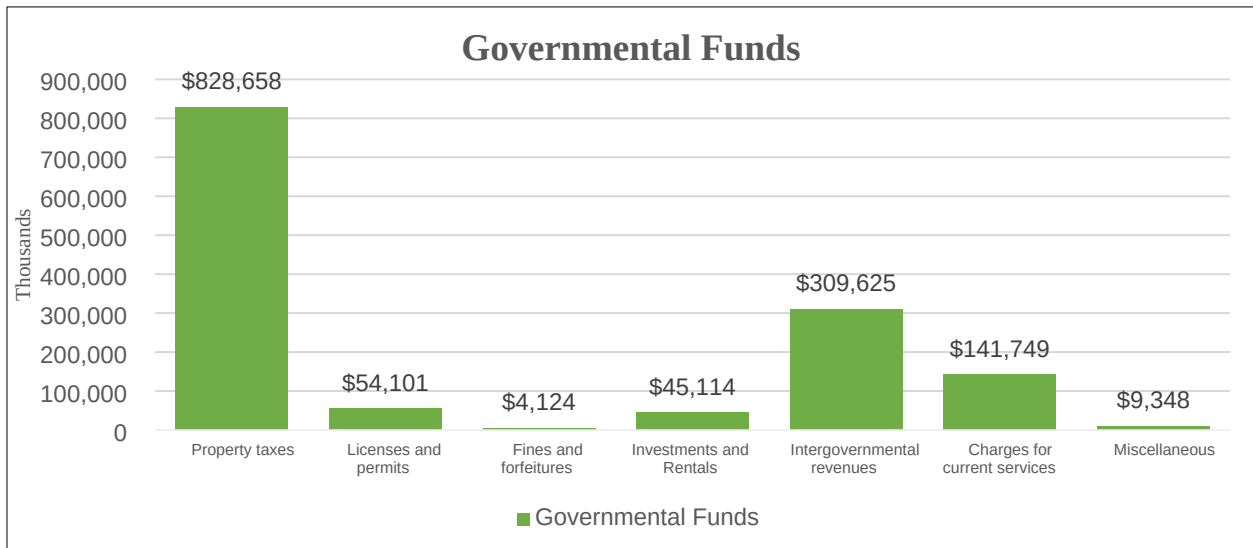
The following table presents the amount of revenues from various sources, as well as increases or decreases from the prior year.

Governmental Funds – Revenues Classified by Source (in thousands of dollars)

	2025	2024	Increase (Decrease)	Percent Change
Property taxes	\$ 828,658	\$ 757,255	\$ 71,403	9.43 %
Licenses and permits	54,101	54,016	85	0.16
Fines and forfeitures	4,124	3,987	137	3.44
Investments and rentals	45,114	74,868	(29,754)	(39.74)
Intergovernmental revenues	309,625	413,071	(103,446)	(25.04)
Charges for current services	141,749	139,093	2,656	1.91
Miscellaneous	9,348	19,800	(10,452)	(52.79)
Total	\$ 1,392,719	\$ 1,462,090	\$ (69,371)	(4.74)

- Property taxes – increased by \$71,403 primarily due to a 4.5% increase in the 2025 assessed taxable values. As well as \$20,987 worth of new construction was added to the tax roll.
- Licenses and permits and fines and forfeitures – revenues stayed neutral from FY24.
- Investments and rentals – decreased due to lower yields on cash-equivalent investments during the fiscal year.
- Intergovernmental revenues decreased due to reduced spending in the American Rescue Plan Fund. As of September 30, 2025, \$57,517 remains available for spending in the American Rescue Plan Fund, including interest.
- Charges for current services increased in FY25 from higher collections of court-related fees, Road and Bridge contract services, and additional funding for jury reimbursement.
- Miscellaneous revenues decreased from FY24 due to receipts of insurance premiums and refunds related to expenditures from prior reporting periods that were not received in FY25.

Revenues Classified by Source – Governmental Activities – FY25



The following table presents expenditures by function, compared with prior-year amounts.

Expenditures by Function – Governmental Funds
(in thousands of dollars)

Function:	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
General government	\$ 250,104	\$ 227,248	\$ 22,856	10.06 %
Judicial	246,054	240,729	5,325	2.21
Public safety	432,794	400,562	32,232	8.05
Highways and streets	41,688	50,790	(9,102)	(17.92)
Health	131,812	179,858	(48,046)	(26.71)
Public welfare	151,919	192,134	(40,215)	(20.93)
Education	9,004	11,412	(2,408)	(21.10)
Capital Outlay	71,024	62,556	8,468	13.54
Capital Outlay - Leases	110,398	3,624	106,774	2,946.30
Capital Outlay - IT subscriptions	7,876	-	7,876	-
Debt Service - principal	46,452	39,681	6,771	17.06
Debt Service - interest and fiscal charges	14,532	15,190	(658)	(4.33)
Total	<u>\$ 1,513,657</u>	<u>\$ 1,423,784</u>	<u>\$ 89,873</u>	6.31

- General Government expenditures increased primarily due to 3.0% salary adjustments, higher utility costs, increased spending on technology software and related maintenance, licenses, and equipment, as well as higher permanent improvement expenditures for building maintenance.
- Judicial and Public Safety expenditures increased as a result of salary adjustments, higher jail operating costs associated with a growing jail population, and increased court-related expenditures.
- Health, Public Welfare, and Health expenditures decreased following the completion of American Rescue Plan Act (ARPA)-funded projects in FY24. The County has initiated the program close-out process, and ARPA-related spending is expected to continue declining.
- Highways and Streets expenditures decreased due to a lower volume of City-led public works projects completed during FY25.
- Capital outlay expenditures increased as construction activity progressed on a new government center funded through the County Building Improvements Fund.
- Capital Outlay – Leases increased due to new leases executed for land and solar panel installations at government centers.
- Capital Outlay – IT Subscriptions increased in connection with the implementation of new Subscription-Based IT Arrangements related to GIS Software, a Human Capital Management module added to Oracle Fusion, and cloud architecture beginning in FY25.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Commissioners Court on September 10, 2024, adopted the General Fund budget totaling \$791,785 (prior to including prior period carry forward of encumbrances), an increase of \$41,243 from FY25 budget. Valid encumbrances from prior year are added completing the approved budget. The FY25 legally adopted budget for all funds prior to encumbrance, and available funds rollovers totaled \$1,723,332.

Highlights from Dallas County FY25 Budget includes the following:

- Tax rate was approved at 21.5500 cents per \$100 assessed valuation, which decreased from a tax rate from prior year.
- Salaries increased with a market adjustment of 3.0% effective December 2024. Accordingly, benefits, including law enforcement certification pay and training programs, were included in the budget.
- A net total of 55 positions was added.
- Budgetary amounts include encumbered funds for various products or services not yet ordered.

General Fund

Budgeted revenues totaled \$781,179 and actuals totaled \$790,584. Budgeted revenues increased due to increased collections charges for services, intergovernmental revenues, and miscellaneous revenues.

Budgeted salaries expenditures in each classification were less than actual expenditures. This was due to increased overtime costs across County operations, as well as increased insurance costs and compensatory time payouts.

DEBT ADMINISTRATION AND CAPITAL ASSETS

Long-term debt. On September 30, 2025, the County had limited tax, unlimited tax, and general obligation bonds outstanding in the amount of \$179,530, with debt premium of \$16,539. According to Texas statutes, the County has two debt limits. Bonds issued under Article 3, Section 52b of the Texas Constitution total were refunded resulting in zero balance, and bonds issued under Texas Government Code Title 9, Chapter 1301.003 total \$179,530. The debt limits for the two authorizations are \$129,538,946 (25% of real property assessed valuation), and \$28,802,111 (5% of assessed valuation of all taxable property); therefore, the County has legal debt margins on general obligation debt of \$129,538,946, and \$28,802,111, respectively. The County’s bond ratings are “AAA” from Standard & Poor’s and for general obligation debt. These ratings have been upheld since 1978, with the latest evaluation in a credit rating action in August 2022, at which time the County’s outlook was rated as STABLE.

The following represents the activity of long-term debt and similar long-term obligations of the County for FY25 (in thousands of dollars).

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>
Governmental Activities:							
Bonds and Certificates of Obligation	\$ 218,765	\$	-	\$	(22,696)	\$	196,069
Lease Liability	95,630		110,398		(20,268)		185,760
Subscription Based IT Arrangements	7,882		7,876		(7,068)		8,690
Other Post Employment Benefits	169,873		31,244		(62,140)		138,977
Claims and Judgments	2,000		5,157		(3,157)		4,000
Compensated Absences	52,734		40,685		(48,878)		44,541
Net Pension Liability/(Asset)	156,784		311,020		(400,352)		67,452
Workers’ Compensation	3,730		3,834		(2,917)		4,647
	<u>\$ 707,398</u>	\$	<u>510,214</u>	\$	<u>(567,476)</u>	\$	<u>650,136</u>

Legal counsel and subject experts are contracted to review workers' compensation claims and other legal matters as needed. The FY25 Claims and judgments were mostly settled for property damage; the increase in claims and judgments is due to rising property damage costs. Lease liabilities and Subscription-based IT arrangements increased due to new agreements starting in FY25. Workers' compensation expenditures and liability increased as a result of higher average claims due to increased medical costs. The County's OPEB actuarial study was last updated on September 30, 2024. Only a fraction of OPEB expense is actually paid in any given year. OPEB liability decreased as a result of a change in the discount rate used to evaluate the OPEB liability. More detailed information about the County's OPEB and long-term liabilities is presented in Notes VI and VIII, respectively, to the financial statements.

Capital assets. The capital assets of the County are those assets (land, buildings, improvements, and machinery and equipment (M&E)) that are used in the performance of the County's functions. Capital assets also include infrastructure assets – roads and bridges. The County owns and maintains the original courthouse constructed in 1892, which has been renovated as a historical treasure. On September 30, 2025, net capital assets of the governmental activities totaled \$1,362,460, reflecting a net increase of \$156,422. Depreciation and amortization of capital assets (except for infrastructure assets, which are reported under the Modified Approach basis) is recognized in the government-wide financial statements. FY25 Depreciation and amortization for buildings, improvements, and M&E totaled \$56,524. Depreciation is not recorded for the historical treasure, the 1892 Old Red Courthouse, which has a book value of \$32,042. The County expended \$752 on maintenance for the Old Red Courthouse for the year ended September 30, 2025.

A combined tax rate of \$0.037069 per \$100 assessed valuation is split between the Debt Service Fund and Major Projects Fund. Construction or contract development needs are analyzed during the budget cycle, and encumbrances/obligations are revised.

The County has elected to use the "Modified Approach" as defined in GASB for reporting infrastructure assets, which includes 107.53 miles of roads and 27 bridges and culverts. The FY25 assessment revealed the condition of the roads was maintained consistently with County policy, whereas 98.4% of the County's roads were rated 2.5 or better on a 4.0 scale, based on the Federal Highway Administration Road Pavement Condition Rating (PCR). All but five of the County's bridges are in very good condition, rated 6.0 or better on a 9.0 scale. Five bridges are in good condition, rated between 4.0 and 5.9 on a 9.0 scale.

The County expended \$2,044 on County road maintenance for the year ended September 30, 2025. These expenditures delayed deterioration; however, overall road conditions were not significantly improved. Incurred bridge maintenance costs in FY25 were \$1,392. Additional details on infrastructure assets can be found in the Required Supplementary Information of this report.

Additional information on Dallas County capital assets and debt can be found in Notes V and VI.

County's Capital Assets
(net of depreciation and amortization)
(in thousands of dollars)

	2025	2024
Government Activities:		
Land	\$ 71,189	\$ 71,189
Land - Lease asset	92,779	25,927
Historical treasures	32,042	32,042
Buildings	696,723	662,928
Buildings - Lease asset	103,919	107,017
Machinery and equipment	142,108	121,774
Machinery and equipment - Lease asset	38,967	35
Subscription assets	22,295	19,537
Infrastructure	26,671	26,671
Construction in progress	135,767	138,918
Total	\$ 1,362,460	\$ 1,206,038

ECONOMIC FACTORS AND NEXT YEAR'S GENERAL FUND BUDGET

The Dallas County General Fund budget is developed annually and intended to provide efficient, effective, and controlled usage of the County's resources, as well as a means to accomplish the highest priorities of the Dallas County Commissioners. Through the budget, the County Commissioners set the direction of the County, allocate its resources, and establish its priorities. The FY26 Budget meets the key established policy directive of the Commissioners Court requiring that the budgeted ending unassigned General Fund balance be not less than 10.5% of County-funded expenditures.

The FY26 budget process was primarily focused on identifying various balancing strategies that impact services provided to citizens of Dallas County as minimally as possible. The budget is expected to raise more revenue from property taxes than the prior year's budget by \$23,983, or an increase of 3.0%. The property tax revenue to be raised from new property added to the tax roll is \$18,471.

Highlights from Dallas County FY26 Budget includes the following:

- The overall tax rate stayed the same from the 2025 tax year.
- Taxable values increased 4.5% compared to the prior budget year.
- Compensation increases for all levels were approved at 3.0%.
- An increase of 309 positions was approved.
- Spending for Public Safety, combating homelessness, and mental health services is a priority in the budget.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report, separate report of the County's component unit, or need any additional financial information, contact the appropriate financial office (County Auditor, County Treasurer, or Budget Director) at 500 Elm Street, Suite 4200, Dallas, TX 75202, or visit the County's website at www.dallascounty.org



BASIC FINANCIAL STATEMENTS

DALLAS COUNTY, TEXAS
Statement of Net Position
September 30, 2025
(in thousands of dollars)

	Primary Government	Component Unit
	Governmental Activities	Hospital District
ASSETS		
Cash, cash equivalents and investments	\$ 778,808	\$ 1,792,861
Receivables (net of allowance for uncollectible)	881,252	507,430
Lease receivable	7,516	3,766
Accrued interest	5,566	-
Due from other governmental units	51,956	185,660
Due from third party reimbursement programs	-	-
Inventories	4,110	86,138
Prepayments and advances	22,361	-
Assets limited to use	-	370,854
Other noncurrent assets	-	55,406
Capital assets not being depreciated		
Land	163,968	137,255
Construction - in - progress	135,767	32,411
Infrastructure	26,671	-
Historical treasures	32,042	-
Capital assets (net of accumulated depreciation and amortization)		
Buildings	696,723	1,229,690
Machinery and equipment	142,108	113,566
Lease assets	142,886	24,512
Subscription assets	22,295	39,599
Total capital assets	1,362,460	1,577,033
Total assets	3,114,029	4,579,148
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources - Other post employment benefit (OPEB)	39,435	-
Deferred outflow of resources - pension	68,716	218,779
Deferred outflows of resources	108,151	218,779
LIABILITIES		
Accounts payable and accrued liabilities	96,168	747,323
Accrued interest payable	1,104	5,021
Current portion of subscription liabilities	-	17,217
Other current liabilities	24,961	106,629
Unearned revenues	68,263	-
Due to other governmental units	73,972	-
Due to third-party reimbursement programs	-	10,712
Long-term liabilities:		
Due within one year	93,569	25,847
Due in more than one year	357,113	548,507
Due in more than one year - net pension liability	67,452	726,456
Due in more than one year - OPEB	132,002	-
Subscription liabilities, noncurrent	-	3,439
Total liabilities	914,604	2,191,151
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow of resources - OPEB	151,840	-
Deferred inflow of resources - pension	31,185	12,440
Deferred inflow of resources - leases	-	3,488
Deferred inflow - other	7,690	-
Deferred inflow - property taxes	852,830	-
Total deferred inflows of resources	1,043,545	15,928
NET POSITION		
Net investment in capital assets	1,005,286	993,136
Restricted for:		
Highways and streets	55,692	-
Debt service	26,115	-
Record management and capital projects	82,060	-
Third parties	-	43,300
Unrestricted (deficit) position	94,878	1,554,412
Total net position	\$ 1,264,031	\$ 2,590,848

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

DALLAS COUNTY, TEXAS
Statement of Activities
For the Year Ended September 30, 2025
(in thousands of dollars)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses				Primary Government	Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Hospital District
Primary government:						
Government activities:						
General government	\$ 294,072	\$ 45,465	\$ -	\$ -	\$ (248,607)	\$ -
Judicial	229,738	41,936	8,112	-	(179,690)	-
Public safety	410,826	37,614	26,349	-	(346,863)	-
Highways and streets	40,290	26,590	-	-	(13,700)	-
Health	127,283	14,467	66,623	-	(46,193)	-
Education	9,151	-	5,337	-	(3,814)	-
Public welfare	142,518	5,903	108,207	-	(28,408)	-
Interest and fiscal charges - debt	10,833	-	-	-	(10,833)	-
Total primary government	\$ 1,264,711	\$ 171,975	\$ 214,628	\$ -	\$ (878,108)	\$ -
Component Unit:						
Hospital District	\$ 4,440,089	\$ 3,648,185	\$ -	\$ 3,384	\$ -	\$ (788,520)

General revenues:

Property taxes	\$ 829,854	\$ 863,169
Alcoholic beverage and other taxes	55,877	-
Grants and contributions not restricted to specific programs	71,241	63,304
Investment earnings/(loss)	36,803	104,291
Gain on sale of asset	-	17,100
Total general revenue	<u>993,775</u>	<u>1,047,864</u>
Change in net position	115,667	259,344
Net position - beginning of year	<u>1,148,364</u>	<u>2,331,504</u>
Net position - ending of year	<u>\$ 1,264,031</u>	<u>\$ 2,590,848</u>

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

DALLAS COUNTY, TEXAS
Balance Sheet
Governmental Funds
September 30, 2025
(in thousands of dollars)

	General	Debt Service	Major Projects	Major Grants	American Rescue Plan	County Building Improvements	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash, cash equivalents and investments	\$ 168,331	\$ 26,995	\$ 312,528	\$ -	\$ 63,183	\$ 33,478	\$ 163,849	\$ 768,364
Property tax receivables (net of allowance for uncollectible)	640,932	27,092	113,311	-	-	-	88,096	869,431
Accounts receivable (net of allowance for uncollectible)	6,904	-	-	1,781	-	-	3,136	11,821
Lease receivable	915	-	3,774	-	-	-	2,827	7,516
Accrued interest	1,341	223	2,588	-	58	-	1,331	5,541
Due from other funds	12,843	-	-	3,285	-	-	69	16,197
Due from other governmental units	10,723	-	5,819	34,360	-	-	1,054	51,956
Inventories	1,487	-	-	-	-	-	2,623	4,110
Prepayments and advances	4,835	-	1,251	1,359	-	-	14,916	22,361
Total assets	\$ 848,311	\$ 54,310	\$ 439,271	\$ 40,785	\$ 63,241	\$ 33,478	\$ 277,901	\$ 1,757,297
LIABILITIES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 51,814	\$ 612	\$ 20,090	\$ 12,261	\$ 4,291	\$ 138	\$ 6,788	\$ 95,994
Due to other funds	8,299	-	9	12,823	-	-	1,804	22,935
Due to other governmental units	23	-	71,980	-	-	-	1,969	73,972
Unearned revenue - other	-	-	-	10,746	57,517	-	-	68,263
Total liabilities	60,136	612	92,079	35,830	61,808	138	10,561	261,164
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - other	4,340	-	198	-	-	-	2,755	7,293
Unavailable revenue - property taxes	628,938	26,479	110,820	-	-	-	86,593	852,830
Deferred inflows of resources - other	1,030	-	3,948	-	-	-	2,697	7,675
Total deferred inflows	634,308	26,479	114,966	-	-	-	92,045	867,798
FUND BALANCES								
Nonspendable inventories and prepaids	6,322	-	1,251	1,359	-	-	17,539	26,471
Restricted	-	27,219	-	3,596	1,433	33,340	142,311	207,899
Committed	-	-	230,975	-	-	-	15,445	246,420
Assigned	24,253	-	-	-	-	-	-	24,253
Unassigned	123,292	-	-	-	-	-	-	123,292
Total fund balances	153,867	27,219	232,226	4,955	1,433	33,340	175,295	628,335
Total liabilities, deferred inflows and fund balances	\$ 848,311	\$ 54,310	\$ 439,271	\$ 40,785	\$ 63,241	\$ 33,478	\$ 277,901	\$ 1,757,297

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds.	1,362,460
Other long-term assets are not available to pay for current period expenditures and therefore, are not reported as current period revenue in governmental funds.	7,293
Internal service funds are used by management to charge costs related to medical and workers compensation self insurance. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	4,379
Certain liabilities, including bonds payable and related interest, certain deferred inflows and outflows, pension and OPEB are not due and payable in the current period and therefore, are not included in governmental funds.	(738,436)
Net position of governmental activities	<u>\$ 1,264,031</u>

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

DALLAS COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025
(in thousands of dollars)

	<u>General</u>	<u>Debt Service</u>	<u>Major Projects</u>	<u>Major Grants</u>	<u>American Rescue Plan</u>	<u>County Building Improvements</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES								
Property taxes	\$ 608,558	\$ 28,886	\$ 113,571	\$ -	\$ -	\$ -	\$ 77,643	\$ 828,658
Licenses and permits	31,230	-	-	-	-	-	22,871	54,101
Fines and forfeitures	130	-	-	-	-	-	3,994	4,124
Investment income (loss)	10,669	4,189	12,546	-	1,298	-	9,231	37,933
Rental revenues	4,294	-	2,887	-	-	-	-	7,181
Intergovernmental revenues	7,837	-	2,520	150,908	66,255	-	82,105	309,625
Charges for current services	119,718	-	-	347	-	-	21,684	141,749
Miscellaneous	8,148	-	635	-	-	-	565	9,348
Total revenues	<u>790,584</u>	<u>33,075</u>	<u>132,159</u>	<u>151,255</u>	<u>67,553</u>	<u>-</u>	<u>218,093</u>	<u>1,392,719</u>
EXPENDITURES								
Current:								
General government	116,849	-	47,514	-	4,306	-	81,435	250,104
Judicial	219,053	-	-	10,484	2,844	-	13,673	246,054
Public safety	391,008	-	1,190	29,129	4,383	-	7,084	432,794
Highways and streets	-	-	25,650	-	-	-	16,038	41,688
Health	34,547	-	296	70,747	26,176	-	46	131,812
Education	-	-	-	-	689	-	8,315	9,004
Public welfare	954	-	8,707	32,987	27,396	-	81,875	151,919
Debt Services:								
Principal	2,839	19,115	18,314	323	82	-	5,779	46,452
Interest and fiscal charges	92	9,598	4,585	20	23	-	214	14,532
Capital outlay	-	-	34,517	-	-	36,507	-	71,024
Capital outlay - Leases	1,727	-	108,671	-	-	-	-	110,398
Capital outlay - IT subscriptions	1,851	-	-	-	-	-	6,025	7,876
Total expenditures	<u>768,920</u>	<u>28,713</u>	<u>249,444</u>	<u>143,690</u>	<u>65,899</u>	<u>36,507</u>	<u>220,484</u>	<u>1,513,657</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,664</u>	<u>4,362</u>	<u>(117,285)</u>	<u>7,565</u>	<u>1,654</u>	<u>(36,507)</u>	<u>(2,391)</u>	<u>(120,938)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	30,636	-	835	5,134	-	-	13,794	50,399
Transfers (out)	(8,928)	-	(22,500)	(2,195)	(1,200)	-	(15,576)	(50,399)
Debt issuance - Leases	1,727	-	108,671	-	-	-	-	110,398
Debt issuance - IT subscriptions	1,851	-	-	-	-	-	6,025	7,876
Total other financing sources (uses)	<u>25,286</u>	<u>-</u>	<u>87,006</u>	<u>2,939</u>	<u>(1,200)</u>	<u>-</u>	<u>4,243</u>	<u>118,274</u>
Net change in fund balances	46,950	4,362	(30,279)	10,504	454	(36,507)	1,852	(2,664)
Fund balances - beginning	106,917	22,857	262,505	(5,549)	979	69,847	173,443	630,999
Fund balances - ending	<u>\$ 153,867</u>	<u>\$ 27,219</u>	<u>\$ 232,226</u>	<u>\$ 4,955</u>	<u>\$ 1,433</u>	<u>\$ 33,340</u>	<u>\$ 175,295</u>	<u>\$ 628,335</u>

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

DALLAS COUNTY, TEXAS
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds to the
 Statement of Activities
 for the Year Ended September 30, 2025
 (in thousands of dollars)

Amounts reported for governmental activities in the Statement of Activities
 are different because:

Net change in fund balances total governmental funds	\$	(2,664)
<p>Governmental funds report all capital outlays as expenditures. However, in the Statement of Activities, the cost of some of the assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays for County - owned assets exceeds depreciation in the current period. See - Notes to the Basic Financial Statements for details.</p>		
		155,619
<p>The net effect of various transactions (e.g., sale of capital assets). See - Notes to the Basic Financial Statements for details.</p>		
		804
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. See - Notes to the Basic Financial Statements for details.</p>		
		2,807
<p>Some expenses reported in Statement of Activities are not fund expenditures (e.g., compensated absences, OPEB and pension that are liabilities not normally liquidated with current financial resources). See - Notes to the Basic Financial Statements for details.</p>		
		(84,403)
<p>The issuance of long term debt (e.g., bonds, tax notes) provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued; these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long term debt. See - Notes to the Basic Financial Statements for details.</p>		
		50,032
<p>Internal service funds are used by management to charge the costs to account for group medical self-insurance and workers compensation. The net revenue (loss) is reported with governmental activities. See - Statement of Revenues, Expenses and Changes in Fund Net Position for details.</p>		
		(6,528)
Change in net position of governmental activities	\$	<u><u>115,667</u></u>

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

DALLAS COUNTY, TEXAS

Statement of Net Position

Proprietary Fund

September 30, 2025

(in thousands of dollars)

		Governmental Activities - Internal Service Fund
ASSETS		
Current Assets:		
Cash and cash equivalents	\$	10,444
Accrued interest receivable		25
Due from other funds		6,758
Total current assets	\$	<u>17,227</u>
LIABILITIES		
Current Liabilities:		
Medical claims	\$	8,181
Workers' compensation claims - current		4,152
Due to other funds		20
Total current liabilities		<u>12,353</u>
Non-Current Liability:		
Workers' compensation claims non-current		495
Total liabilities		<u>12,848</u>
NET POSITION		
Unrestricted		4,379
Total net position	\$	<u>4,379</u>

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

DALLAS COUNTY, TEXAS

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Fund

For the Year Ended September 30, 2025

(in thousands of dollars)

	Governmental Activities - Internal Service Fund
Operating revenues:	
Premiums	\$ <u>90,666</u>
Operating Expenses:	
Benefits payments	91,784
Administration	<u>5,755</u>
Total operating expenses	<u>97,539</u>
Operating income	(6,873)
Non-operating revenues:	
Interest income	<u>345</u>
Change in net position	(6,528)
Total net position - beginning of year	10,907
Total net position - ending of year	\$ <u><u>4,379</u></u>

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

DALLAS COUNTY, TEXAS
Statement of Cash Flows
Proprietary Fund
For the Year Ended September 30, 2025
(in thousands of dollars)

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash for premiums and reimbursements	\$ 98,160
Cash payments for benefit claims	(95,169)
Cash payments for administrative fees	(5,755)
Net cash used by operating activities	(2,764)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income on investments	345
Net cash provided by investing activities	345
Net decrease in cash and cash equivalents	(2,419)
Cash and cash equivalents at beginning of year	12,863
Cash and cash equivalents at end of year	\$ 10,444
 RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (6,873)
Changes in current assets and liabilities:	
Accrued interest receivable	9
Due from other funds	7,485
Liabilities	(3,385)
Net cash used by operating activities	\$ (2,764)

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

DALLAS COUNTY, TEXAS
Statement of Fiduciary Net Position
September 30, 2025
(in thousands of dollars)

	Total
Assets:	
Cash, cash equivalents and investments	\$ 240,573
Accrued interest	213
Accounts receivable	710
Prepayments and advances	16
Assets held in escrow	8,117
Total assets	\$ 249,629
Liabilities:	
Accounts payable	\$ 4,160
Unearned revenue other	141
Due to other governmental units	126,680
Total liabilities	130,981
Net Position:	
Restricted for: Individuals, Organizations or Other Governments	118,648
Total Net Position	118,648
 Total liabilities, deferred inflows and net position	 \$ 249,629

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

DALLAS COUNTY, TEXAS
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2025
(in thousands of dollars)

		Custodial Funds
ADDITIONS:		
Ad valorem tax collections - local government	\$	942,751
Intergovernmental revenues - Fiduciary		35,575
CSCD participants		9,099
Trust/Escrow contributions		171,129
Inmate accounts		14,379
Investment interest/(loss)		598
Miscellaneous		235
Total Additions		1,173,766
 DEDUCTIONS:		
Ad valorem tax payments - local government		942,725
Administrative costs		26
CSCD program costs		43,539
Election costs		10,961
Inmate accounts		14,463
Trust/Escrow disbursements		155,012
Total Deductions		1,166,726
Net Change in Fiduciary Net Position		7,040
Net Position - beginning		111,608
Net Position - ending	\$	118,648

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

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Dallas County (County) reflected in the accompanying financial statements conform to generally accepted accounting principles (GAAP) 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). The most significant accounting and reporting policies of the County are described in the following notes to the basic financial statements.

The following GASB Statements were implemented in FY25.

GASB Statement No. 101 - *Compensated Absences* - provides an updated framework to meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for reporting periods beginning after December 15, 2023.

GASB Statement No. 102 - *Certain Risk Disclosures* - enhances financial reporting by requiring state and local governments to disclose risks stemming from certain concentrations and constraints that may make them vulnerable to substantial financial impacts. This statement is effective for reporting periods beginning after June 15, 2024. This statement did not have a material impact to the financial statements.

A. Reporting Entity

The County is a public corporation and political subdivision of the State of Texas (State). The Commissioners Court is composed of four commissioners, and the County Judge is the general governing body of the County in accordance with Article 5, Section 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of Texas: general government (e.g., tax collection, funds investment, etc.), judicial (courts, juries, district attorney, etc.), public safety (sheriff, jail, homeland security, etc.), highways and streets, health, education, and public welfare (e.g., juvenile services and assistance to indigents).

The accompanying financial statements and Notes to the Basic Financial Statements include Dallas County Hospital District (Parkland) and its components as a discretely presented component unit of the County.

Complete financial statements of The Dallas County Hospital District may be obtained from:

Parkland Health
5200 Harry Hines Boulevard
Dallas, TX 75235
Attention: Richard Humphrey
Executive Vice President, Finance and Chief Financial Officer

Blended Component Units

The Dallas County Housing Finance Corporation (“DCHF”), created under Local Government Code Chapter 394, assists the County’s effort to continue its real estate interest at 400 S. Beckley. The County Commissioners Court created the DCHF, but it is not a political subdivision of the County under state law. The criteria used to include the DCHF as a blended component unit of the County include: the County is able to impose its will, as the DCHF’s board of directors and the Commissioners Court are the same, and County staff maintain the books and records of the corporation. Complete financial information for DCHF

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

is reported within the other nonmajor governmental funds column in the governmental fund financial statements.

American Rescue Plan Act

The County received and recorded in the American Rescue Plan Fund \$511,918 for the American Rescue Plan Act. As of September 30, 2025, including interest, \$57,517 needs to be spent.

Other Boards and Commissions

The Commissioners Court appoints individuals to certain boards and commissions; only Parkland is a component unit of the County. Those entities are:

- Child Welfare Board
- Citizen Election Advisory Committee
- Historical Commission
- Historical Foundation
- Hospital District Board of Managers (Parkland)
- Metrocare Services Board of Trustees
- North Central Texas Health Facilities Development Corporation Board
- Texas Tollway Authority Board
- North Texas Behavioral Health Authority
- Trail and Preserve Program Board (TAPP)
- Welfare Advisory Board
- Youth Services Advisory Board

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the Statement of Net Position and Statement of Activities. Government-wide statements report, except for County fiduciary funds financial activity, information on all of the County activities including its component unit. The effect of inter-fund transfers has been removed from the government-wide financial statements but continues to be reported in the fund financial statements. However, inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities are supported mainly by taxes, intergovernmental revenues, and charges for services. The primary government is reported separately from the component unit within the government-wide statements.

The Statement of Activities reflects the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, e.g., other postemployment benefits are charged to general government functions/programs in the Statement of Activities because these costs are guaranteed by the general government. Indirect expenses include changes in estimates of workers' compensation, which may not be directly attributable to specific functions/programs in the Statement of Activities.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. General, Debt Service, Major Projects, Major Grants, American Rescue Plan and County Building Improvements Funds are reported as major governmental funds. Each major fund is reported in a separate column in the fund financial

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements (continued)

statements. Other non-major funds include Special Revenue and Capital Project Funds. The combined amounts for these funds are reflected in a single column in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues net of allowances are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, include district clerk and county clerk fees, justice of the peace fees, revenue from investments, intergovernmental revenue, and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as program revenues and general revenues. Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants, and contributions not restricted to specific programs, investment earnings, and donations of assets.

Governmental fund-level financial statements are reported using current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized only when they become susceptible to accrual (measurable and available). Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Unavailable means not available to finance expenditures for the current fiscal period. Unearned refers to funds received before the earnings process is completed.

Except for grants, measurable and available revenues include revenues expected to be received within 60 days after the fiscal year's end. Grants policy includes recognition of revenues, so long as such amounts are collectible within 90 days or soon enough afterward to be used to pay liabilities for the current period, and where grant eligibility requirements have been met. Property taxes levied prior to September 30, 2025, and became due October 1, 2025, have been assessed to finance the budget of the fiscal year beginning October 1, 2025, and, accordingly, have been reflected as unavailable revenue and property taxes receivable in the governmental fund financial statements. Receivables and deferred inflows associated with these property taxes are included in the government-wide statements on September 30, 2025.

Expenditures generally are recorded when a fund liability is due and payable; however, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when the liability has matured, and payment is due.

The County reports the following major governmental funds:

General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Significant revenue sources include property taxes, charges for services, intergovernmental revenues, and investment income of idle funds. Primary expenditures are for general government, public safety, judicial, public welfare, health services, and capital acquisition.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The revenue source is primarily property taxes levied specifically for debt service. Interest earnings from the investment of idle funds for County Building Improvements and Capital Project Funds are deposited and recorded in the Debt Service Fund to assist in bonded debt retirement.

Major Projects Fund is used to account for monies received from property taxes and property sales to fund parks, trails, transportation, community development and major County building projects. These funds are committed by the action of the governing body.

American Rescue Plan is used to account for funds received from the U.S. Department of Treasury to be used for the response efforts relating to local fiscal recovery from the COVID-19 pandemic pursuant to the American Rescue Plan Act of 2022.

Major Grants Fund is used to account for programs supported by federal, state, and local financial assistance or intergovernmental contracts from various agencies and/or governmental units except for HUD-Section 8 Grants and the Academy for Academic Excellence, which are included in Other Nonmajor Governmental Funds.

County Building Improvements Fund is used to account for funds received from the sale of bonds issued in FY22 and FY16 to fund improvements to certain County buildings.

Nonmajor Funds include special revenue funds and a capital project fund. The funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes. As an example, the Road and Bridge Fund is legally restricted.

Other fund types include proprietary and fiduciary funds:

Proprietary Fund financial statements are similar to those often found in the private sector. The measurement focus is based on the determination of net income, financial position, and economic resources. The County's only Proprietary Fund is the Internal Service Fund used to account for the County's group medical insurance program, workers' compensation, self-insurance program, other postemployment liabilities, and flexible spending accounts of employees who participate in the medical and dependent care flexible spending option of the County's cafeteria-style plan. Revenues are derived from County contributions, employee and COBRA premiums, investment of idle funds, and stop loss collections. Expenses are for claims and administrative expenses.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations (e.g., insurance claims and workers' compensation payments).

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fiduciary Funds financial statements include custodial funds used to account for assets held by the County as agents for individuals, private organizations, and other governments and cannot be used to support the County's own programs. Custodial funds do not involve a formal trust agreement.

Custodial funds are custodial in nature and use the economic resources measurement focus and accrual basis of accounting. The following are the County's Custodial Funds:

Administrative Escrow Fund - used to account for miscellaneous amounts temporarily held for other individuals or entities outside control of Commissioners Court.

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 by the Courts.

Community Supervision and Corrections - used to account for the activities of a Texas 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 (HFC).

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

Housing Finance Corporation – 1994 Refunding - used to account for monies received as a result of refunding 1984 Mortgage Revenue Bonds issued by HFC.

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

District Attorney Restitution Fund - used to account for the receipt and distribution of restitution payments made by the defendants.

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

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

Police Agencies Seized Funds - used to account for seized monies awaiting judicial determination for local police agencies.

Attorney General Seized Funds - used to account for seized monies awaiting judicial determination for the Texas Attorney General.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Gambling Seized Funds - used to account for seized monies for gambling awaiting judicial determination for the Texas Department of Public Safety.

Narcotics Seized Funds - used to account for seized monies for narcotics awaiting judicial determination for the Texas Department of Public Safety.

Sheriff Inmate Funds – used to account for monies held for individuals in County custody.

DCS Administration – used to account for funds to administer the dissolution of Dallas County Schools. Prior to FY19, neither was ever associated with the County.

As of September 30, 2025\$28,211 was available in the DCS Administration fiduciary fund to pay workers' compensation and unemployment claims.

D. Assets, Liabilities, and Net Position

1. Cash, Cash Equivalents, and Investments

A Statement of Cash Flows is required by GAAP to be provided for the Proprietary Fund. The County considers cash on hand, demand deposits, and all highly liquid investments with original maturities less than 90 days at the date of purchase to be cash and cash equivalents. Texas statutes and the County's official investment policy authorize the County to invest in fully collateralized security repurchase agreements, fully serviced certificates of deposit at the depository, obligations of the Texas Local Government Investment Pool (TexPool), which is a local government investment pool sponsored by the Texas Controller of Public Accounts and managed by Federated Investors. TexPool investments include U.S. Treasury securities, direct obligations of, or participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Bank, U.S. Small Business Administration, Federal Farm Credit Bank, and Federal Agricultural Mortgage Corporation. To be eligible to receive funds from and investments on behalf of the County, an investment pool must be rated not lower than AAA or AAAM or at an equivalent rating of at least one nationally recognized rating service.

The County records investments, except TexPool and TexPool Prime, at fair value. TexPool and TexPool Prime Deposits are recorded at amortized cost. Investment income for the County is recognized as revenue in the appropriate fund's Statement of Revenues, Expenditures, and Changes in Fund Balance, and in the Statement of Activities as investment earnings.

2. Receivables and Payables

Property taxes are levied prior to September 30 based on taxable values as of January 1 and become due October 1 and past due after January 31. Accordingly, receivables and revenues for property taxes are reflected in the government-wide financial statements based on the accrual method of accounting. Property tax receivables are shown net of an allowance for uncollectible accounts. Property taxes owed for a future period are deferred and recognized as revenue in the periods they were earned.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Receivables and Payables (Continued)

Reimbursements for services performed are recorded as receivables and revenues when earned in the government-wide financial statements. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectible accounts. Borrowing between funds is recorded as an amount either “Due to” or “Due from.” Due to and due from amounts are eliminated in the government-wide financial statements.

3. Inventories and Prepayments

Various methods are used to value inventories; however, the majority of inventories are (determined on a first-in, first-out basis) stated at cost. Inventories in the General and Special Revenue Funds consist of expendable supplies held for consumption. In the General Fund, the cost is recorded as an expenditure at the time an inventory item is consumed. In the Special Revenue Funds, inventory items expected to be consumed within a short period of time are recorded as expenditures at the time of purchase; other inventory items are expensed when consumed. Reported inventories are denoted as a non-spendable fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of current assets. The inventory policy on government-wide statements is consistent with fund statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items are recorded as expenditures when consumed rather than when purchased. In the fund financial statements, advances and prepayments are denoted as a non-spendable fund balance.

4. Restricted Assets/Funds

The following accounts reflect restricted status by third party or statutory obligations for specific purposes:

- Debt Service Fund balance amount restricted for future debt service expenditures according to debt covenants;
- Major Grants, American Rescue Plan, and the following grant funds, which are included with Non-major Governmental Funds: HUD Section 8 Grants and Academy for Academic Excellence amounts restricted for future grant expenditures according to award restrictions;
- County Building Improvements: Amount restricted for expenditures of projects funded by debt obligations issued in FY22 and FY16;
- Other Non-major Governmental Fund balances (except for Permanent Improvement and major technology) amounts restricted for other specific purposes according to Texas statutes.

The following accounts reflect committed status by action of the governing body for specific purposes:

- Included in Other Non-major Governmental Funds: Permanent Improvement and Major Technology Fund balances committed by the governing body for future non-major building improvements or technology-related expenditures;
- Major Projects Fund balance (amount committed for future major construction-related expenditures according to official action of the governing body).

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Capital Assets

Capital assets, including land, construction in progress, historical treasures, buildings, machinery and equipment, and infrastructure (e.g., roads and bridges) are reported in the government-wide financial statements. Capital assets (except for grant assets with lower thresholds) are defined as assets where the County bears risks and benefits of ownership with a cost of \$10 or more and with a useful life in excess of one year. Infrastructure assets include County owned roads and bridges. Capital assets are recorded at historical cost if purchased or constructed. Donations of capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset life is not capitalized. Additionally, County capital expenditures include amounts incurred to improve infrastructure assets owned by other governmental entities within Dallas County. Accordingly, these amounts are not capitalized. Capital assets, except infrastructure, are depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	20 - 50
Furniture and fixtures	7
Telecommunication equipment	20
General equipment	5
Construction equipment	10 - 15
Trucks and transportation	7 - 8
Autos	3
Computer hardware and software	5

The 1892 Old Red Courthouse is recorded as a Historical Treasure at historical cost but not depreciated. The County uses the modified approach to report infrastructure assets in the government-wide Statement of Net Position. Infrastructure assets are recorded at historical cost but not depreciated. Under the modified approach, the County reports annual expenses for maintaining County roads and bridges, including estimated costs for preservation at specified levels.

The County evaluates capital assets regularly for impairment. If circumstances suggest that assets may be impaired, an assessment of recoverability is performed prior to any write down of assets. An impairment charge is recorded on those assets for which the estimated fair value is below its carrying amount.

6. Compensated Absences

A liability for unused vacation and sick time for all full-time employees is reported in the government-wide financial statements. This includes related amounts for Social Security, Medicare, and County retirement benefits. The following criteria must be met to be considered as compensated absences:

- leave or compensation is attributable to services already rendered.
- accumulates and is allowed to be carried over to subsequent years.
- is more likely than not to be used as time off or settle during or upon separation from employment.

Liabilities for compensated absences are recognized in the fund statements to the extent such liabilities have matured (e.g., are due for payment). Accordingly, there are none in the fund statements as of September 30, 2025, but compensated absences are accrued in the government-wide statements.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Compensated Absences (Continued)

The County's permanent, full-time employees accrue annually 80 hours of vacation from date of employment to six years of service, 120 hours from six to 15 years of service, and 160 hours in excess of 15 years of continuous employment. The maximum accrual is 4, 5, or 6 weeks of vacation for the specified accrual categories. Upon termination, an employee is entitled to payment for total accrued but unused hours of vacation.

The County's permanent, full-time employees accrue 96 hours of sick leave annually. Sick leave is paid to current employees if absent from work due to illness, injury, or other situations requiring medical attention. An employee who terminates for any reason is paid a percentage of their accrued but unused sick leave. Amounts payable are initially 5% after five years of service, increasing thereafter at 5% for each additional five years of service to a maximum of 50%.

Compensated absences (accrued vacation and sick leave) are reported in the government-wide financial statements and are typically incurred by the following governmental funds: General, Major Grants, Major Projects, and Other Non-major Governmental Funds.

7. Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and represent an acquisition of Net Position that applies to future periods, respectively.

The County has two items that qualify for reporting in this category. These are the deferred outflows of resources related to pensions and Other Post-Employment Benefits (OPEB) discussed in Note VIII Retirement Commitments. Pension amounts are amortized over a period of four or five years. OPEB amounts are amortized over a period of eight to eleven years.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from property taxes, grants, and leases. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally, the County has an inflow of resources related to pensions and other postemployment benefits. Pensions and OPEB are discussed in Note VIII Retirement Commitments. Pension amounts are amortized over a period of four or five years. OPEB amounts are amortized over a period of eight to eleven years.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the term of the bonds. Bonds payable are reported net of unamortized premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums or discounts, and issuance costs in the period in which bonds are issued. The principal of bonds issued is reported as another financing source.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Long-Term Obligations (continued)

Premiums received on debt issuances are reported as another financing source while discounts are reported as another financing use. Long-term obligations, except long-term debt, net pension obligations, or total other postemployment benefit obligations (OPEB) are liquidated from the General Fund. Long-term debt is liquidated from the Debt Service Fund. Net pension obligations are liquidated through a trust managed by Texas County and District Retirement System. OPEB obligations remain unfunded.

9. Leases

Leases are defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. The lease term is defined as the period during which a lessee has a non-cancelable right to use an underlying asset, plus any applicable periods covered by any renewal options that are reasonably certain to be exercised, or options to terminate that are not reasonably certain to be exercised. Contracts that transfer ownership of the underlying asset are recognized as financed purchases in the financial statements. Leases that have a maximum term of less than 12 months are considered short-term leases. Short-term lease payments are recognized in the period of payment.

As a lessor, the County recognizes a lease receivable and a corresponding deferred inflow of resources. At the commencement of a lease, the lease receivable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the County's incremental borrowing rate at lease inception. The account "deferred inflow of resources – other" is recognized as inflows (revenue) on a straight-line basis over the term of the lease.

As a lessee, the County recognizes a lease payable and an intangible right-to-use lease asset. At the commencement of a lease, the lease payable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the County's incremental borrowing rate at lease inception. The right-to-use lease asset is initially recorded at the amount of the lease liability, plus any prepayments, less any lease incentives received prior to lease commencement. The right-to-use lease asset is amortized on a straight-line basis over the term of the lease or the asset's useful life for leases where the County is reasonably certain that the bargain purchase option will be exercised.

10. Subscription-Based IT Arrangements

Subscription-based IT arrangements are defined as a contractual agreement that conveys control of right-to-use another entity's information technology software, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The County has entered into various subscription-based information technology arrangements. The related subscription liabilities are presented in amounts equal to the present value of subscription payments, payable during the remaining subscription term. Subscription liability, and associated right-to-use subscription asset is recognized in the government-wide Statement of Net Position.

11. Unemployment and Workers' Compensation Benefits

The County is a reimbursing employer for unemployment compensation benefits. Reimbursements are made on the basis of billings received from the Texas Workforce Commission. The County also processes workers' compensation payments through a third-party administrator as claims become due.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Unemployment and Workers' Compensation Benefits (Continued)

The third-party administrator assists with hearings for contested claims. Expected costs are budgeted annually from current resources (see Note XI).

12. Fund Balances

Fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These classifications are defined as:

- Non-spendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portions of loans or notes receivable, or property held for resale unless the use of the proceeds is restricted, committed, or assigned), and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.
- Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation. The restricted fund balance at September 30, 2025, is composed of \$27,219 restricted as a result of bond requirements for future debt service, \$3,596 restricted by State and federal authorities for grants awarded to the County, \$1,433 restricted for American Rescue Plan and \$33,340 for County Building Improvements. The Special Revenue Fund balance of \$142,311 is restricted by Federal and State statutes.
- Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority. The County's highest level of decision-making authority resides with the Commissioners Court. This formal action is the passage of a court order specifying the purposes for which amounts can be used. The same type of formal action is necessary to remove or change the specified use. As of September 30, 2025, Major Project Fund committed balance is \$230,975. The balance of committed fund balance \$15,445 is for permanent building improvements and major technology projects.
- Assigned fund balance includes amounts that are constrained in accordance with policies established by the Commissioners Court. Officials responsible for budget-level control are delegated that authority by the Commissioners Court to assign amounts for a specific purpose. Amounts assigned are neither restricted nor committed. For governmental fund types other than the General Fund, this is the residual amount within the fund that is not restricted or committed. As of September 30, 2025, the assigned fund balance of \$24,253 is primarily composed of amounts assigned by officials for various operational expenditures.
- The unassigned fund balance is the residual amount of the General Fund not included in the four categories above. Also, any deficit fund balances within the other government types are reported as unassigned.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Fund Balances (continued)

The General Fund target reserve policy is established by the governing body at 10.5% of expenditures and classified as unassigned reserves, while balances in other funds are set aside for specific purposes as described above.

When both restricted and unrestricted amounts are available for use, County policy as approved by the governing body is to use restricted amounts first, with unrestricted resources utilized as needed. In the case of unrestricted resources, the policy is to use committed amounts first consistent with the formal action of the governing body, followed by assigned amounts, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be incurred.

13. Net Position

In the government-wide financial statements, net position is categorized into three categories. The first is net investment in capital assets, which is gross capital asset balances reduced by accumulated depreciation and any outstanding debt incurred to acquire, construct or improve those assets excluding unexpended bond proceeds. The second category is restricted, which represents assets restricted by requirement of bond covenants, grantor regulations, other externally imposed constraints, or by legislation, in excess of the related liabilities payable from restricted assets. The third category, unrestricted portion of net position, consists of net position that does not meet the definition of either of the other two categories of net position.

14. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

15. Budgets

The County controls appropriations at the category level (i.e., salaries, operating, and property) for each department or project within the General Fund and some of the Special Revenue Funds. Grants are budgeted in total and not at the category level. All Debt Service Fund expenditures for principal and interest on long-term debt are considered to be in the operating category. Certain appropriation transfers may be made between categories or departments only with approval of the Commissioners Court. Other transfers may be authorized by the Budget Director. Transfers made during fiscal FY25 did not increase the County's overall budget. Unencumbered amounts for annually budgeted funds lapse at fiscal year-end. The original budgets including prior period encumbered funds are the approved budgets before amendments and transfers. Final budgets reflect budgets as amended for all appropriation transfers processed during the fiscal year. A more comprehensive accounting of budget activity (prepared on a GAAP basis) is provided in a separate report, which can be viewed at www.dallascounty.org under the Auditor department's Financial Transparency page.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance for total governmental funds and net position as reported in the government-wide Statement of Net Position. One element of that reconciliation explains, "Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in governmental funds." The details of this difference are as follows:

Property taxes – assessed in the current year which remain uncollected within 60 days of year-end	\$	-
Other receivables and accrued interest – which remain uncollected within 60 days of year-end		7,293
		<u>7,293</u>
Net adjustment to increase fund balance – total governmental funds to arrive at position - governmental activities	\$	<u>7,293</u>

One element of that reconciliation explains, "Certain liabilities, including bonds payable and related accrued interest, certain deferred inflows and outflows are not due and payable in the current period and therefore, are not included in governmental funds." The details of this difference are as follows:

Bonds payable	\$	(179,530)
Premium on bonds payable		(16,539)
Leases payable		(185,760)
Subscription based IT arrangement payable		(8,690)
Other post employment benefits		(138,977)
Accrued interest payable		(1,104)
Accrued liabilities		4,458
Claims and judgments		(4,000)
Tax Refund Payable		(16,780)
Workers' compensation		(4,647)
Compensated absences		(44,541)
Net pension liability		(67,452)
Deferred inflow resources – OPEB		(151,840)
Deferred outflow of resources – OPEB		39,435
Deferred outflow of resources – pension		68,716
Deferred inflow of resources – pension		<u>(31,185)</u>
Net adjustment to decrease fund balance – total government funds to arrive at net position - governmental activities	\$	<u>(738,436)</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between net changes in fund balances, total governmental funds, and changes in net position of governmental activities as reported in the government-wide Statement of Activities. Governmental funds report capital expenditures; however, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. The detail of this difference is as follows:

Capital expenditures	\$ 91,201
Leases executed	110,367
Subscription based IT arrangements executed	10,575
Depreciation/Amortization expense	<u>(56,524)</u>
Net adjustment to increase net changes in fund balances - total government funds to arrive at changes in net position of governmental activities.	<u>\$ 155,619</u>

Another element of that reconciliation states that “The net effect of various transactions (e.g., sales of capital assets).” In the Statement of Activities, only the gain or loss on the disposal of capital assets is reported; however, in the government funds, proceeds from sales increase financial resources. The detail of this difference is as follows:

Depreciated cost of capital assets sold or disposed	\$ <u>804</u>
Net adjustment to decrease net changes in fund balances – total government funds to arrive at changes in net position of governmental activities	<u>\$ 804</u>

Another element of the reconciliation states, “Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this difference are as follows:

Fund Basis	
September 30, 2024 Unavailable Revenue	\$ (865,702)
September 30, 2025 Unavailable Revenue	860,123
September 30, 2025 Deferred Inflows of resources - other	7,675
Statement of Net Position	
September 30, 2024 Deferred Inflows	861,231
September 30, 2025 Deferred Inflows - property tax	(852,830)
September 30, 2025 Deferred Inflows - other	<u>(7,690)</u>
	<u>\$ 2,807</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

Another element of that reconciliation states, “Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.” The details of this difference represent changes in the following:

Compensated absences	\$ 8,190
Workers Compensation	(917)
Pension	21,473
Accrued interest	122
Other post-employment benefits	22,848
Accounts payable and accrued liabilities	(2,000)
Lease obligation	(110,398)
Subscription based IT arrangement obligations	(7,876)
Other current liabilities	<u>(15,845)</u>
Net adjustment to increase net changes in fund balances	<u>\$ (84,403)</u>

Another element of the reconciliation states, “The issuance of long-term debt (e.g., bonds, tax notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities.”

The details of this difference are as follows:

Debt principal repayments	\$ 19,115
Lease principal payments	20,268
Subscription based IT arrangement payments	7,068
Amortization of debt premium	<u>3,581</u>
Net adjustment to decrease net changes in fund balances	<u>\$ 50,032</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

III. DEPOSITS, INVESTMENTS, AND INVESTMENT POLICIES

The County’s investment policies are in accordance with Texas statutes. The policies identify authorized investments, investment terms, collateral requirements, and safekeeping requirements of collateral.

The County’s demand deposits and certificates of deposit are fully collateralized by securities held in the County’s name by third-party financial institutions. The County’s collateral agreements require that the total amount of cash and investments on deposit with its depository financial institutions at all times be collateralized based on par value. The collateral fair value shall be a minimum of 102% of the par value.

The County’s investments are comprised of Federal National Mortgage Association Notes; Federal Home Loan Bank Notes; Federal Home Loan Mortgage Corporation Notes; Federal Farm Credit Bank Notes; Certificates of Deposit; TexPool deposits, and TexPool Prime deposits.

Deposits

At September 30, 2025, the carrying amount of the County’s demand deposits and investments was as follows:

	<u>Governmental Funds</u>	<u>Proprietary Fund</u>	<u>Total</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash ^(a)	\$ 111,411	\$ 5,325	\$ 116,736	\$ 48,785	\$ 165,521
Investments and cash equivalents ^(a)	660,340	5,146	665,486	191,788	857,274
Unrealized loss-investments (fair value adjustment).	<u>(3,386)</u>	<u>(27)</u>	<u>(3,413)</u>	-	<u>(3,413)</u>
Total cash, cash equivalents and investments	<u>\$ 768,365</u>	<u>\$ 10,444</u>	<u>\$ 778,809</u>	<u>\$ 240,573</u>	<u>\$ 1,019,382</u>

(a) The County pools cash, investments, and cash equivalents of certain Governmental and Fiduciary funds.

Custodial Credit Risk – Deposit

In accordance with the Texas Public Funds Collateral Act and County cash management policies, County deposits are either covered by FDIC insurance or collateralized with securities held by the County or the County’s agent in the name of the County.

Custodial Credit Risk – Investments

In accordance with the Texas Public Funds Collateral Act and the County’s formal investment policies, County investments are either insured, registered, or held by the County or the County’s agent in the name of the County.

TexPool and TexPool Prime – Deposits

The State Comptroller of Public Accounts exercises responsibility over TexPool and TexPool Prime (TexPool), the Texas Local Government Investment Pool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other individuals who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES (Continued)

TexPool and TexPool Prime – Deposits (continued)

Currently, TexPool and TexPool Prime are rated AAAm by Standard & Poor’s. As a requirement to maintain the weekly rating, portfolio information must be submitted to Standard & Poor’s, as well as the office of the State Comptroller of Public Accounts for review.

TexPool and TexPool Prime operate in a manner consistent with GASB 79 criteria. TexPool and TexPool Prime are reported at amortized cost and fair value of both pools equals the value of pool shares. The pools are subject to regulatory oversight by the Texas State Comptroller, although they are not registered with the SEC.

TexPool and TexPool Prime invest in obligations of the United States Government, its agencies or instrumentalities, fully collateralized repurchase agreements or reverse repurchase agreements or no-load money market funds that are registered with and regulated by the SEC.

Investments

At September 30, 2025, investments held by the County and Fiduciary funds are carried at fair value, defined as the price at which two willing parties would complete an exchange. Those investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Investments, Cash and Cash Equivalents</u>	<u>Weighted Average Days to Maturity</u>	<u>Weighted Average Stated Interest Rate</u>	<u>Rating</u>
Federal Home Loan Bank Notes	\$ 311,840	31.08%	700	2.67%	Note 1
Federal Home Loan Mortgage Corporation Notes	82,800	8.25	1,434	4.01	Note 1
Federal National Mortgage Association Notes	49,269	4.91	1,471	3.25	Note 1
Federal Farm Credit Bank Notes	166,725	16.62	1,004	3.99	Note 1
Certificates of Deposit	24,650	2.46	893	4.33	
Investments	<u>635,284</u>	<u>63.32</u>	<u>943</u>	<u>3.30</u>	
TexPool Prime Deposits	104,899	10.46	1	4.29	Note 2
TexPool Deposits	113,678	11.33	1	4.18	Note 2
Cash Equivalents	<u>218,577</u>	<u>21.79</u>	<u>1</u>	<u>4.23</u>	
Cash	<u>165,521</u>	<u>14.89</u>	<u>-</u>	<u>-</u>	
Investments, Cash and Cash Equivalents	<u>\$ 1,019,382</u>	<u>100.00%</u>	<u>639</u>	<u>3.54%</u>	

Note 1: Moody’s Investor Services, Standard & Poor’s (S&P) AAA, Fitch AAA. Their investments are recorded at fair value.

Note 2: TexPool Prime Deposits and TexPool Deposits are recorded at amortized cost.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES (continued)

Investments (continued)

On September 30, 2025, the County had the following investments and cash equivalents, and maturities:

	Investment Maturities (in years)					
	Fair Value	Less than 1	1 – 2	2 – 3	3 – 4	4 – 5
U.S. agencies and government sponsored enterprises	\$ 610,634	\$ 165,333	\$ 52,722	\$ 81,013	\$ 185,137	\$ 126,429
Certificates of Deposit	24,650	3,892	4,860	7,834	6,118	1,946
Investment Pools:						
TexPool Prime ⁽¹⁾	104,899	104,899	-	-	-	-
TexPool ⁽¹⁾	113,678	113,678	-	-	-	-
Total investments and cash equivalents	\$ 853,861	\$ 387,802	\$ 57,582	\$ 88,847	\$ 191,255	\$ 128,375

⁽¹⁾ TexPool Prime and TexPool are recorded at amortized cost.

GAAP categorizes financial instruments within three different levels of risk depending upon the measurement of their fair value. The three levels of fair value are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the County can access at the measurement date.
- Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobserved inputs for the asset or liability.

Because the County investments are restricted by policy and State law to active secondary markets, the market approach is used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

Fair value measurements of U.S. Agencies are all Level 2. In accordance with GASB 79, TexPool deposits and TexPool Prime deposits are recorded at amortized cost.

Interest Rate Risk

The County's formal investment policy limits the County's exposure to declines in fair values by limiting to two years the weighted average days to maturity of its entire investment portfolio including uninvested cash and cash equivalents.

The County invests in two external investment pools. Investments held by TexPool Prime and TexPool have 51 and 44 weighted average maturity days, respectively.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES (Continued)

Credit Risk

The County is authorized by statute and depository contract to invest in insured or registered securities including commercial paper and security repurchase agreements. It is the County's policy to limit its investments in these investment types.

The County's formal investment policy permits investment in State and U.S. government obligations and agency securities and investment pools rated AAA or higher. This policy also permits investment in certificates of deposit that are fully collateralized.

Concentration/Diversification of Credit Risk

County investment policy includes various concentration limits as to issues and maturity. These limits apply to securities issued by federal, state, and local governments and related agencies and consider all funds under the County's control. The limit for federal agencies is 80% of the County's investment portfolio. The County has not exceeded this limit as of September 30, 2025.

IV. PROPERTY TAXES AND OTHER RECEIVABLES

Property taxes attach as an enforceable lien on the property as of January 1. Taxes are levied before September 30, become due October 1, and are delinquent after January 31. The County's Tax Office collects property taxes for 89 entities: three county entities, 10 school districts, 24 cities, five flood control districts, and 47 public improvement districts (PIDs) as authorized by V.T.C.A., Tax Code §6.24.

The County continues to collect only delinquent taxes for Dallas County Schools, County Education Districts, Wilmer/Hutchins ISD, two Levee Districts, and two City of Dallas public improvement districts (PIDs).

Property tax levies and collections are reduced by allowable exemptions. Certain exemptions are approved by statute and others are approved by local adoption. Exemptions approved by the County include a general homestead (greater than 20% of the appraised valuation or \$5), over 65 additional homestead exemption of \$100, effective January 1, 2022, and over 65 tax freeze.

Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the Tax Assessor/Collector's Custodial Fund. Tax collections are recorded net of the entities' related collection commission paid to the County in this agency fund according to the levy year for which taxes are collected. Tax collections deposited for the County are distributed every month to the following funds (amounts are for each one hundred dollars of valuation): General (\$0.158213), Debt Service (\$0.007514), Major Projects (\$0.029555), and Major Technology (\$0.018528), Nonmajor Fund - Permanent Improvement (\$0.001690). 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.

County tax abatement programs that reduce property tax revenues induce behavior by individuals and entities beneficial to the County or its citizens. Abatement of taxes may encourage economic development or housing projects or historic preservation projects.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

IV. PROPERTY TAXES AND OTHER RECEIVABLES (Continued)

Tax abatements for FY25 total \$1,284. County abatements are summarized as follows.

Economic development projects:

- 1) Provide development of facility expansion or modernization or new construction or relocation.
- 2) Real property and business personal property taxes are abated through a reduction of assessed values.
- 3) Authority to abate taxes is provided in the State Statutes.
- 4) A criterion to receive abatement includes a time period in which taxable values of properties located within the County increase or full-time permanent jobs increase.
- 5) The abatement amount may range from 40% to 85% of eligible taxable property values.
- 6) In the event of an uncured breach of an abatement, taxes which otherwise would have been paid without the benefit of a tax abatement are due and payable to the County within 60 days.
- 7) The County does not have other commitments for the reduction of taxes.
- 8) In FY25, gross tax revenues abated \$1,000.

Housing projects:

- 1) Provide development of housing projects within a priority area, strategic area, or distressed area of Dallas city's central business district.
- 2) Real property taxes are abated through a reduction of assessed values.
- 3) Authority to abate taxes is provided in the State Statutes.
- 4) Abatement criteria differ depending on the location of a project. Different locations require different amounts of housing units, time, and amount of County tax base increases. New housing units must include affordable housing units of at least 10%.
- 5) The abatement amount may range from 75% to 90% of eligible taxable property values.
- 6) In the event of an uncured breach of an abatement, taxes which otherwise would have been paid without the benefit of a tax abatement are due and payable to the County within 60 days.
- 7) The County does not have other commitments for the reduction of taxes.
- 8) In FY25, gross tax revenues abated \$233.

Historic preservation projects:

- 1) Must utilize a structure that is either listed in the National Register of Historic Places, is eligible for such listing, or is located within a district that is listed in the National Register.
- 2) Real property taxes are abated through a reduction of assessed values.
- 3) Authority to abate taxes is provided in the State Statutes.
- 4) Abatement criteria requires that the project must increase the County's tax base by at least \$2 million within three years of the effective date.
- 5) The abatement amount may range from 50% to 90% of eligible taxable property values.
- 6) In the event of an uncured breach of an abatement, taxes which otherwise would have been paid without the benefit of a tax abatement are due and payable to the County within 60 days.
- 7) The County does not have other commitments for the reduction of taxes.
- 8) In FY25, gross tax revenues abated \$51.

Property tax receivables are affected by participation in several Tax Increment Finance (TIF) Districts. In the fiscal year that ended September 30, 2025, the County either financially participated in or had the authorization to participate in 38 TIF jurisdictions at various percentage participation levels. The 2025 total incremental taxable value prior to participation and new construction after participation increased from the prior year's value.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

IV. PROPERTY TAXES AND OTHER RECEIVABLES (Continued)

The County’s decision to participate is influenced by the level of the proposed development in blighted/distressed areas. The amount is determined by County property taxes levied and collected each tax year on the captured appraised value of real property located in the TIF district. The amount is reduced by the tax increment base for the year in which the TIF was designated, multiplied by the County’s increment provided per agreement. TIF funds are not recognized as County revenue but are used by the TIF district to finance project costs within the district and/or pay bonds or notes issued for the TIF.

Governmental funds report unavailable and unearned revenue in connection with receivables that are not considered available to liquidate liabilities of the current period. Property taxes are an imposed nonexchange revenue. Assets from imposed nonexchange transactions are recorded when the entity has an enforceable legal claim to the asset or when the entity receives resources, whichever comes first. The enforceable legal claim date for property taxes is the assessment date as designated in the enabling legislation. The County has a valid lien on January 1 with property assessed at the tax rate adopted before the fiscal year-end. The County has recorded property taxes receivable including an amount for unavailable revenue as of September 30, 2025.

At the end of the current fiscal year, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

<u>Unavailable and Unearned Arising From</u>	<u>General Fund</u>	<u>Debt Service</u>	<u>Major Projects</u>	<u>Major Grants</u>	<u>American Rescue Plan</u>	<u>Other Nonmajor Governmental</u>	<u>Total</u>
Unavailable and unearned property taxes	\$ 628,938	\$ 26,479	\$ 110,820	\$ -	\$ -	\$ 86,593	\$ 852,830
Unearned revenue – other	-	-	-	10,746	57,517	-	68,263
Unavailable revenue – other	<u>4,340</u>	<u>-</u>	<u>198</u>	<u>-</u>	<u>-</u>	<u>2,755</u>	<u>7,293</u>
Unavailable and unearned – Fund Basis	<u>\$ 633,278</u>	<u>\$ 26,479</u>	<u>\$ 111,018</u>	<u>\$ 10,746</u>	<u>\$ 57,517</u>	<u>\$ 89,348</u>	928,386
Unavailable property taxes							-
OPEB							151,840
Pension							31,185
Deferred inflows - other							7,690
Unavailable							<u>(7,293)</u>
							Deferred inflows and unearned revenue – Government wide <u>\$ 1,111,808</u>

Unavailable means not available to finance expenditures for the current fiscal period. Unearned refers to funds received before the earnings process is completed.

The County is authorized by the tax laws of Texas to levy taxes up to \$0.80 per one hundred dollars of assessed valuation for general governmental services and payment of principal and interest on certain permanent improvement long-term debt. The total tax rate adopted during September for each FY24 and FY25 was \$0.215718 and \$0.215500 per one hundred dollars of assessed value, respectively.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

IV. PROPERTY TAXES AND OTHER RECEIVABLES (Continued)

Receivables as of September 30, 2025, for governmental funds, net of applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Major Projects</u>	<u>Major Grants</u>	<u>Other Non-major Governmental Funds</u>	<u>Total</u>
Receivables:						
Property taxes	\$ 691,542	\$ 29,548	\$ 123,545	\$ -	\$ 94,572	\$ 939,207
Less allowance for uncollectable property taxes	<u>(50,610)</u>	<u>(2,456)</u>	<u>(10,234)</u>	<u>-</u>	<u>(6,476)</u>	<u>(69,776)</u>
Subtotal	<u>640,932</u>	<u>27,092</u>	<u>113,311</u>	<u>-</u>	<u>88,096</u>	<u>869,431</u>
Accounts receivable	150,991	-	-	1,781	329,666	482,438
Less allowance for uncollectable accounts receivable	<u>(144,087)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(326,530)</u>	<u>(470,617)</u>
Subtotal	<u>6,904</u>	<u>-</u>	<u>-</u>	<u>1,781</u>	<u>3,136</u>	<u>11,821</u>
Total net receivables	<u>\$ 647,836</u>	<u>\$ 27,092</u>	<u>\$ 113,311</u>	<u>\$ 1,781</u>	<u>\$ 91,232</u>	<u>\$ 881,252</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

V. CAPITAL ASSETS

Capital assets are recorded at cost or, if donated, at acquisition value at the date of receipt. Depreciation policies were adopted to include useful lives and classification by function. Infrastructure assets are listed at historical cost, but not depreciated as the County elected to use the modified approach. Summary of changes in capital assets is as follows:

	<u>Beginning Balance</u>	<u>Increases / Decreases</u>	<u>Decreases / Transfers</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated or amortized:				
Land	\$ 71,189	\$ -	\$ -	\$ 71,189
Land - Lease Asset	25,927	66,852	-	92,779
Construction-in-progress	138,918	69,766	(72,917)	135,767
Infrastructure	26,671	-	-	26,671
Historical treasures	<u>32,042</u>	<u>-</u>	<u>-</u>	<u>32,042</u>
Total capital assets, not being depreciated or amortized:	<u>294,747</u>	<u>136,618</u>	<u>(72,917)</u>	<u>358,448</u>
Capital assets, being depreciated or amortized:				
Property, plant, equipment:				
Buildings	1,053,455	59,002	-	1,112,457
Machinery and equipment	294,519	35,350	(5,550)	324,319
Lease assets:				
Buildings	119,146	1,636	(1,042)	119,740
Machinery and equipment	107	41,879	-	41,986
Subscription Asset	<u>27,312</u>	<u>10,575</u>	<u>(1,508)</u>	<u>36,379</u>
Total capital assets, being depreciated/amortized:	<u>1,494,539</u>	<u>148,442</u>	<u>(8,100)</u>	<u>1,634,881</u>
Less accumulated depreciation:				
Buildings	(390,527)	(25,207)	-	(415,734)
Machinery and equipment	<u>(172,745)</u>	<u>(15,820)</u>	<u>6,354</u>	<u>(182,211)</u>
Total accumulated depreciation:	<u>(563,272)</u>	<u>(41,027)</u>	<u>6,354</u>	<u>(597,945)</u>
Less accumulated amortization:				
Lease assets:				
Buildings	(12,129)	(4,734)	1,042	(15,821)
Machinery and equipment	(72)	(2,947)	-	(3,019)
Subscription Asset	<u>(7,775)</u>	<u>(7,816)</u>	<u>1,507</u>	<u>(14,084)</u>
Total accumulated amortization	(19,976)	(15,497)	2,549	(32,924)
Total accumulated depreciation and amortization	<u>(583,248)</u>	<u>(56,524)</u>	<u>8,903</u>	<u>(630,869)</u>
Total capital assets, being depreciated and amortized, net	<u>911,291</u>	<u>91,918</u>	<u>803</u>	<u>1,004,012</u>
Governmental activities capital assets, net	<u>\$ 1,206,038</u>	<u>\$ 228,536</u>	<u>\$ (72,114)</u>	<u>\$ 1,362,460</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

V. CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

	<u>Depreciation</u>	<u>Amortization</u>		<u>Total</u>
		<u>Building</u>	<u>Machinery and Equipment</u>	
Governmental activities:				
General Government	\$ 30,118	\$ 4,734	\$ 10,028	\$ 44,880
Judicial	993	-	129	1,122
Public Safety	7,008	-	250	7,258
Highways and Streets	850	-	-	850
Health	694	-	-	694
Education	678	-	-	678
Public Welfare	686	-	356	1,042
Total depreciation and amortization expense:	<u>\$ 41,027</u>	<u>\$ 4,734</u>	<u>\$ 10,763</u>	<u>\$ 56,524</u>

VI. LONG-TERM LIABILITIES

Long-Term Debt

The following are bonded debts outstanding on September 30, 2025.

<u>Description</u>	<u>Interest Rates</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount of Debt</u>	<u>Bonds Outstanding</u>
Combination Tax and Parking Garage Revenue					
Certificates of Obligation Series 2016	3.00 – 5.00	2016	2031	167,900	\$ 67,165
Certificates of Obligation Series 2022	5.00	2022	2042	132,190	112,365
Subtotal					179,530
Premium on Debt – amortized over the life of debt using an effective interest rate.					16,539
Total					<u>\$ 196,069</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VI. LONG-TERM LIABILITIES (Continued)

Significant Debt Covenants

The above long-term obligations are payable and secured by ad valorem taxes required to be deposited in a sinking fund which is sufficient to pay the required debt service. The County is further obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events to the Municipal Securities Rulemaking Board.

Under the terms of the Combination Tax and Parking Garage Revenue Certificates of Obligation Series 2016, the County agreed to pledge \$1 of future net revenues from certain parking facilities. In FY25, net revenue from these parking facilities was approximately \$1,136. In FY25, debt service for these bonds was \$11,195 and \$3,582 for principal and interest, respectively.

Changes in Long-Term Liabilities

Long-term liabilities for the year ended September 30, 2025, were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Funding for Liquidation</u>
Governmental Activities:						
Bonds and Certificates of Obligation	\$ 218,765	\$ -	\$ (22,696)	\$ 196,069	\$ 17,800	a
Lease Liability	95,630	110,398	(20,268)	185,760	21,670	b,c
Subscription Based IT Arrangements	7,882	7,876	(7,068)	8,690	3,295	c
Other Post Employment Benefits	169,873	31,244	(62,140)	138,977	6,975	c
Claims and Judgments	2,000	5,157	(3,157)	4,000	3,000	c
Compensated Absences	52,734	40,685	(48,878)	44,541	36,677	c
Net Pension Liability/(Asset)	156,784	311,020	(400,352)	67,452	-	c
Workers' Compensation	3,730	3,834	(2,917)	4,647	4,152	c
	<u>\$ 707,398</u>	<u>\$ 510,214</u>	<u>\$ (567,476)</u>	<u>\$ 650,136</u>	<u>\$ 93,569</u>	

Funding for liquidation: a=Debt Service Fund: b=Major Projects Fund: c=General Fund

Note: Changes in estimates of workers' compensation are indirect costs charged to the General Government in the Statement of Activities and may not be reasonably allocated as a direct expense to other functions/programs in the Statement of Activities. Other postemployment benefits are charged to General Government functions/programs in the Statement of Activities as these benefits are considered direct costs of the general government.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VI. LONG-TERM LIABILITIES (Continued)

Contractual Maturities

The annual debt service for bonded debt is as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 17,800	\$ 8,641
2027	17,805	7,751
2028	17,805	6,860
2029	17,805	5,970
2030	17,805	5,080
2031-2035	44,245	16,860
2036-2040	33,050	8,261
2041-2043	13,215	991
Subtotal	179,530	60,414
Premium on debt	16,539	-
Total	<u>\$ 196,069</u>	<u>\$ 60,414</u>

The Debt Service Fund has \$27,219 available to service bonded debt retirements.

VII. INTERFUND RECEIVABLES AND PAYABLE BALANCES AND TRANSFERS

The composition of interfund balances as of September 30, 2025, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Explanation</u>
General	Major Grants	\$ 12,823	Short-term loan
General	Internal Service	20	Payment Correction
Major Grants	General	2,551	Short-term loan
Major Grants	Major Projects	9	Short-term loan
Major Grants	Other-Non Major	725	Short-term loan
Other-Non Major	General	69	Short-term loan
Internal Service	General	5,679	Payable for Insurance liabilities
Internal Service	Other-Non Major	1,079	Payable for Insurance liabilities
Total		<u>\$ 22,955</u>	

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VII. INTERFUND RECEIVABLES AND PAYABLE BALANCES AND TRANSFERS (Continued)

The Internal Service Fund receivable from General and Other Non-major Governmental relates to health insurance liabilities expected to be funded in FY25.

<u>Transfer Out:</u>	<u>Transfer In:</u>					
	General	Major Projects	Major Grants	Other Nonmajor Governmental Funds		Total
General	\$ -	\$ -	\$ 5,134	\$ 3,794		\$ 8,928
Major Projects	17,000	-	-	5,500		22,500
Major Grants	2,195	-	-	-		2,195
American Rescue Plan	1,200	-	-	-		1,200
Other Nonmajor	10,241	835	-	4,500		15,576
Total	<u>\$ 30,636</u>	<u>\$ 835</u>	<u>\$ 5,134</u>	<u>\$ 13,794</u>		<u>\$ 50,399</u>

Transfers from Other Non-major Governmental Funds to the General and Major Projects Funds were mainly from Road and Bridge, Records Management, Local Government, and Technology Funds, which transferred a total of \$15,576. Transfers from the Road and Bridge fund were primarily from vehicle registration fees, criminal fines, and forfeitures, and were for various transportation-related projects. Transfers from Local Government fund to Major Projects were for costs related to court construction. General Fund, Major Technology, and Permanent Improvement transfers from Major Projects were for an adjustment of the funds unassigned/committed reserves.

A condition of certain Major Grants and Academy for Academic Excellence grants requires the County to provide matching funds to obtain grant funding. In FY25, the General Fund provided matching funds aggregating \$8,928. The majority of these transfers were for health, juvenile, education and law enforcement grants.

In accordance with terms and restrictions of the American Rescue Plan Act, the ARPA fund transferred funds not subject to program restrictions to the General Fund in the amount of \$1,200.

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Approximately 10.7% of the \$95,994 balance in accounts payable and accrued liabilities at September 30, 2025, represents accrued payroll liabilities with the balance payable to vendors or contractors.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS

Primary Government

(a) Retirement Plan Description

Texas County and District Retirement System. The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional agent multiemployer defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiemployer public employee retirement system consisting of nearly 890 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report on a calendar year basis, which is available online at www.tcdrs.org or upon written request from the Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The governing body of the employer adopts the plan provisions within options available in Texas state statutes (TCDRS Act) governing TCDRS. Members employed by the County are vested and may retire at age 60 and above with 10 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 combined 10 years of employment with any organization(s) with an accredited plan (not just the County) 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 an employee’s accumulated contributions and employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

On December 31, 2024, the following inactive or active County employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	834
Inactive employees entitled but not yet receiving benefits	-
Active employees	6,451
Total	7,285

(b) Funding Policy

The County has chosen a fixed rate plan under the provisions of the TCDRS Act. County employees with 1,000 or more hours of service a year are members of the plan. The plan is funded by biweekly contributions from both the County and its employees based on the covered payroll of employee members. Regulated by the TCDRS Act, the previously required 12.91% contribution rate by the County (effective January 1, 2024) increased to 13.05% January 1, 2025, is a fixed percentage adopted by the Commissioners Court matched by a 7% contribution rate payable by employee members. The financing objective for the plan is to provide benefits for the employee members that can be adequately financed by a fixed employer contribution rate that remains level as a percentage of covered payroll. Employee and County contribution rates may be changed by the Commissioners Court with options available in the TCDRS Act. If a plan has had an adverse experience, the TCDRS Act provisions allow an employer to contribute a fixed supplemental contribution rate determined by the TCDRS actuary above the regular rate for 30 years, or to reduce benefits earned in the future.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

(c) Net Pension Liability

The County's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age (level percent of Pay) ⁽¹⁾
Amortization Method	Straight-Line amortization over Expected Working Life
Recognition of economic / demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	5 years
Smoothing period	Non-asymptotic
Recognition method	None
Corridor	2.50%
Inflation	4.70%
Salary Increases	The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.
Investment Rate of Return	7.60% (Gross of administrative expenses.)
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Dallas County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for Males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for Males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for Males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

(1) Individual entry age cost method, as required by GASB 68, used for GASB calculations. Note that a slightly different version of the entry age cost method is used for the funding actuarial valuation

Long-term expected rate of return. The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The amounts are based on January 2025 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is reassessed in detail at a minimum of every four years, and is set based on a long-term horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with relevant actuarial standards of practice. Milliman, TCDRS' actuarial

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

(c) Net Pension Liability (continued)

consultant, relies on the expertise of Cliffwater LLC in the assessment of the long-term expected rate of return. TCDRS may be contacted at TCDRS.org for more details.

<u>Asset Class</u>	<u>Bench Mark</u>	<u>Target Allocation⁽¹⁾</u>	<u>Geometric Real Rate of Return⁽²⁾</u>
U.S. Equities	Dow Jones U.S. Total Stock Market Index	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.15%
International Equities - Developed Markets	MSCI World Ex USA (net) Index	6.00%	4.75%
International Equities - Emerging Markets	MSCI Emerging Markets (net) Index	0.00%	4.75%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.70%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	6.80%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.95%
Master Limited - Partnerships	Alerian MLP Index	2.00%	4.95%
Commodities	Bloomberg Commodities Index	2.00%	1.00%
Private Real Estate - Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.00%	8.15%
Hedge Funds	HFR, Inc. Fund of Funds Composite Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%

⁽¹⁾ Target asset allocation adopted at the March 2025 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.35%, per Cliffwater LLC's 2025 capital market assumptions.

⁽³⁾ Includes vintage years 2005 – present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2007 – present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2006 – present of Quarter Pooled Horizon IRRs.

Discount rate. The discount rate used to measure the total pension liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

(c) Net Pension Liability (continued)

Discount rate ⁽¹⁾	7.60%
Long-term expected rate of return, net if investment expense ⁽¹⁾	7.60%
Municipal bond rate ⁽²⁾	Does not apply

⁽¹⁾ This rate reflects the long-term rate of return funding valuation assumption of 7.50%, plus a 0.10% adjustment to be gross of administrative expenses as required by GASB 68.

⁽²⁾ The Plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return and the municipal bond rate does not apply.

The beginning balance of \$156,784 and ending balance of \$67,452 represent a decrease in net pension liability of \$89,332 as described below.

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balance as of December 31, 2023	\$ 2,965,799	\$ 2,809,015	\$ 156,784
Changes for the year:			
Service cost	67,957	-	67,957
Interest on total pension liability ⁽¹⁾	231,811	-	231,811
Effect of plan changes ⁽²⁾	-	-	-
Effect of economic/demographic gains or losses	7,778	-	7,778
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(7,581)	(7,581)	-
Benefit payments	(147,711)	(147,711)	-
Administrative expenses	-	(1,707)	1,707
Member contributions	-	37,459	(37,459)
Net investment gain	-	293,948	(293,948)
Employer contributions	-	68,945	(68,945)
Other ⁽³⁾	-	(1,767)	1,767
Balance as of December 31, 2024	<u>\$ 3,118,053</u>	<u>\$ 3,050,601</u>	<u>\$ 67,452</u>

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) No plan changes.

(3) Relates to allocation of system-wide items.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

(c) Net Pension Liability (continued)

Sensitivity analysis. The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the County net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 3,635,582	\$ 3,118,053	\$ 2,854,940
Fiduciary net position	3,050,599	3,050,601	3,050,599
Net pension (asset)/liability	\$ <u>584,983</u>	\$ <u>67,452</u>	\$ <u>(195,659)</u>

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the Required Supplementary Information.

(d) Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

For the year ended September 30, 2025, the County recognized pension expense of \$51,292.

Pension Expense / (Income)	<u>January 1, 2024, to December 31, 2024</u>
Service cost	\$ 67,957
Interest on total pension liability	231,811
Administrative expenses	1,707
Member contributions	(37,459)
Expected investment return (net of investment expenses)	(217,983)
Recognition of deferred inflow/outflow of resources	
Economic/demographic or loss	8,305
Assumption changes or inputs	29,934
Investment gain or loss	(34,747)
Other	<u>1,767</u>
Pension expense	<u>\$ 51,292</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

(d) Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (continued)

As of September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Inflows / Outflows of Resources

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,753
Changes of assumptions	-	-
Net difference between projected and actual earnings	31,185	-
Contributions made subsequent to measurement date ⁽¹⁾	-	57,963
	\$ 31,185	\$ 68,716

(1) Amounts will be recognized as reduction of the Net Pension liability in FY25.

Deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense (income) as follows:

Year ending December 31,	Amount
2025	\$ (18,325)
2026	44,585
2027	(31,500)
2028	(15,193)
	\$ (20,433)

(e) Payable to the Pension Plan

At September 30, 2025, the County reported a payable of \$3,713 for the outstanding amount of contributions to the pension plan required for the year ended September 30, 2025.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The County has established a custodial legal trust arrangement with an investment company that administers the plan. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the employees. Accordingly, the amounts deferred are not included in the County's financial statements.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

Public Agency Retirement Services

County employees with less than 1,000 hours of annual service are required to participate in the Public Agency Retirement Services Plan (PARS), as an alternative to participation in Social Security. PARS is a 457 Deferred Compensation Plan administered by Phase II Systems, a California corporation. Employee and County contributions are fixed as a percentage of an employee’s salary, which percentages are 6.2% and 1.3%, respectively. In FY25, employee and County contributions were \$763 and \$160, respectively. The County Treasurer administers the investment policy for employee and County contributions.

General Information County OPEB Plan

Plan description. The County’s group medical plans (Plan) are administered through the Public Employee Benefits Cooperative. The Plan is a single employer-defined benefit healthcare plan funded on a pay-as-you-go basis. OPEB includes health insurance and Medicare supplements.

Benefits provided. The County is not required by State law or contractual agreement to provide funding for OPEB. However, the County allows retirees and dependents to continue currently selected health, dental, and other insurance benefits upon retirement. An employee must be eligible for retirement with a minimum of 10 years of service credit within the County for insurance eligibility.

The County does not maintain a trust to pay for future OPEB expenses. However, the County annually budgets amounts necessary to cover the pay-as-you-go costs of benefits to retirees and eligible beneficiaries and their dependents. Contribution, adjustment, or elimination of the contribution and adjustments to OPEB eligibility are subject to Commissioners Court’s annual budgetary discretion.

For the year ended September 30, 2025, County contributions exceeded retiree contributions by \$6,975 for the Plan. Retiree Plan members receiving benefits contributed \$4,978 or approximately 29.40% of the total cost through their required contributions. No assets are accumulated in a trust that meets the criteria of GAAP.

Employees are covered by benefit terms. On September 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	834
Active employees	6,451
Total	7,285

Total OPEB Liability

The County’s total OPEB liability of \$138,977 was measured as of September 30, 2024, and was determined by an actuarial valuation as of that date.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

Total OPEB Liability (continued)

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50%
Salary increases	3.41% ¹ to 8.41% ¹
Discount rate	3.81%
Healthcare cost trend rates	8.00% for FY25 decreasing 0.50% per year to an ultimate rate of 4.50% for FY32 and later years
Medicare cost trend rates	8.00% for FY25 decreasing 0.50% per year to an ultimate rate of 4.50% for FY32 and later years
Retirees' share of benefit-related costs	50.00% of projected health insurance premiums for retirees

1- Includes 3% assumed wage inflation.

The discount rate was based on 20-year, tax-exempt general obligation bonds with an average rating of AA/Aa or higher or equivalent quality on another rating scale. This rate was obtained based on the Bond Buyer 20-Bond-Go Index as reported in the Bond Buyer.

Mortality rates were based on the Pub-2010 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2021.

Changes in the Total OPEB Liability

	Total OPEB Liability 2025
Total OPEB Liability - Start of Year	\$ <u>169,873</u> ¹
Changes for the year:	
Service cost	9,759
Interest	7,209
Changes of benefit terms	-
Differences between expected and actual experience	14,276
Changes in assumptions or other inputs	(55,423)
Other changes, separately identified if significant	-
Benefit payments	(6,717)
Administrative expense	-
Net change in total OPEB Liability	<u>(30,896)</u>
Total OPEB Liability - End of Year	\$ <u><u>138,977</u></u> ²
Covered employee payroll	\$ <u><u>472,869</u></u>
Total OPEB liability as a percent of covered employee payroll	<u><u>29.39%</u></u>

1 – Information for the fiscal year ending September 30, 2024 was taken as of the measurement date of September 30, 2023 based on an actuarial valuation as of September 30, 2022 rolled forward twelve months as permitted by Paragraph Nos. 146 and 147 of GASB No. 75.

2 – Information for the fiscal year ending September 30, 2025 was taken as of the measurement date of September 30, 2024 based on an actuarial valuation as of that same date as permitted by Paragraph Nos. 146 and 147 of GASB No. 75.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

Total OPEB Liability (continued)

Sensitivity of total OPEB liability changes in the discount rate. The following presents the total OPEB sensitivity of the total OPEB liability to changes in the discount rate. The following present the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.81%) or 1% higher (4.81%) than the discount rate:

	1% Decrease 2.81%	Discount Rate 3.81%	1% Increase 4.81%
Total OPEB liability	\$ 159,817	\$ 138,977	\$ 121,881

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 % lower (7.00%) or 1% higher (9.00%) than the current healthcare cost trend rates:

	1% Decrease 7.00%	Healthcare Cost Trend Rate 8.00%	1% Increase 9.00%
Total OPEB liability	\$ 119,056	\$ 138,977	\$ 164,351

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2025, the County recognized OPEB expense (income) of (\$16,955).

OPEB Expense(Income)

Service cost	\$ 9,759
Interest cost	7,210
Assumption changes and other inputs*	(12,277)
Difference between expected and actual experience	(21,647)
OPEB income	\$ (16,955)

* Per paragraph No. 157.a. of GASB No. 75, amortized over a straight-line closed period equal to the average remaining service period for all employees (active and inactive) who are provided with benefits through the OPEB plan determined as of the beginning of the measurement period. For the detailed calculation of this amount, see the Schedule of Changes in Assumptions or Other Inputs in Appendix A.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

VIII. RETIREMENT COMMITMENTS (Continued)

Total OPEB Liability (continued)

On September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions after measurement date	\$ 6,975	\$ -
Assumption changes or other inputs	19,923	98,745
Difference between expected and actual experience	12,537	53,095
Total	\$ 39,435	\$ 151,840

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (income) as follows:

Year Ending September 30,	Amount
2025	\$ (33,924)
2026	(21,559)
2027	(20,031)
2028	(18,314)
2029	(12,738)
Thereafter	(12,814)
Total	\$ (119,380)

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

IX. LEASES

Lease Liabilities

The County has entered into various leases as a lessee. These leases vary in the nature, substance, terms and conditions dependent upon the asset being leased. Examples of assets leased includes office space, clinics, office equipment, and land for government centers. Beginning FY22 leases are presented in the financial statements and accompanying footnotes in accordance with GASB 87. GASB 87 requires leases be categorized as either short-term (12 months or less in length, including renewal options) or long-term. In determining future minimum lease payments and receipts, the County includes the right to extend option terms in the non-cancelable lease term. Short-term lease transactions are reflected in the government-wide and fund financial statements. There were no payments for residual value guarantees or termination penalties during the reporting period.

The following is a schedule of future minimum lease payments for lease liabilities as of September 30, 2025:

Year ending September 30,	Principal	Interest	Total
2026	\$ 21,670	\$ 4,030	\$ 25,700
2027	24,846	3,128	27,974
2028	22,744	2,207	24,951
2029	15,178	1,612	16,790
2030	14,647	1,268	15,915
2031-2035	44,086	3,742	47,828
2036-2041	42,589	975	43,564
Total	<u>\$ 185,760</u>	<u>\$ 16,962</u>	<u>\$ 202,722</u>

The following is a schedule of right-to-use lease assets by major classes at September 30, 2025:

Lease assets	Amount
Land	\$ 92,779
Buildings	119,740
Machinery and equipment	41,986
Subtotal	<u>254,505</u>
Less: accumulated amortization	<u>(18,840)</u>
Total	<u>\$ 235,665</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

IX. LEASES (Continued)

Lease Receivables

As lessor, the County leases land, office space, and parking space. Future minimum rental payments to be received under non-cancelable leases are as follows:

Year ending September 30,	Principal	Interest	Total
2026	\$ 464	\$ 227	\$ 691
2027	479	214	693
2028	470	200	670
2029	483	186	669
2030	503	172	675
2031-2035	1,813	655	2,468
2036-2041	3,304	5,803	9,107
Total	<u>\$ 7,516</u>	<u>\$ 7,457</u>	<u>\$ 14,973</u>

For the year ended September 30, 2025, the County received \$618 of lease payments and \$242 of interest income.

X. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

SBITA Lease Liabilities

The County has entered into various Subscription Based Information Technology Arrangements (SBITAs) as a lessee. These leases are for software as a service, platform as a service or infrastructure as a service and vary in terms and conditions. Beginning with FY23, SBITA leases are presented in the financial statements and accompanying footnotes in accordance with GASB 96. GASB 96 requires that SBITA leases be categorized as either short-term (12 months or less in length, including options) or long-term. In determining the future minimum subscription lease payments, the County will include the right to extend option terms in the non-cancelable lease term if it is reasonably certain that the option will be exercised. Variable payments based on a per seat subscription or based on transaction volumes are not included in the measurement of the subscription liability. Short-term lease financial transactions are reflected in the government-wide Statement of Activities and in the fund financial statements. There were no payments for termination penalties during the reporting period.

The following is a schedule of future minimum lease payments for the SBITA lease liabilities as of September 30, 2025:

Year ending September 30,	Principal	Interest	Total
2026	3,295	199	3,494
2027	3,069	121	3,190
2028	1,458	42	1,500
2029	868	7	875
Total	<u>\$ 8,690</u>	<u>\$ 369</u>	<u>\$ 9,059</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

X. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

The following is a schedule of the right-to-use (RTU) assets and accumulated amortization for subscription leases at September 30, 2025:

Lease assets	Amount
Subscription asset	\$ 36,379
Less: accumulated amortization	(14,084)
Total	\$ 22,295

XI. RISK MANAGEMENT

The County has elected to self-insure against risks arising from tort claims, employee group medical insurance benefits, workers' compensation benefits due to 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 offices of County Tax Assessor-Collector and the County Treasurer), and any other claims asserted by employees and/or third parties against the County arising out of the normal conduct of County business. The County has chosen to be a reimbursing employer under the unemployment compensation program administered by the Texas Workforce Commission.

The County purchased third-party vehicle insurance for Auto Theft Task Force grants. Specific insurance is purchased to mitigate certain risks, including cyber coverage. Property insurance deductible limits include buildings at \$1,000, terrorism at \$1,000, boiler and machinery at \$100, and cyber insurance at \$1,000. The current premium is \$3,881.

The County's workers' compensation self-insurance program provides medical and indemnity payments as required by law for on-the-job related injuries. The liability is recognized in the Internal Service Fund. The third-party administrator for the program monitors the filing of claims, verifies the legitimacy, and processes payments to injured employees.

The Internal Service Fund was also established to account for the County's group medical insurance program. The County self-insures benefits through this fund, utilizing its third-party benefits administrator. The County pays certain amounts of premiums for employees into the Internal Service Fund or to a third party, and allows employees to select additional benefits with premiums paid by the employees.

Premiums are paid into the Internal Service Fund by all other governmental funds for medical insurance programs. Contracted insurance providers receive disbursements based on monthly enrollment and premium calculations. Funds are available to pay claims, claim reserves, and administrative costs of the programs. Liabilities include an amount for claims or judgments that have been incurred but not reported. Liabilities of each fund are reported when it is probable that a loss or claim has occurred and the amount of the loss or claim is known or can be reasonably estimated. The County has specific deductible stop loss coverage of \$600 for the fiscal year ending September 30, 2025. The County has not recently experienced any losses which exceeded stop-loss coverage.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XI. RISK MANAGEMENT (Continued)

Changes in the medical and workers' compensation claim liability amounts in FY24 and FY25 follow:

	<u>Beginning Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Ending Liability</u>
2024 Medical	\$ 7,892	\$ 101,382	\$ 96,771	\$ 12,503
2025 Medical	12,503	86,706	91,028	8,181
2024 Workers' compensation	2,660	3,619	2,549	3,730
2025 Workers' compensation	3,730	3,834	2,917	4,647

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XII. COMMITMENTS AND CONTINGENCIES

Several lawsuits that could affect the County’s financial position are in various stages of litigation. An estimated liability of \$4,000 has been established in the government-wide Statement of Net Position to provide coverage for the estimated maximum cost to the County. Lawsuits settled in the fiscal year totaled \$3,157. Most were settled for property damages. There are other outstanding lawsuits and claims in which the County is involved. Based upon the representations of the District Attorney and legal counsel 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 or operations of the County.

The County has encumbrances for the following purposes at September 30, 2025.

General Fund	
Public welfare contracts	\$ 502
Professional services	11,722
Equipment	6,823
Maintenance and supplies	4,074
Computer software	60
Building maintenance and supplies	529
Rental contracts	165
Other	<u>378</u>
	<u>\$ 24,253</u>
Major Projects Fund	
Thoroughfares and trails	\$ 18,408
Public works projects - local cities	81,325
Buildings and Improvements	1,219
Professional services	19,465
Equipment	195
Building maintenance and supplies	1
Maintenance and supplies	3,034
Computer software	127
Rental Contracts	8
Leases	658
Other	<u>22</u>
	<u>\$ 124,462</u>
Major Grants	
Professional services	\$ 3,321
Equipment	15
Rental contracts	114
Maintenance and supplies	78
Building maintenance and supplies	1
Other	<u>591</u>
	<u>\$ 4,120</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XII. COMMITMENTS AND CONTINGENCIES (Continued)

Nonmajor Governmental Funds	
Special Revenue Funds	
Maintenance and supplies	\$ 3,607
Buildings and improvements	597
Building maintenance and supplies	6
Thoroughfares and trails	-
Professional services	19,931
Repairs	6
Bridge repairs	9
Rental contracts	506
Computer software	995
Equipment	5,983
Other	<u>3,789</u>
Total	<u>\$ 35,429</u>
Capital Projects	\$ 1,448

XIII. DALLAS COUNTY HOSPITAL DISTRICT

Organization

The Dallas County Hospital District, dba Parkland Health (Parkland), is a political subdivision of the State and is a discretely presented component unit of the County. The components of Parkland are Parkland Health (Hospital); Parkland Community Health Plan, Inc. (Health Plan); Parkland Foundation (Foundation); and Parkland Center for Clinical Innovation (PCCI). As an essential government function of the County, Parkland is generally exempt from federal income taxes under Section 115 of the Internal Revenue Code (Code). However, Parkland is subject to federal income tax on any unrelated business taxable income. Parkland also holds dual status as a 501(c)(3) organization. During 2025 and 2024, all income was related to essential government functions. Parkland, PCCI, and Foundation have fiscal years ending September 30. The Health Plan’s fiscal year ends on December 31. As an essential government function of the County, the Hospital is under the direction of an eleven-member Board of Managers, ten are appointed by the Commissioners Court and one is appointed at large. Although the Commissioners Court approves the Hospital’s budget, sets its tax rate, and approves major contracts, the Hospital is an organization separate from the County. These factors dictate the inclusion of these entities in the County’s financial statements. According to the Texas Constitution, the Hospital, not the County, is responsible for the Hospital’s ongoing debt payments regardless of any future financial/economical events. Only the dissolution of the Hospital’s taxing authority by a vote of the County’s voters would terminate the Hospital’s responsibility to provide health care to its indigent eligible residents. The Hospital also has a separate constitutional tax limitation, independent power of an eminent domain, and individual right of ownership of property. The financial data of Dallas County Hospital District is presented separately to emphasize that it is legally separate from the County.

Parkland operates 744 inpatient beds, 96 neonatal beds, numerous outpatient clinics, and an emergency department. Parkland also operates Community Oriented Primary Care clinics and Acute Response Clinics in the community. Additionally, Parkland serves as the major teaching hospital for the UT Southwestern Medical Center at Dallas (UT Southwestern) in accordance with an affiliation agreement effective September 1, 2006.

Parkland also manages the County’s jail health system. The County’s jail is the ninth largest jail in the nation with an average population of 6,734 inmates in 2025.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Organization (continued)

Parkland acquired the licenses and operations of 12 nursing homes in February 2015, 17 nursing homes in April 2018, and seven nursing homes in September 2019. One home exited the program in September 2019. Two additional nursing homes were acquired effective May 1, 2020, and one additional nursing home was acquired in June 2025. The arrangement improves the continuity of care for Parkland's patients by allowing Parkland to track their nursing home care. The arrangement also gives uninsured patients easier access to nursing home beds, rather than extended stays at Parkland. Each nursing home is eligible to receive supplemental Medicaid funding with Parkland holding the operating licenses. The Texas Legislature approved the collaboration between nursing homes and public hospitals in 2013 as the State shifted its Medicaid nursing home program into managed care.

The members of the Parkland's Board of Managers (Board) are appointed by the County Commissioners Court. County taxpayers provide ad valorem tax revenues to Parkland, but the County does not hold title to any of the Parkland's assets and does not have any rights to Parkland's surpluses. The County Commissioners Court approves Parkland's tax rate and annual budget.

The Foundation is a nonprofit corporation organized in Texas in 1985, to support and benefit Parkland exclusively. It is an organization as described in Section 501(c) (3) of the Code. The Foundation's mission is to secure substantial financial resources that advance the clinical, educational, and research endeavors of Parkland. Because these resources can only be used by, or for the benefit of Parkland, the Foundation is considered a component unit of Parkland. In addition, because Parkland is entitled to these economic resources and they are significant to Parkland, the Foundation is discretely presented in Parkland's financial statements. Financial statements for the Foundation can be obtained from the Parkland Foundation, 1341 W. Mockingbird Suite 1100E, Dallas, TX 75247. Attn: President and Chief Executive Officer.

The Health Plan is a nonprofit corporation organized in Texas in 1995 and is reported as a component unit of Parkland because its Board of Directors is appointed by Parkland's Board and Parkland can impose its will on the Health Plan. It is discretely presented because its board is not substantively the same as Parkland's board, it does not provide services entirely, or almost entirely, for the benefit of Parkland, nor does it have any outstanding debt that is expected to be repaid by Parkland. It is an organization as described in Section 501(c) (4) of the Code. The Health Plan participates in the Texas Medicaid Managed Care Programs including the State of Texas Access Reform (STAR) program and the Children's Health Insurance Program (CHIP). These two programs comprised approximately 97% of premium revenue for the Health Plan for the years ended December 31, 2024 and 2023. All income of the Health Plan was related business income. Financial statements for the Health Plan can be obtained from Parkland Community Health Plan, 1341 W. Mockingbird, Suite 1150E, Dallas, TX 75247, Attn: Executive Director.

PCCI is a nonprofit research and development corporation organized in Texas in 2012. It is an organization as described in Section 501 (c) (3) of the Code. PCCI is included in Parkland's financial statements because its Board of Directors is appointed by Parkland's Board and Parkland can impose its will on PCCI. It does not provide services entirely, or almost entirely, for the benefit of Parkland, nor does it have any outstanding debt that is expected to be repaid by Parkland. Financial statements for PCCI can be obtained from Parkland Center for Clinical Innovation, 8435 N. Stemmons Freeway, Suite 1150, Dallas, TX 75247. Attn: Director of Finance.

Parkland maintains the Dallas County Hospital District Retirement Income Plan (Plan), a single- employer defined benefit pension plan. The Plan is administered by Parkland and is fiscally dependent on Parkland. The Plan is reported as a fiduciary fund in Parkland's statements and has a December 31, fiscal year end. For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Organization (continued)

and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For these purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value or amortized cost. Separate financial statements of the Plan are available at www.ParklandHospital.com.

Principles of Reporting

Parkland's financial statements include the accounts of Parkland, Health Plan, Foundation, and PCCI, as described above. In accordance with GASB Statement No. 84, the assets and net position of the Plan are presented separately from those of Parkland. The Plan is used to account for assets held in trust for the benefit of the employees of Parkland and its components for the defined benefit pension plan. The financial statements of the Plan are prepared using the accrual basis of accounting. Employer contributions to the Plan are recognized when due. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Unless otherwise noted, the following footnotes do not include the Foundation, Health Plan, PCCI, or Plan.

Significant Accounting Policies

Net position is classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets and lease assets, and subscription assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any subscription liabilities, bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Unspent related debt proceeds are excluded from the calculation of net investment in capital assets.

Restricted – This component of net position consists of those assets whose use is restricted through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or laws through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of those assets that do not meet the definition of restricted or net investment in capital assets.

Parkland uses the accrual method of accounting, whereby revenues are recognized in the accounting period when services are rendered and expenses are recognized when incurred.

Parkland is considered a governmental organization and is subject to the pronouncements of the Governmental Accounting Standards Board (GASB).

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Statement of Activities

For purposes of financial statement presentation, charges for services include those generated from direct patient care and related support services. General revenues consist of those revenues that are related to property taxes, grants and contributions not restricted to specific programs, financing, and investing types of activities and result from non-exchange transactions or investment income. When an expenditure is incurred for the purposes for which there are both restricted and unrestricted net positions available, it is Parkland's policy to apply those expenditures to restricted net position, to the extent that such are available, and then to the unrestricted net position.

Uses of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred inflows and outflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments

Parkland 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 (TexPool), which is a local government investment pool sponsored by the Texas Comptroller of Public Accounts and managed by Federated Investors. Additional cash and cash equivalents are kept in AAA-rated Securities and Exchange Commission-registered money market mutual funds. All Parkland demand deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities pledged to Parkland and held in safekeeping at a third-party bank on behalf of Parkland's depository institution.

Statutes give Parkland the authority to invest in obligations of the United States, as well as direct obligations of the State and other obligations guaranteed or insured by the State or the United States. The following investments are also acceptable: obligations of states, agencies, counties, or cities of any state that have been rated not less than A or its equivalent by a nationally recognized ratings firm, and certificates of deposit guaranteed, insured, or secured by approved investments. Other authorized investments include prime commercial paper; Securities and Exchange Commission registered, no-load money market mutual funds whose assets consist exclusively of approved investments; and approved local government investment pools.

Investments (including those in assets limited to use) on September 30, 2025, are reported at fair value based on quoted market prices with realized and unrealized gains and losses included in investment earnings in the Statement of Activities. TexPool investments are stated at cost. Obligations of the United States government with maturity dates in excess of one year that are not expected to be traded within one year are reported as long-term investments in the accompanying Statement of Net Position.

Receivables and Payables

The carrying amount of receivables and payables are reported in the Statement of Net Position at approximate fair value due to the short maturity of these instruments. Lease receivables are initially measured at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectable amounts.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Inventories

Inventories are stated at the lower of cost (determined on an average cost basis) or market.

Capital Assets

Capital assets are recorded at cost or, if donated, acquisition value at the date of receipt. Costs of major renewals and betterments that extend useful lives are capitalized, while maintenance and repairs are charged to current operations. Assets with a purchase price of \$5 or more are capitalized and assets with a purchase price of less than \$5 are expensed. Disposals are removed at carrying cost, less accumulated depreciation, and amortization, with any resulting gain or loss included in either General Revenues or Expenses in the Statement of Activities.

Depreciation and amortization are recorded on the straight-line method over the estimated useful lives of the assets. Estimated useful lives for buildings and land improvements are 10 to 40 years and for equipment three to 20 years.

Parkland evaluates long-lived assets regularly for impairment under the provision of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* (GASB 42). If circumstances suggest that assets may be impaired, an assessment of recoverability is performed prior to any write-down of assets. If an asset's estimated fair value is below its carrying value an impairment is recorded. There was no impairment recognized in 2025. Parkland expensed demolition costs of approximately \$38,000 in 2025 for the disposal of the old Parkland building.

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Parkland only recognizes lease assets related to lease arrangements with more than \$5 of payments over the lease term.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Assets Limited as to Use

Resources are also set aside for Board designated purposes or self-insurance arrangements. It has been the general practice of Parkland, due to the timing of cash flows, to temporarily use Board designated funds to fund operating activities.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

Parkland reports the consumption of net position and the acquisition of net position that is attributable to future reporting periods as deferred outflows of resources and deferred inflows of resources, respectively, in a separate section of its Statement of Net Position.

Uncompensated Care

Parkland provides services to uninsured patients who qualify for tax-supported care. The program is called Parkland Financial Assistance and is designed for County indigent patients with family incomes up to 250% of the federal poverty level and no third-party coverage, such as Medicaid, Medicare, or commercial insurance.

Parkland recognized ad valorem tax revenues of approximately \$863,200 in 2025, to fund services for qualified patients and debt service obligations.

Parkland also provides services to patients who are County residents and have incomes that exceed the limit for tax-supported health care or whose income cannot be determined. Although these patients are uninsured, they do not qualify for tax-supported health care and are classified as self-pay. Certain of these patients are medically indigent. Additionally, certain of these patients have limited financial resources and are unable to pay for the services received, while others may be able to pay for some or all services received but are unwilling to do so.

Management estimates the cost of uncompensated health care by applying a ratio of overall costs to gross charges, applied to the gross uncompensated charges, which includes services provided to Medicaid beneficiaries, the uninsured, and patients enrolled in other indigent programs. During the year ended September 30, 2025, the estimated cost of uncompensated care is approximately \$1,415,000 of which approximately \$1,000,000 was charity care.

Ad Valorem Taxes

Parkland received approximately 23% of its total revenues from ad valorem taxes in 2025. Parkland's ad valorem taxes receivable is net of an allowance for uncollectible taxes of \$28,000 as of September 30, 2025.

Current taxes are collected beginning in October of each year and become delinquent after January 31. Ad valorem tax revenue is recognized in the year for which taxes are levied. A schedule of ad valorem taxes follows:

<u>Fiscal Year</u>	<u>Tax Base</u>	<u>Tax (per \$100) Valuation</u>	<u>Net Tax Revenue (1)</u>	<u>Cost of Uncompensated Care</u>	<u>Cost of Uncompensated Care Over Tax</u>
2025	\$ 414,084,183	\$ 0.212	\$ 863,169	\$ 1,415,564	\$ 552,395

(1) Net tax revenue includes adjustments for actual collection performance.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Disproportionate Share

The disproportionate share program is a supplemental reimbursement program for hospitals that provide a significant proportion of Medicaid and indigent care services. Under program guidelines, Parkland may use the funds to benefit the indigent in either current or future periods. Parkland recognizes all funds received under the program as charges for services in the applicable year, and any amounts relating to that year that are not yet received are included in Receivables in the accompanying Statement of Net Position. There is no guarantee that this program will continue into future years. The total revenue recognized related to the disproportionate share program was \$147,900 in 2025. Any difference between amounts accrued at the end of the prior reporting period is included in the Statement of Activities in the year those differences become known. Government program revenues were increased by \$41,600 in 2025 as a result of the recognition of those differences.

1115 Transformation Waiver Funds

The 1115 Transformation Waiver began October 1, 2011. Under this waiver, the former Upper Payment Limit (UPL) programs were discontinued in favor of a reimbursement methodology that balances payment for uncompensated care costs (UC) with the need to improve the quality of care for Texas recipients using Delivery System Reform Incentive Payments (DSRIP) funds. The program divides the State into 20 Regional Health Partnerships (RHPs), creating an environment where regional collaboration is essential to earn available monies. Parkland serves as an anchor hospital (administrative lead) for one of these regions.

On April 22, 2022, Centers for Medicare and Medicaid Services (CMS) approved an extension of the Waiver through September 30, 2030. The extension provides for the continuation of the UC pool. The DSRIP program ended on September 30, 2021, and was not extended under the Waiver extension. Revenue recognized related to the 1115 Waiver was \$297,000 in 2025, which is recognized in the Statement of Activities. CMS has approved an expansion of directed payment programs, which transitions participating hospitals away from the DSRIP program, which are discussed more fully below.

Parkland receives supplemental payments through the Public Hospital Medicaid Graduate Medical Education (GME) program. The GME program provides reimbursement to support teaching hospitals that operate approved medical residency training programs in recognition of the higher costs incurred by teaching hospitals. Revenue recognized related to the GME program was \$26,100 in 2025 and is recognized in the Statement of Activities.

In 2022, Parkland began participating in the Public Hospital Augmented Reimbursement Program (HARP). HARP is a statewide supplemental program that provides Medicaid payments to certain hospitals for inpatient and outpatient services that serve Texas Medicaid fee-for-service patients. The program serves as a financial transition for providers historically participating in the DSRIP program and provides additional funding to participating hospitals to assist in offsetting the cost hospitals incur while providing Medicaid services. HARP revenue was \$175,800 in 2025 and is recognized in the Statement of Activities.

In 2022, Parkland also began participating in the Texas Incentives for Physicians and Professional Services Program (TIPPS). TIPPS is a directed payment program for certain physician practice groups providing health care services to children and adults enrolled in the STAR, STAR+PLUS and STAR Kids Medicaid managed care programs. Eligible physician practice groups include health-related institutions (HRIs), indirect medical education physician practice groups affiliated with hospitals and other physician practice groups. TIPPS revenue was \$0 in 2025 and is recognized in the Statement of Activities.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

1115 Transformation Waiver Funds (continued)

Parkland is also a participant in the Network Access Improvement Program (NAIP). NAIP aims to increase the availability and effectiveness of primary care for Medicaid beneficiaries by providing incentive payments to participating HRIs. Participation is voluntary and requires HRIs to create a proposal in partnership with a managed care organization (MCO). When the proposal is approved by HHSC, the costs associated with the incentive payments are added to the monthly capitation rates paid to the MCO and the MCOs are responsible for making payments to the HRIs, such as Parkland. This program runs through 2027. Revenue recognized related to NAIP was \$29,100 in 2025 and is recognized in the Statement of Activities.

Revenue recognized from these programs described above involve a considerable amount of judgment and are subject to audit and final reconciliation by HHSC. Parkland estimates amounts expected to be repaid based upon historical experience and existing facts and circumstances related to the supplemental funding programs. Any differences between final settlements and amounts accrued at the end of the prior reporting period are included in the Statement of Activities in the year those differences become known. Government programs revenues were increased by \$19,800 in 2025, as a result of recognition of those differences.

Parkland also participates in the Comprehensive Hospital Increased Reimbursement Program (CHIRP), which added a quality component to the Uniform Hospital Rate Increase Program (UHRIP), a directed payment program that ended on August 31, 2021. Participating hospitals may opt into this second component. Under CHIRP, HHSC directs managed care organizations in a service delivery area to provide a uniform percentage rate increase to all hospitals within a particular class of hospitals. CHIRP requires annual approval by CMS and has been approved through August 31, 2025. Revenue from UHRIP and CHIRP are recognized in the Statement of Activities.

Beginning on September 1, 2024, HHSC provided for a third component to CHIRP, Alternative Participating Hospital Reimbursement for improving Quality Award (APHRIQA) that provides an additional pay-for-performance component open to urban and children's hospitals for state fiscal year 2025. APHRIQA revenue was approximately \$43,200 in 2025 and is recognized as a component of government programs revenue in the statements of revenues, expenses, and changes in net position.

The District also receives supplemental payments through the Aligning Technology by Linking Interoperable Systems (ATLIS) program. The ATLIS program provides reimbursement to support managed care organizations in improving receipt of electronic data submissions from hospitals in their networks and advance alternative payment models. ATLIS revenue was approximately \$142 in 2025 and is recognized as a component of government programs revenue.

The programs described above are subject to review and scrutiny by both the Texas Legislature and CMS, and the programs could be modified or terminated based on new legislation or regulation in future periods. The funding Parkland has historically received from these programs is not representative of funding to be received in future years.

Local Provider Participation Fund

During 2017, a Local Provider Participation Fund (LPPF) was created in the County. Parkland acts as the administrator of the LPPF by assessment and collection of mandatory payments from hospitals in the County. These payments are to be used to fund intergovernmental transfers representing the State's share of supplemental Medicaid funding programs.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Local Provider Participation Fund (continued)

During 2025, Parkland collected \$496,100 from the LPPF in mandatory payments and made intergovernmental transfers of \$503,300. At September 30, 2025, Parkland held \$9,400 in mandatory payments.

Net Patient Services Revenue

Parkland has agreements with third-party payers that provide for reimbursement to Parkland at amounts different from its established rates. Contractual adjustments under third-party reimbursement programs represent the difference between Parkland's established rates for services and the amounts reimbursed by third-party payers. Parkland's more significant third-party payers are the Medicare and Medicaid programs, which accounted for gross charges of approximately 17.0% and 20.0%, respectively in 2025. Allowances for uncollectible amounts are estimated using historical experience, current trends and policy information, aged account balances, and a collectability analysis. Net patient services revenue in the accompanying Statement of Activities is net of contractual adjustments and bad debt provisions totaling approximately \$8,400,000 for the year ended September 30, 2025.

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. Medicare outpatient services are reimbursed on a prospective basis through ambulatory payment classifications, which are based on clinical resources used in performing the procedure.

Medicaid outpatient services are paid based on the lower of reasonable costs or customary charges, a fee schedule, or blended rates. For certain costs, as defined by the Medicare program, including kidney acquisition and medical education, additional reimbursement is provided based on cost pass-through payments and the cost report.

Cost-reimbursable items are reimbursed to Parkland at a tentative rate, with final settlement determined after the submission of annual cost reports by Parkland, which are subject to audit by the administrative contractors 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 Activities as an adjustment to the appropriate allowance account. Such adjustments increased net patient services revenue by \$4,400 in 2025. Parkland's cost reports have generally been audited and settled by the administrative contractors through 2019 for Medicare and 2018 for Medicaid. Cost reports for both programs are subject to certain re-openings and appeals as per federal and State regulations.

Premium Revenues

The Health Plan's premium revenues are recognized in the period in which the members of the Health Plan are entitled to receive health care services. Premiums collected in advance are deferred. Revenues for delivery supplemental payments received for Medicaid-eligible births under the Health Plan are recognized based on claims information from Texas hospitals and information from the State and include estimates for incurred, but unreported births at year-end.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Grant Revenue

Grant revenues are recognized in the period in which expenditures related to the grant are incurred or the period in which grant funds become available.

Build America Bond Interest Subsidy

Parkland issued taxable Build America Bonds (BAB) in 2009. Under the BAB program, the U.S. Treasury pays 35% of the interest payments as a subsidy to the issuer. Parkland records the interest subsidy received or receivable from the U.S. Treasury as General Revenue in the Statement of Activities when Parkland has met all of the eligibility criteria to receive the subsidy. Parkland recorded approximately \$7,200 in 2025, for the BAB interest subsidy. The BAB subsidy was reduced by 5.7% in 2025 as part of the federal sequestration spending reductions.

Compensated Absences

Parkland accrues an estimated liability for compensated absences as they are earned by employees based on Parkland's policy. Parkland's liability related to compensate absences was \$68,700 for 2025 and is recorded in the financial statements in accounts payable and accrued liabilities.

Pharmaceutical Costs

Parkland participates in replacement pharmaceutical programs on behalf of patients who enroll and meet eligibility requirements of these programs.

Risk Management

Parkland is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than medical malpractice, employee health claims, and workers' compensation. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Parkland is self-insured for a portion of its exposure to the risk of loss from medical malpractice, workers' compensation and employee health claims. Annual estimated provisions are accrued for the self-insured portion of medical malpractice, workers' compensation, and employee health claims and include an estimate of the ultimate costs for both reported claims and claims incurred but not yet reported.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Deposits and Investments

As of September 30, 2025, Parkland had deposits and investments as follows:

Description	<u>Fair Value</u>	<u>Weighted Average Days to Maturity</u>
Bank Deposits	\$ 42,796	N/A
TexPool deposits	709,837	1
Money market funds	20,618	1
Commercial paper	179,106	87
FNMA	14,938	1,176
FHLB	273,393	1,974
FHLMC	38,707	1,332
FFCB	204,945	1,345
U.S. Treasury	307,777	700
Municipal bonds	<u>46,653</u>	575
	<u>\$ 1,838,770</u>	

Descriptions on Statement of Net Position	<u>Hospital</u>	<u>Foundation, Health Plan and PCCI</u>	<u>Total</u>
Cash, cash equivalents and investments	\$ 1,441,553	\$ 351,308	\$ 1,792,861
Assets limited to use			
Current portion	245,675	-	245,675
Noncurrent portion	<u>125,179</u>	<u>-</u>	<u>125,179</u>
	<u>\$ 1,812,407</u>	<u>\$ 351,308</u>	<u>\$ 2,163,715</u>

Investment Maturities	<u>Hospital</u>
One year or less	\$ 372,369
After one through five years	490,408
After five through ten years	223,360
After ten years	<u>-</u>
Investments	1,086,137
Bank deposits	42,796
TexPool deposits	<u>709,837</u>
Total	<u>\$ 1,838,770</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Deposits and Investments (continued)

Estimated fair values have been determined by Parkland using appropriate valuation methodologies by third parties, quoted market prices and information available to management as of September 30, 2025. The investments are recorded at fair value with the exception of TexPool deposits which are recorded at amortized cost. Parkland adjusts the carrying value of financial instruments classified as assets to reflect their estimated fair value. Cash and cash equivalents included in assets limited to use were \$223 as of September 30, 2025.

Parkland categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 are quoted prices in an active market for identical assets; Level 2 are significant other observable inputs, and Level 3 are significant unobservable inputs (Parkland does not value any of its investments using Level 3 inputs).

The following is a summary of the hierarchy of the fair value of investments of Parkland as of September 30, 2025:

	Fair Value Measurements Using		
	Quotes Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
U.S. Treasury Securities	\$ 307,777	\$ -	\$ 307,777
U.S. Government Obligations	118,439	413,544	531,983
Money Market Funds	20,618	-	20,618
Commercial Paper	-	179,106	179,106
Municipal Bonds	-	46,653	46,653
Total Investments and Cash Equivalents by Fair Value Level	\$ 446,834	\$ 639,303	\$ 1,086,137

These amounts exclude investments in local government investment pools which are recorded at amortized cost. These investments total \$709,800 as of September 30, 2025.

Interest Rate Risk

Parkland invests in fixed-rate debt securities that primarily have average maturities of approximately one to five years. Interest rate risk is limited by the short-term nature of these investments.

Credit Risk

Parkland has a comprehensive investment policy that is designed to comply with State law and the Texas Public Funds Investment Act. The debt securities issued by Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), and Federal Farm Credit Bank (FFCB) are rated AA+ by Standard & Poor's rating agency. TexPool's portfolio consists exclusively of U.S. government securities; repurchase agreements collateralized by U.S. government securities; and AAA-rated, no-load money market mutual funds. All bank deposits are collateralized by FDIC

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Credit Risk (continued)

insurance and with securities pledged to Parkland held in safekeeping at a third-party bank on behalf of Parkland's depository institutions with the exception of \$5,900 of cash held at the individual nursing homes.

Concentration of Credit Risk

Per Parkland's investment policy, no more than 40% of the investment portfolio can be invested in any one issuer of U.S. government agencies and government-sponsored enterprises, including, but not limited to, FNMA, FHLB, FFCB, and FHLMC. The largest percentage in any one issuer is invested with FHLB at 14.9% as of September 30, 2025.

Custodial Credit Risk

Per Parkland's investment policy, all investments are held in Parkland's name in safekeeping at Parkland's trust or custodial institutions.

Investment Income

Investment income for the year ended September 30, 2025, consists of the following:

	<u>Amount</u>
Hospital:	
Interest income, including realized gains and BAB Subsidy	\$ 82,887
Unrealized gain on investments	3,022
Health Plan	16,015
Foundation	<u>2,367</u>
Total Gain	<u>\$ 104,291</u>

Assets Limited to Use

Assets limited to use at September 30, 2025, consist of the following funds which are all investments in TexPool and U.S. government-sponsored enterprises:

	<u>Amount</u>
Debt Service	\$ 222
Designated for Capital Uses	360,703
Other Designated	<u>9,929</u>
Total	370,854
Less Current	<u>(245,675)</u>
Noncurrent	<u>\$ 125,179</u>

Debt Service

Assets limited to use for debt service represent those assets related to the bond issues whose use is legally restricted.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Designated for Capital Acquisitions

Assets limited to use designated for capital acquisitions represent funds designated at the discretion of the Board for annual capital additions, as well as funding for a combination of renovations and new facilities.

Other Designated

Other assets limited to use include funds designated by the Board to fund Parkland's professional liability program.

Capital, Lease and Subscription Assets

Capital assets activity for the year ended September 30, 2025 was:

	<u>Beginning Balance</u>	<u>Additions / Transfers In</u>	<u>Retirements / Transfers Out</u>	<u>Ending Balance</u>
Capital Assets:				
Land and Improvements	\$ 142,482	\$ -	\$ (5,227)	\$ 137,255
Buildings	1,694,810	13,638	-	1,708,448
Equipment	<u>953,110</u>	<u>27,184</u>	<u>(6,647)</u>	<u>973,647</u>
Total Capital Assets	<u>2,790,402</u>	<u>40,822</u>	<u>(11,874)</u>	<u>2,819,350</u>
Less Accumulated Depreciation:				
Land and Improvements	(16,106)	(1,392)	-	(17,498)
Buildings	(412,305)	(48,955)	-	(461,260)
Equipment	<u>(831,440)</u>	<u>(38,779)</u>	<u>6,668</u>	<u>(863,551)</u>
Total Accumulated Depreciation	<u>(1,259,851)</u>	<u>(89,126)</u>	<u>6,668</u>	<u>(1,342,309)</u>
Net	1,530,551	(9,691)	(5,206)	1,477,041
Construction in Progress	<u>42,355</u>	<u>92,034</u>	<u>(101,978)</u>	<u>32,411</u>
Capital Assets, Net	<u>\$ 1,572,906</u>	<u>\$ 82,343</u>	<u>\$ (107,184)</u>	<u>\$ 1,509,452</u>

The above does not include PCCI assets which net \$3,470.

Lease assets activity for the year ended September 30, 2025 was:

	<u>Beginning Balance</u>	<u>Additions / Transfers In</u>	<u>Retirements / Transfers Out</u>	<u>Ending Balance</u>
Buildings	\$ 55,312	\$ -	\$ (2,503)	\$ 52,809
Less Accumulated Amortization	<u>(23,226)</u>	<u>(6,028)</u>	<u>546</u>	<u>(28,708)</u>
Lease Assets, Net	<u>\$ 32,086</u>	<u>\$ (6,028)</u>	<u>\$ (1,957)</u>	<u>\$ 24,101</u>

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Capital, Lease and Subscription Assets (Continued)

Subscription asset activity for the year ended September 30, was:

	2025			
	Beginning Balance	Additions / Transfers In	Retirements / Transfers Out	Ending Balance
Subscription IT Asset	\$ 59,319	\$ 35,677	\$ (13,440)	\$ 81,556
Less Accumulated Amortization	(27,388)	(28,132)	13,440	(42,080)
Subscription Assets, Net	\$ 31,931	\$ 7,545	\$ -	\$ 39,476

Lease Receivable

Parkland leases building space and parking to various third-parties, the terms of which expire 2025 through 2088. Revenue recognized under lease contracts during the year ended September 30, 2025, was \$966, which includes both lease revenue and interest.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities, on September 30, 2025, consist of the following:

	Amount
Hospital:	
Accounts Payable	\$ 55,991
Accrued Expenses	246,327
Accrued Payroll	105,530
Employee Health Care and Benefit Liability	25,099
Other Employee Benefits	19,680
Health Plan	292,792
PCCI	1,882
Foundation	22
Total Accounts Payable and Accrued Liabilities	\$ 747,323

The liabilities, described in the table below as of September 30, 2025, 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 re-evaluated periodically.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Accounts Payable and Accrued Liabilities (Continued)

	<u>Balance at Beginning of the Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of the Year</u>
Hospital Professional and General Liability				
2024	\$ 8,385	\$ 3,565	\$ (1,632)	10,318
2025	10,318	(4,401)	(1,242)	4,675
Employee Health Care Benefit Liability				
2024	\$ 26,347	\$ 194,909	\$ (207,073)	14,183
2025	14,183	227,545	(216,629)	25,099
Worker's Compensation Liability				
2024	\$ 14,341	\$ 2,713	\$ (2,313)	14,741
2025	14,741	1,499	(2,745)	13,495

Hospital Professional and General Liability – Parkland is involved in certain legal actions and claims arising in the ordinary course of operations. Parkland records estimated self-insurance costs for medical malpractice and general liabilities as accounts payable and accrued liabilities and other long-term liabilities in the Statement of Net Position. The estimated liability is reported in long-term liabilities in the Statement of Net Position.

Employees Health Care Benefit Liability – Parkland manages a self-insurance plan that provides for the payment of employee health claims. Parkland records estimated self-insurance costs for health claims as current liabilities. The amount of the estimated liability is derived from a claims modeling system. To obtain coverage, employees authorize payroll withholdings to pay the employee portion of contributions for individual and dependent coverage. Claims are paid by a third-party administrator acting on behalf of Parkland. The administrative contract between Parkland and the third-party administrator is renewable annually, and administrative fees are included in the contractual provisions. The employee health care benefit liability is reported in accounts payable and accrued liabilities in the Statement of Net Position.

Workers' Compensation Liability – Parkland maintains a self-insurance program for workers' compensation benefits, managed by a third-party administrator. Parkland records estimated self-insurance costs for workers' compensation as current liabilities. The amount provided for the estimated liability is based on settlement of claims. The estimated liability is reported in accounts payable and accrued liabilities in the Statement of Net Position.

Retirement Plans

Defined Benefit Plan

Parkland maintains the Plan, a single employer, defined benefit pension plan. Plan participation as of January 1, 2025 includes 11,112 active participants, 4,871 inactive employees entitled

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Defined Benefit Plan (Continued)

to but not yet receiving benefits, 879 inactive employees with contributions owed, and 4,046 retirees and beneficiaries. The Plan is administered by the Board. The annual payroll for employees covered by the Plan for the year ended December 31, 2024, which is included in the actuarial valuation as of January 1, 2025, was approximately \$986,200.

Effective January 1, 2018, employees were required to contribute 6.2% of their annual salaries to the Plan. Prior to this date, employees were required to contribute 5.5% of their annual salaries to the Plan. Parkland is required by the Plan to contribute the remaining amounts necessary to fund the Plan using actuarial methods.

Parkland’s funding policy is to make periodic actuarially determined employer contributions in amounts designed to accumulate sufficient assets to pay benefits when due. The projected entry age normal method is used to determine both the funding and the pension benefit obligation.

The Plan’s assets include investments reported at fair value. Investments in mutual funds, corporate equities, and fixed income securities are reported at fair value based on published market prices. Short-term money market funds are reported at cost, which approximates fair value. Investments in common collective trusts and hedge funds are reported at net asset value as a practical expedient for fair value.

Calculation of Money Weighted Rate of Return

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

The Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long term expected rate of return.

Actuarial methods and assumptions

Valuation date	January 1, 2025
Measurement date	December 31, 2024
Investment rate of return	6.00%
Inflation	2.50%
Actuarial cost method	Entry age normal
Amortization method	Closed, 19 years
Amortization growth rate	4.00%
Salary increases including inflation	Graded table
Mortality	Separate rates using Pub-2016 Public General Mortality Tables by gender and 2024 Adj MP-2021 (generational with no adj during pandemic and long term improvement capped at 0.78%).

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Actuarial methods and assumptions (Continued)

The long term expected rate of return on pension plan investments was determined using a building block method in which the best estimated range of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Index</u>	<u>Current Allocation</u>	<u>Long Term Expected Geometric Real Rate of Return</u>
US Core Fixed Income (Agg)	Bloomberg Barclays Aggregate	30.00%	2.21%
US Large Cap Equity	S&P 500 TR USD	27.00%	3.71%
US Small & Mid Cap Equity	Russell 2500 TR USD	9.00%	3.57%
Non-US Equity	MSCI ACWI Ex USA NR USD	16.00%	5.75%
Non-US Small Cap Equity	MSCI EAFE Small Cap NR	4.00%	5.21%
Emerging Markets Equity	MSCI EM NR USD	4.00%	6.15%
Private Real Estate Property	NCREIF Property	10.00%	4.51%
Assumed Inflation - Mean		2.30%	2.30%
Portfolio Nominal Mean Return		7.46%	6.84%
Portfolio Standard Deviation of Annual Nominal Returns			11.80%
Long Term Expected Rate of Return			6.00%

GASB 68 requires a blended discount rate be used to measure the total pension liability (the actuarial accrued liability calculated using the individual entry age normal cost method). The long term expected return on Plan investments may be used to discount liabilities to the extent that the Plan's fiduciary net position (fair value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. GASB 68 does allow for alternative evaluations of projected solvency.

The following circumstances justify an alternative evaluation of sufficiency for the Plan:

- Parkland has at least a five year history of paying at least 100% of the actuarially determined contribution (previously termed the annual required contribution).
- The actuarially determined contribution is based on a closed amortization period, which means that payment of the actuarially determined contribution each year will bring the Plan to a 100% funded position by the end of the amortization period.
- The projections regarding future solvency assume that Plan assets earn the assumed rate of return and there are no future changes in the Plan provisions or actuarial methods and assumptions. Therefore, the projections will not reflect any adverse future experience which might impact the Plan's funded position.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Actuarial methods and assumptions (Continued)

Based on these circumstances, the detailed depletion date projections will show that the fiduciary net position is projected to be sufficient to cover benefit payments and administrative expenses

Changes in the total pension liability, plan fiduciary net position and net pension liability are:

	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (Asset) (a) - (b)
Balances Beginning of Year	\$ 2,360,087	\$ 1,665,132	\$ 694,955
Changes for the Year			
Service Cost	88,386	-	88,386
Interest on Total Pension Liability	144,516	-	144,516
Effect of Economic/Demographic Gains or (Losses)	111,464	-	111,464
Effect of Assumption Changes or Inputs	(10,340)	-	(10,340)
Contributions - Employee	-	65,211	(65,211)
Contributions - Employer	-	87,900	(87,900)
Net Investment Income	-	153,897	(153,897)
Benefit Payments, Including Refunds of Employee Contributions	(86,685)	(86,685)	-
Administrative Expenses	-	(4,483)	4,483
Net Changes	<u>247,341</u>	<u>215,840</u>	<u>(31,501)</u>
Balances End of Year	<u>\$ 2,607,428</u>	<u>\$ 1,880,972</u>	<u>\$ 726,456</u>

Sensitivity Analysis

The following presents the net pension liability of Parkland, using the discount rate of 6.0%, as well as a calculation of the net pension liability if it were calculated using a discount rate that is one percentage point lower (5.0%) or one percentage point higher (7.0%) than the current rate.

September 30, 2025	Decrease to 5.0%	Current Rate 6.0%	Increase to 7.0%
Total Pension Liability	\$ 3,003,488	\$ 2,607,428	\$ 2,302,069
Fiduciary Net Position	1,880,972	1,880,972	1,880,972
Net Pension Liability	\$ 1,122,516	\$ 726,456	\$ 421,097

During the Plan year that ended December 31, 2024, \$65,200 of employee contributions were made in accordance with the contribution requirements described above. During the fiscal year that ended September 30, 2025, \$60,000 of employee contributions were made in accordance with the contribution requirements described above.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Sensitivity Analysis (Continued)

Parkland contributed approximately \$87,900 to the Plan during the year ended December 31, 2024, in accordance with contribution requirements determined by January 1, 2024, actuarial valuation, including \$10,000 of surplus funding approved by the Board.

An additional \$76,400 was contributed between January 1, 2025, and September 30, 2025. This amount was recorded as a deferred outflow of resources at September 30, 2025.

For the year ended September 30, 2025, Parkland recognized a pension expense of \$138,900. As of September 30, 2025, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 129,167	\$ -
Changes of assumptions	-	12,440
Employer contributions subsequent to the measurement date	76,427	-
Net difference between projected and actual earnings on plan investments	<u>13,185</u>	<u>-</u>
Total	<u>\$ 218,779</u>	<u>\$ 12,440</u>

At September 30, 2025, Parkland reported approximately \$76,400, as deferred outflows of resources related to pensions resulting from Parkland contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability on September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources at September 30, 2025, related to pensions will be recognized in pension expense as follows:

Years Ending September 30,		Amount
2026	\$	79,854
2027		75,532
2028		(15,144)
2029		<u>(10,330)</u>
	\$	<u>129,912</u>

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. This report is available on the Parkland website at ParklandHospital.com

In 2023, the Board approved amending the Plan to end new entrants to the Plan effective January 1, 2024, with no change to the Plan for participants and beneficiaries of the Plan enrolled on or before December 31, 2023. Employees hired after December 31, 2023, will be eligible to participate in a new defined contribution plan that was effective January 1, 2024.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Defined Contribution Plan

Parkland also maintains voluntary defined contribution plans covering all employees. The defined contribution plans include a 401(a), 403(b), and 457(b) plan, collectively the Supplemental Plans. The Supplemental Plans provisions and contribution requirements are established and may be amended by the Board. Eligible employees can choose to contribute up to 75% of their base salaries, subject to various terms of the Supplemental Plans and applicable tax laws. Parkland will match employees' contributions after one year of service 100%, up to 6% of their base salaries. Employees are fully vested at all times in their voluntary contributions, plus earnings thereon. Vesting in Parkland'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 Parkland's contributions, the unvested portion can be used to reduce Parkland's matching contributions in the aggregate.

Contributions for the year ended September 30, 2025, were approximately \$46,000 from Parkland and \$110,400 from employees.

Concentrations of Patient Accounts Receivable Credit Risk

Parkland grants credit without collateral to its patients, most of whom are County residents. The mix of receivables from patients and third party payors, net of allowances for contractual adjustments and bad debts, as of September 30, 2025, is as follows:

	Amount	Percentage
Commercial insurance and other	\$ 117,033	38%
Medicaid	88,365	28%
Medicare	107,541	34%
Patients	\$ 1,159	0%
Total	314,098	100%

Commitments and Contingencies

As a local governmental unit, Parkland is subject to the provisions of the Texas statute known as the Texas Tort Claims Act. Currently, Parkland's liability is limited under the Act to monetary damages in a maximum amount of \$100 for each person, \$300 for each single occurrence for bodily injury or death, and \$100 for each single occurrence for injury to or destruction of property. These liability limitations apply to claims and lawsuits covered by the Texas Tort Claims Act and do not apply to other types of claims and lawsuits, including, among others, civil rights and employment related litigation.

As to litigation or other proceedings pending, or to its knowledge, threatened in any court, agency or other administrative body (either State or federal) that are not specifically disclosed in these footnotes, Parkland intends to vigorously defend these matters and pursue its counterclaims, if any. Furthermore, as to such matters Parkland is either currently unable to estimate the ultimate aggregate amount of monetary gain, loss, or financial impact of these matters, or does not currently believe these proceedings will have a material adverse impact; provided, however, adverse resolution of these actions and counterclaims could have a material adverse effect on our business, financial condition or results of operations. As of September 30, 2025, Parkland had construction commitments outstanding of \$49,500 related to various construction projects.

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Long Term Debt

Limited Tax Bonds

In 2009, Parkland issued three series of Dallas County Hospital District Limited Tax Bonds (Bonds), with a total principal amount of \$705,000. The Tax-Exempt Series 2009A Bonds were issued with a total principal amount of \$24,800 and matured from August 15, 2015 – August 15, 2016. Taxable Series 2009B Bonds were issued with a total principal amount of \$222,500 and were refinanced on October 1, 2019, by issuing \$191,400 of Limited Tax Refunding, Series 2019 Bonds. The Taxable Series 2009C Bonds were issued with a total principal amount of \$457,700, in accordance with provisions of the Build America Bond Program and bear interest at fixed interest rates ranging from 4.1% to 5.6%. These bonds mature from August 15, 2020, through August 15, 2044. The Taxable Series 2009C Bonds are subject to make whole redemption prior to maturity at any time, in whole or in part, at the option of Parkland, at the greater of (i) the issue price of the principal amount redeemed, or (ii) the sum of the present value of the remaining scheduled payments of principal and interest at the Treasury Rate plus 25 basis points plus accrued interest.

The Limited Tax Refunding, Series 2019 Bonds bear interest at stated fixed interest rates between 4.0% to 5.0% and mature from February 15, 2020 through August 15, 2034. The Series 2019 Bonds, with stated maturities on and after August 15, 2029, are subject to redemption prior to maturity on August 15, 2028 or on any date thereafter, in whole or in part, at the option of Parkland at the par amount plus any accrued interest. Payment of principal and interest on the Series 2019 Bonds are supported by a levy of ad valorem tax revenue.

Payment of principal and interest on the Bonds is supported by ad valorem tax revenue and federal subsidies under the Build America Bond program. The Bonds are rated “AA-” by Standard & Poor’s and “Aa2” by Moody’s.

The following is a summary of long term debt for the year ended September 30, 2025:

	2025				2025
	Beginning	Additions	Amortization	Reductions	Ending
	Balance				Balance
Taxable Series 2009C Bonds	\$ 390,605	\$ -	\$ -	\$ (14,805)	\$ 375,800
Tax-Exempt 2019 Bonds	137,055	-	-	(1,570)	135,485
Tax-Exempt 2019 Bonds Premium	17,997	-	(2,913)	-	15,084
Total Debt	\$ 545,657	\$ -	\$ (2,913)	\$ (16,375)	\$ 526,369
Short-Term Debt					\$ 19,505
Long-Term Debt					506,864
Total Debt					\$ 526,369

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Limited Tax Bonds (Continued)

Long-term debt maturities (including mandatory redemptions), interest payments, net of estimated subsidy, and total debt service at September 30, 2025 are as follows:

Years Ending September 30,	Payments and Mandatory Redemptions	Interest Payments	BAB Interest Subsidy	Total Debt Service
2026	\$ 19,505	\$ 27,443	\$ (6,944)	\$ 40,004
2027	17,780	26,405	(6,602)	37,583
2028	18,585	25,499	(6,531)	37,553
2029	19,430	24,533	(6,458)	37,505
2030	20,175	23,563	(6,381)	37,357
2031-2035	117,995	101,981	(31,074)	188,902
2036-2040	153,515	67,063	(22,134)	198,444
2041-2044	144,300	20,642	(6,813)	158,129
Subtotal	511,285	317,128	(92,937)	735,477
Bond Premium	35,552	-	-	35,552
Accumulated Amortization	(20,468)	-	-	(20,468)
Total	<u>\$ 526,369</u>	<u>\$ 317,128</u>	<u>\$ (92,937)</u>	<u>\$ 750,561</u>

Total interest costs were \$26,900 for fiscal year 2025.

Lease Liabilities

Parkland leases medical office, warehouse and office space, the terms of which expire in various years through 2037. During the year ended September 30, 2025, Parkland recognized approximately \$38,014, of rental expense for variable payments, short-term and cancelable leases that are not included in the measurement of the lease liability.

The following is a summary of lease liability transactions for the year ended September 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2025	\$ 37,454	\$ -	\$ 8,537	\$ 28,917	\$ 6,223

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Lease Liabilities (Continued)

The following is a schedule by year of payments under the leases as of September 30, 2025:

<u>Year Ending September,</u>	<u>Total To Be Paid</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 7,157	\$ 6,223	\$ 934
2027	6,847	6,141	706
2028	6,786	6,310	476
2029	2,858	2,549	309
2030	2,012	1,772	240
2031-2035	5,470	4,861	609
2036-2038	1,079	1,061	18
	<u>\$ 32,209</u>	<u>\$ 28,917</u>	<u>\$ 3,292</u>

Subscription Liabilities

Parkland has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2028. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance. Parkland did not recognize any subscription expense for variable payments not previously included in the measurement of the subscription liability during the year ended September 30, 2025.

The following is a summary of subscription liability transactions for the years ended September 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Position</u>
2025	\$ 37,454	-	\$ 8,537	\$ 28,917	\$ 6,223

The following is a schedule by year of payments under the SBITAs as of September 30, 2025:

<u>Year Ending September 30,</u>	<u>Total To Be Paid</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 18,004	\$ 17,147	\$ 857
2027	3,482	3,402	80
	<u>\$ 21,486</u>	<u>\$ 20,549</u>	<u>\$ 937</u>

Commitments

Pursuant to an Interlocal Cooperation, Operating and Lease-Purchase Agreement between Parkland and Dallas County Mental Health and Mental Retardation Center d/b/a Metrocare Services, Parkland has committed to fund \$50,000 in construction costs associated with a new facility to be operated by Metrocare Services to provide mental health and intellectual and development disability services. Metrocare will repay the funds advanced by Parkland over a 20-year period at an interest rate of 3%. Metrocare may repay the funds sooner at its discretion. As of September 30, 2025, Parkland has advanced \$50,000 of funds to

DALLAS COUNTY, TEXAS
Notes to the Basic Financial Statements
September 30, 2025
(in thousands of dollars)

XIII. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Commitments (Continued)

Metrocare and accrued \$1,800 of related interest. The loan and interest receivable are recorded as an other noncurrent asset on the accompanying statement of net position. Subsequent to September 30, 2025, Metrocare paid the advanced funds and interest in full.

Ongoing Risk and Uncertainties Contingencies

On July 3, 2025, The U.S. Congress enacted the One Big Beautiful Bill Act (OBBBA), a comprehensive budget reconciliation law introducing significant changes to federal healthcare programs, tax policy, and energy-related incentives. The legislation includes substantial reductions in Medicaid beneficiaries. The OBBBA has no impact on the results of operations and financial condition as of and for the year ended September 30, 2025. Parkland is currently evaluating what impact the OBBBA may have on the financial results, cash flows, and financial position for future periods.

XIV. SUBSEQUENT EVENTS

On March 20, 2026, the County approved a Notice of Intention to Issue Certifications of Obligation in an amount not to exceed \$350,000 to finance contractual obligations for permanent public improvements and other authorized public purposes, including professional services related to construction and financing of such projects.

REQUIRED SUPPLEMENTARY INFORMATION

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 General Fund
 (Unaudited)

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES:				
Property taxes	\$ 613,713	\$ 613,713	\$ 608,558	\$ (5,155)
Licenses and permits	29,918	29,918	31,230	1,312
Fines and forfeitures	226	226	130	(96)
Investment income (loss)	11,040	11,040	10,669	(371)
Rental revenues	4,104	4,104	4,294	190
Intergovernmental revenues	6,099	6,099	7,837	1,738
Charges for current services	114,700	114,705	119,718	5,013
Miscellaneous	1,379	1,379	8,148	6,769
Total revenues	<u>781,179</u>	<u>781,184</u>	<u>790,584</u>	<u>9,400</u>
EXPENDITURES:				
General government:				
Salaries	120,829	72,505	72,865	(360)
Operating	62,313	59,155	43,832	15,323
Property	13,507	5,150	152	4,998
Total General government	<u>196,649</u>	<u>136,810</u>	<u>116,849</u>	<u>19,961</u>
Judicial:				
Salaries	167,690	178,097	183,538	(5,441)
Operating	37,942	36,751	35,514	1,237
Property	-	1	1	-
Total Judicial	<u>205,632</u>	<u>214,849</u>	<u>219,053</u>	<u>(4,204)</u>
Public safety:				
Salaries	289,441	342,388	351,217	(8,829)
Operating	39,065	41,429	39,693	1,736
Property	1,411	2,134	98	2,036
Total Public safety	<u>329,917</u>	<u>385,951</u>	<u>391,008</u>	<u>(5,057)</u>

DALLAS COUNTY, TEXAS
Required Supplementary Information
General Fund
(Unaudited)

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Health:				
Salaries	15,305	17,769	17,984	(215)
Operating	26,558	14,950	16,563	(1,613)
Property	8	257	-	257
Total General government	<u>41,871</u>	<u>32,976</u>	<u>34,547</u>	<u>(1,571)</u>
Public welfare:				
Salaries	1,265	866	895	(29)
Operating	18	58	59	(1)
Total General government	<u>1,283</u>	<u>924</u>	<u>954</u>	<u>(30)</u>
Debt Service:				
Principal	-	-	2,839	(2,839)
Interest and fiscal charges	-	-	92	(92)
Capital outlay - Leases	-	-	1,727	(1,727)
Capital outlay - IT subscriptions	-	-	1,851	(1,851)
Reserves	<u>4,298</u>	<u>7,375</u>	<u>-</u>	<u>7,375</u>
Total expenditures and reserves	<u>779,650</u>	<u>778,885</u>	<u>768,920</u>	<u>9,965</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,529</u>	<u>2,299</u>	<u>21,664</u>	<u>19,365</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	10,607	10,607	30,636	20,029
Transfers (out)	(12,136)	(12,906)	(8,928)	3,978
Debt issuance - leases	-	-	1,727	1,727
Debt issuance - IT subscriptions	-	-	1,851	1,851
Total other financing sources (uses)	<u>(1,529)</u>	<u>(2,299)</u>	<u>25,286</u>	<u>27,585</u>

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 General Fund
 (Unaudited)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Net change in fund balances	-	-	46,950	46,950
Fund balances - beginning	106,917	106,917	106,917	-
Fund balances - ending	<u>\$ 106,917</u>	<u>\$ 106,917</u>	<u>\$ 153,867</u>	<u>\$ 46,950</u>

See Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 (Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Major Projects Special Revenue Fund
 (Unaudited)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 114,684	\$ 114,684	\$ 113,571	\$ (1,113)
Investment income (loss)	12,000	12,000	12,546	546
Rental revenues	1,440	1,440	2,887	1,447
Intergovernmental revenues	6,290	6,290	2,520	(3,770)
Miscellaneous	150	150	635	485
Total revenues	<u>134,564</u>	<u>134,564</u>	<u>132,159</u>	<u>(2,405)</u>
EXPENDITURES				
Current:				
General government	31,294	31,294	47,514	(16,220)
Public safety	-	-	1,190	(1,190)
Highways and streets	108,485	108,485	25,650	82,835
Health	-	-	296	(296)
Public welfare	10,281	10,281	8,707	1,574
Debt Service:				
Principal	-	-	18,314	(18,314)
Interest and fiscal charges	-	-	4,585	(4,585)
Capital outlay	48,099	48,099	34,517	13,582
Capital outlay - Leases	-	-	108,671	(108,671)
Total expenditures	<u>198,159</u>	<u>198,159</u>	<u>249,444</u>	<u>(51,285)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(63,595)</u>	<u>(63,595)</u>	<u>(117,285)</u>	<u>(53,690)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	835	835	835	-
Transfers (out)	(18,500)	(18,500)	(22,500)	(4,000)
Debt issuance - leases	-	-	108,671	108,671
Total other financing sources (uses)	<u>(17,665)</u>	<u>(17,665)</u>	<u>87,006</u>	<u>104,671</u>
Net change in fund balances	(81,260)	(81,260)	(30,279)	50,981
Fund balances - beginning	262,505	262,505	262,505	-
Fund balances - ending	<u>\$ 181,245</u>	<u>\$ 181,245</u>	<u>\$ 232,226</u>	<u>\$ 50,981</u>

See Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual
 (Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Major Grants Special Revenue Fund
 (Unaudited)

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 106,746	\$ 106,746	\$ 150,908	\$ 44,162
Charges for current services	744	744	347	(397)
Miscellaneous	1,619	1,619	-	(1,619)
Total revenues	<u>109,109</u>	<u>109,109</u>	<u>151,255</u>	<u>42,146</u>
EXPENDITURES				
Current:				
Judicial	7,920	7,920	10,484	(2,564)
Public safety	21,458	21,458	29,129	(7,671)
Health	53,786	53,786	70,747	(16,961)
Public welfare	24,656	24,656	32,987	(8,331)
Debt Service:				
Principal	-	-	323	(323)
Interest and fiscal charges	-	-	20	(20)
Total expenditures	<u>107,820</u>	<u>107,820</u>	<u>143,690</u>	<u>(35,870)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,289</u>	<u>1,289</u>	<u>7,565</u>	<u>6,276</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,499	6,499	5,134	(1,365)
Transfers (out)	(2,239)	(2,239)	(2,195)	44
Total other finance sources (uses)	<u>4,260</u>	<u>4,260</u>	<u>2,939</u>	<u>(1,321)</u>
Net change in fund balances	5,549	5,549	10,504	4,955
Fund balances - beginning	<u>(5,549)</u>	<u>(5,549)</u>	<u>(5,549)</u>	<u>-</u>
Fund balances - ending	<u>-</u>	<u>-</u>	<u>4,955</u>	<u>4,955</u>

See Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual
 (Continued)

DALLAS COUNTY, TEXAS
Required Supplementary Information
American Rescue Plan Special Revenue Fund
(Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 3,500	\$ 3,500	\$ 1,298	\$ (2,202)
Intergovernmental revenues	-	123,772	66,255	(57,517)
Total revenues	<u>3,500</u>	<u>127,272</u>	<u>67,553</u>	<u>(59,719)</u>
EXPENDITURES				
Current:				
General government	-	4,306	4,306	-
Judicial	-	2,844	2,844	-
Public safety	-	4,383	4,383	-
Health	-	26,176	26,176	-
Education	-	689	689	-
Public welfare	-	27,396	27,396	-
Debt Service:				
Principal	-	-	82	(82)
Interest and fiscal charges	-	-	23	(23)
Total expenditures	<u>-</u>	<u>65,794</u>	<u>65,899</u>	<u>(105)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,500</u>	<u>61,478</u>	<u>1,654</u>	<u>(59,824)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(1,200)	(1,200)	(1,200)	-
Total other financing sources (uses)	<u>(1,200)</u>	<u>(1,200)</u>	<u>(1,200)</u>	<u>-</u>
Net change in fund balances	2,300	60,278	454	(59,824)
Fund balances - beginning	979	979	979	-
Fund balances - ending	<u>\$ 3,279</u>	<u>\$ 61,257</u>	<u>\$ 1,433</u>	<u>\$ (59,824)</u>

See Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Continued)

DALLAS COUNTY, TEXAS
Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Unaudited)
September 30, 2025

Budgetary information – The budget is prepared in accordance with financial policies approved by the County Budget Director and the Commissioners Court following a public hearing. The Budget Director is required by policy to present Commissioners Court with a balanced budget that contains a no-tax-increase assumption as a starting point for budget discussions. The adopted budget must contain a projected unreserved cash balance not less than 10.5% of budgeted expenditures and may utilize a drawdown of the beginning balance only to the extent that such drawdown does not exceed 4% of total General Fund resources. The amounts budgeted in a fiscal year for expenditures in various funds may not exceed the balances in those funds as of the first day of the fiscal year plus any anticipated revenue for the fiscal year as estimated by the County Auditor.

The following are the funds that have legally adopted annual budgets prepared on a modified accrual basis, except for certain leases, SBITA proceeds, and expenditures, which are not budgeted. General Fund, Debt Service Fund, and Special Revenue Funds (except for District Attorney funds, DCHFC, and Judicial, Technology, Local Government, Local Official, and Record Management Funds). Project-length financial plans are adopted for Capital Projects Funds. Budget funds are allocated annually for Major Project funds in accordance with long-term requirements and projections. For GAAP purposes, proceeds from leases and SBITAs are recognized as other financial sources, and acquisition values are recognized as capital outlays at inception. For budgetary purposes, only annual debt service payments for leases and SBITAs are appropriated as operations, but the actual expenditures are reclassified for GAAP purposes.

- Tax rates are established and approved annually for budgeted funds per policy.
- General Fund – projected unallocated fund balance equal to or greater than 10.5% of budgeted expenditures.
- Permanent Improvement Fund – dedicated tax rate of 0.17 cents per \$100 valuation.
- Major Technology Fund – dedicated tax rate of 1.84 cents per \$100 valuation.
- Major Capital Development Fund – dedicated tax rate of 2.94 cents per \$100 valuation.
- Debt Service Fund – calculated requirement using current principle and interest payments plus 10.5% reserve balance and compliance with IRS regulations.

The following State of Texas Local Government Code statutes, among others, guide the County in preparation of its annual budget:

Sec. 111.039. ADOPTION OF BUDGET. (b) The Commissioners Court may make any changes in the proposed budget that it considers warranted by the facts and law and required by the interest of the taxpayers, but the amounts budgeted in a fiscal year for expenditures from the various funds of the county may not exceed the balances in those funds as of the first day of the fiscal year, plus the anticipated revenue for the fiscal year as estimated by the county auditor.

Sec. 111.041. EXPENDITURE OF FUNDS UNDER BUDGET; EMERGENCY EXPENDITURE; BUDGET TRANSFER. (c) The Commissioners Court by order may amend the budget to transfer an amount budgeted for one item to another budgeted item without authorizing an emergency expenditure.

Sec. 111.0415. CHANGES IN BUDGET FOR COUNTY PURPOSES. This subchapter does not prevent the Commissioners Court from making changes in the budget for county purposes.

Each year, all departments submit to the Budget Director 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 September 30 of the current fiscal year.

DALLAS COUNTY, TEXAS
Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Unaudited)
September 30, 2025

The County controls appropriations at the category level (i.e., salaries, allowances, operations and property) for each department or project within the General Fund and some of the Special Revenue Funds. Grants are budgeted in total and not at the category level. All Debt Service Fund expenditures for principal and interest on long-term debt are considered to be in the operations category. Certain appropriation transfers may be made between categories or departments only with the approval of the Commissioners Court. Other transfers (e.g., court costs) may be authorized by the Budget Director. Transfers that were made during the current fiscal year 2025 did not increase the County's overall budget. Unencumbered amounts for annually budgeted funds lapse at fiscal year-end. The original budgets inclusive of prior period encumbered funds presented in the report are the approved budgets before amendments and transfers. The final budgets presented in this report reflect the budgets as amended for all appropriation transfers processed during the fiscal year. More comprehensive accounting of activity on the budget (prepared on a GAAP basis) is provided in a separate report, which can be viewed at www.dallascounty.org under the Auditor department's Financial Transparency page.

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. General Fund encumbrances outstanding at year end are constrained by a responsible official's request for a specific purpose and are reported in the General Fund Assigned Fund Balance.

DALLAS COUNTY, TEXAS
 Required Supplementary Information
Infrastructure Assets Under Modified Approach
 September 30, 2025
 (in thousands of dollars)
 (Unaudited)

Roads

A federal highway administration pavement condition rating (PCR) was utilized to assess the condition of the 107.53 lane miles of County roads. The County policy is to maintain roads at a minimum of 2.5 on a 4.0 scale. The following conditions were defined and associated with a rating:

<u>Condition</u>	<u>Rating</u>
Excellent	4
Good	3
Fair	2
Poor	1

Percentage of Roads with 2.5 or better condition:

Road and Bridge District	2025		2024		2023		2022		2021	
District 1 ⁽¹⁾	0.0	%	0.0	%	0.0	%	0.0	%	0.0	%
District 2 ⁽²⁾	0.0		0.0		100.0		100.0		100.0	
District 3	98.4		98.4		99.2		99.1		99.1	
District 4	100.0		100.0		100.0		100.0		100.0	
Overall System	98.4		98.4		99.2		99.2		99.7	

Comparison of estimated to actual maintenance costs:

	2025		2024		2023		2022		2021	
Estimated	\$	2,641	\$	1,597	\$	1,609	\$	1,609	\$	1,130
Actual		2,044		2,268		2,758		2,317		2,329

⁽¹⁾ District 1 does not have any lane miles of County roads.

⁽²⁾ District 2 does not have any lane miles of County roads as of FY24.

DALLAS COUNTY, TEXAS
 Required Supplementary Information
Infrastructure Assets Under Modified Approach
 September 30, 2025
 (in thousands of dollars)
 (Unaudited)

Bridges

	<u>Rating</u>	<u>Number</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Very Good	6.0 – 9.0	22	81 %	96 %	96 %	88 %	88 %
Good	4.0 – 5.9	5	19	4	4	12	12
Fair	3.0 – 3.9	-	-	-	-	-	-
Poor	0.0 – 2.9	-	-	-	-	-	-
		<u>27</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

The condition of the County’s bridges is determined using the State of Texas Bridge Inventory Inspection System (BRINSAP). A numerical condition range of 0.0 (poor) to 9.0 (excellent condition) is used to assess each of the seven elements of the structure. These include deck, substructure, channel, culvert, approaches, and miscellaneous items.

There was no change in the County’s bridge inventory for 2025.

County’s policy is to maintain bridges at the 4.0 – 5.9 level. Consistent with County policy, the above chart shows that 100% of the County’s bridges are in good or very good condition.

Comparison of estimated to actual maintenance costs:

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Estimated	\$ 1,644	\$ 1,140	\$ 1,133	\$ 300	\$ 300
Actual	1,392	157	459	186	256

DALLAS COUNTY, TEXAS
Required Supplementary Information
Primary Government
Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands of dollars)
(Unaudited)

Total Pension Liability	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
Service cost	\$ 67,957	\$ 67,280	\$ 58,807	\$ 60,364	\$ 50,874	\$ 46,770	\$ 45,971	\$ 46,920	\$ 43,906	\$ 41,338
Interest on total pension liability	231,811	221,349	209,007	198,433	187,503	176,481	166,480	156,177	144,675	136,590
Effect of plan changes	-	-	-	-	-	-	-	-	-	(9,604)
Effect of assumption changes or inputs	-	-	-	(1,804)	151,933	-	-	9,066	-	20,674
Effect of economic/demographic (gains) or losses	7,778	1,313	17,050	2,433	5,808	6,637	913	(986)	6,501	(11,965)
Benefit payments	(155,292)	(145,563)	(135,030)	(123,809)	(116,956)	(110,561)	(99,144)	(92,524)	(84,328)	(78,547)
Net change in total pension liability	152,254	144,379	149,834	135,617	279,162	119,327	114,220	118,653	110,754	98,486
Total pension liability, beginning	2,965,799	2,821,420	2,671,586	2,535,969	2,256,807	2,137,480	2,023,260	1,904,607	1,793,853	1,695,367
Total pension liability, ending (a)	<u>\$ 3,118,053</u>	<u>\$ 2,965,799</u>	<u>\$ 2,821,420</u>	<u>\$ 2,671,586</u>	<u>\$ 2,535,969</u>	<u>\$ 2,256,807</u>	<u>\$ 2,137,480</u>	<u>\$ 2,023,260</u>	<u>\$ 1,904,607</u>	<u>\$ 1,793,853</u>
Fiduciary Net Pension										
Employer contributions	\$ 68,945	\$ 65,974	\$ 68,890	\$ 56,815	\$ 56,183	\$ 48,680	\$ 45,309	\$ 43,304	\$ 39,234	\$ 35,839
Employee contributions	37,459	34,907	34,686	30,394	29,484	27,438	25,849	24,870	23,918	21,864
Investment income net of investment expenses	293,948	291,092	(163,999)	513,588	222,926	307,647	(36,221)	246,954	117,495	(6,146)
Benefit payments	(155,292)	(145,563)	(135,030)	(123,809)	(116,956)	(110,561)	(99,144)	(92,524)	(84,328)	(78,547)
Administrative expenses	(1,707)	(1,512)	(1,550)	(1,532)	(1,718)	(1,634)	(1,495)	(1,274)	(1,277)	(1,147)
Other	(1,767)	(1,234)	(2,040)	(383)	(930)	(886)	(632)	(339)	1,977	8
Net change in plan fiduciary net position	241,586	243,664	(199,043)	475,073	188,989	270,684	(66,334)	220,991	97,019	(28,129)
Fiduciary net position, beginning	2,809,015	2,565,351	2,764,394	2,289,321	2,100,332	1,829,648	1,895,982	1,674,991	1,577,972	1,606,101
Fiduciary net position, ending (b)	<u>\$ 3,050,601</u>	<u>\$ 2,809,015</u>	<u>\$ 2,565,351</u>	<u>\$ 2,764,394</u>	<u>\$ 2,289,321</u>	<u>\$ 2,100,332</u>	<u>\$ 1,829,648</u>	<u>\$ 1,895,982</u>	<u>\$ 1,674,991</u>	<u>\$ 1,577,972</u>
Net pension liability /asset, ending=(a)-(b)	\$ 67,452	\$ 156,784	\$ 256,069	\$ (92,808)	\$ 246,648	\$ 156,475	\$ 307,832	\$ 127,278	\$ 229,616	\$ 215,881
Fiduciary net position as a % of total pension liability	97.84%	94.71%	90.92%	103.47%	90.27%	93.07%	85.60%	93.71%	87.94%	87.97%
Covered payroll	\$ 534,041	\$ 498,667	\$ 494,541	\$ 467,582	\$ 420,693	\$ 391,817	\$ 357,160	\$ 354,950	\$ 341,163	\$ 311,763
Net pension liability/(asset) as a % of covered payroll	12.63%	31.44%	51.78%	-19.85%	58.63%	39.94%	86.19%	35.86%	67.30%	69.31%

Note: GASB Statement No. 68 was implemented in FY15 and prior years are not available.

DALLAS COUNTY, TEXAS
Required Supplementary Information
Primary Government
Schedule of Employer Pension Contributions
(in thousands of dollars)
(Unaudited)

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2016	\$ 37,127	\$ 37,127	-	\$ 322,846	11.5%
2017	42,483	42,483	-	353,624	12.0
2018	45,111	45,111	-	368,136	12.3
2019	48,070	48,070	-	387,849	12.4
2020	55,262	55,262	-	420,265	13.0
2021	57,184	57,184	-	434,802	13.0
2022	64,282	64,282	-	467,582	13.7
2023	68,080	68,080	-	507,551	13.4
2024	70,220	70,220	-	540,764	13.0
2025	72,958	72,958	-	560,256	13.0

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed.
Remaining Amortization Period	16.1 years (based on contribution rate calculated in 12/31/2024 valuation).
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation.
Retirement Age	Member who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The Average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in assumptions and methods reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions in the Schedule.
Changes in Plan Provisions reflected in the Schedule of Employer Contributions*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule. 2023: No changes in plan provisions were reflected in the Schedule. 2024: No changes in plan provisions were reflected in the Schedule.

*Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.

DALLAS COUNTY, TEXAS
Required Supplementary Information
Primary Government
Schedule of Changes in Other Post Employment Benefit Liability
(in thousands of dollars)
(Unaudited)

	Total OPEB Liability 2024	Total OPEB Liability 2023	Total OPEB Liability 2022	Total OPEB Liability 2021	Total OPEB Liability 2020	Total OPEB Liability 2019	Total OPEB Liability 2018
Total OPEB Liability - Start of Year	\$ 169,873	\$ 160,537	\$ 206,918	\$ 194,549	\$ 228,011	\$ 173,700	\$ 300,743
Changes for the year:							
Service Cost	9,759	9,540	14,162	13,843	13,797	7,086	12,826
Interest	7,209	6,734	4,942	4,558	6,379	7,453	11,300
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	14,276	-	(10,425)	-	(67,839)	-	(117,539)
Changes in assumptions or other inputs	(55,423)	(1,752)	(50,260)	(1,797)	18,196	44,721	(29,077)
Other changes, separately identified if significant	-	-	-	-	-	-	-
Benefit payments	(6,717)	(5,186)	(4,800)	(4,235)	(3,995)	(4,949)	(4,553)
Administrative expense	-	-	-	-	-	-	-
Net change in total OPEB liability	(30,896)	9,336	(46,381)	12,369	(33,462)	54,311	(127,043)
Total OPEB Liability - End of Year	\$ 138,977	\$ 169,873	\$ 160,537	\$ 206,918	\$ 194,549	\$ 228,011	\$ 173,700
Covered employee payroll	\$ 472,869	\$ 418,795	\$ 404,633	\$ 392,818	\$ 379,295	\$ 350,346	\$ 340,450
Total OPEB liability as a percent of covered employee payroll	23.39%	40.56%	39.67%	52.68%	51.29%	65.08%	51.00%

(i) The County does not accumulate assets in a trust that meets the criteria in paragraph 4 of GASB statements No. 75.

DALLAS COUNTY, TEXAS
Required Supplementary Information
Discretely Presented Component Unit
Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands of dollars)
(Unaudited)

Total Pension Liability	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Service cost	\$ 88,386	\$ 80,332	\$ 72,094	\$ 68,967	\$ 65,820	\$ 51,517	\$ 47,055	\$ 44,516	\$ 41,024	\$ 39,886
Interest on total pension liability	144,516	131,902	121,084	112,920	106,382	102,108	95,249	89,044	83,216	78,296
Effect of plan changes	-	-	-	-	-	-	-	(4,577)	-	-
Effect of economic/demographic gains or (losses)	111,461	82,722	58,240	15,847	8,301	(1,105)	7,645	8,896	2,439	(2,122)
Effect of assumption changes or inputs	(10,340)	(11,612)	-	8,495	(8,557)	207,476	(1,022)	-	-	-
Benefit payments	(86,685)	(81,380)	(77,361)	(69,373)	(62,990)	(56,859)	(53,984)	(49,645)	(44,312)	(49,392)
Net change in total pension liability	247,338	201,964	174,057	136,856	108,956	303,137	94,943	88,234	82,367	66,668
Total pension liability, beginning	2,360,090	2,158,126	1,984,069	1,847,213	1,738,257	1,435,120	1,340,177	1,251,943	1,169,576	1,102,908
Total pension liability, ending (a)	<u>\$ 2,607,428</u>	<u>\$ 2,360,090</u>	<u>\$ 2,158,126</u>	<u>\$ 1,984,069</u>	<u>\$ 1,847,213</u>	<u>\$ 1,738,257</u>	<u>\$ 1,435,120</u>	<u>\$ 1,340,177</u>	<u>\$ 1,251,943</u>	<u>\$ 1,169,576</u>
Fiduciary Net Pension										
Employer contributions	\$ 87,900	\$ 83,701	\$ 74,800	\$ 72,500	\$ 59,072	\$ 46,700	\$ 40,000	\$ 27,915	\$ 28,083	\$ 24,500
Employee contributions	65,211	61,227	53,925	50,396	47,987	46,107	44,223	38,686	30,270	29,471
Investment income net of investment expenses	153,897	178,662	(221,128)	174,667	160,402	192,482	(51,595)	130,137	55,203	(7,945)
Benefit payments	(86,685)	(81,383)	(77,361)	(69,373)	(62,990)	(56,859)	(53,984)	(49,645)	(44,312)	(49,392)
Administrative expenses	(4,483)	(3,760)	(3,362)	(3,653)	(2,918)	(2,743)	(2,654)	(3,803)	(1,881)	(2,047)
Net change in plan fiduciary net position	215,840	238,447	(173,126)	224,537	201,533	225,687	(24,010)	143,290	67,363	(5,413)
Fiduciary net position, beginning	1,665,132	1,426,685	1,599,811	1,375,274	1,173,721	948,034	972,044	828,754	761,391	766,804
Fiduciary net position, ending (b)	<u>\$ 1,880,972</u>	<u>\$ 1,665,132</u>	<u>\$ 1,426,685</u>	<u>\$ 1,599,811</u>	<u>\$ 1,375,274</u>	<u>\$ 1,173,721</u>	<u>\$ 948,034</u>	<u>\$ 972,044</u>	<u>\$ 828,754</u>	<u>\$ 761,391</u>
Net position liability = (a)-(b)	<u>\$ 726,456</u>	<u>\$ 694,958</u>	<u>\$ 731,441</u>	<u>\$ 384,258</u>	<u>\$ 471,939</u>	<u>\$ 564,536</u>	<u>\$ 487,086</u>	<u>\$ 368,133</u>	<u>\$ 423,189</u>	<u>\$ 408,185</u>
Fiduciary net position as a % of total pension liability	72.14%	70.55%	66.11%	80.63%	74.45%	67.52%	66.06%	72.53%	66.20%	65.10%
Covered employee payroll	\$ 986,204	\$ 917,566	\$ 792,713	\$ 721,279	\$ 706,911	\$ 685,520	\$ 659,891	\$ 632,669	\$ 613,367	\$ 574,215
Net pension liability as a % of covered payroll	73.66%	75.74%	92.27%	53.27%	66.76%	82.35%	73.81%	58.19%	68.99%	71.09%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Hospital will present information for those years for which information is available.

DALLAS COUNTY, TEXAS
Required Supplementary Information
Discretely Presented Component Unit
Schedule of Employer Pension Contributions
(in thousands of dollars)
(Unaudited)

	December 31,									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	
Contributions in relation to the actuarially determined contributions	\$ 87,900	\$ 83,701	\$ 74,800	\$ 72,500	\$ 59,072	\$ 46,700	\$ 40,000	\$ 27,915	\$ 28,123	
Actuarially determined contributions	77,945	70,598	60,775	59,916	59,072	37,005	28,827	27,915	28,083	
Contribution (surplus) / deficit	<u>\$ 9,955</u>	<u>\$ 13,103</u>	<u>\$ 14,025</u>	<u>\$ 12,584</u>	<u>\$ -</u>	<u>\$ 9,695</u>	<u>\$ 11,173</u>	<u>\$ -</u>	<u>\$ 40</u>	
Covered employee payroll	<u>\$ 986,204</u>	<u>\$ 917,566</u>	<u>\$ 917,566</u>	<u>\$ 792,713</u>	<u>\$ 721,279</u>	<u>\$ 706,911</u>	<u>\$ 685,520</u>	<u>\$ 659,891</u>	<u>\$ 632,669</u>	
Contributions as a percentage of covered employee payroll	<u>8.90%</u>	<u>9.10%</u>	<u>8.20%</u>	<u>9.10%</u>	<u>8.20%</u>	<u>6.60%</u>	<u>5.80%</u>	<u>4.20%</u>	<u>4.40%</u>	

Notes:

(1) Valuation date:

Actuarially determined contribution rates are calculated as of January 1st one year prior to the end of the fiscal year in which are reported.

(2) Methods and assumptions used to determine contribution rates:

As of December 31,				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarial Cost Method	Entry age normal cost	Entry age normal cost	Entry age normal cost	Entry age normal cost
Amortization Method	19 years, closed	20 years, closed	30 years, closed	30 years, closed
Asset Valuation Method	5-year rolling phase-in	5-year rolling phase-in	5-year rolling phase-in	5-year rolling phase-in
Inflation	2.50%	2.50%	2.50%	2.50%
Investment Rate of Return	6.00%, net of pension plan investment expense, including inflation	6.00%, net of pension plan investment expense, including inflation	6.00%, net of pension plan investment expense, including inflation	6.00%, net of pension plan investment expense, including inflation
Retirement Age	65	65	65	65
Mortality	Pub-2016 Public General and 2024 Adj MP-2021	Pub-2010 Public General and 2024 Adj MP-2021	Pub-2010 Public General and MP-2021	Pub-2010 Public General and MP-2021

As of December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarial Cost Method	Entry age normal cost	Entry age normal cost	Entry age normal cost	Entry age normal cost
Amortization Method	30 years, closed	30 years, closed	30 years, closed	30 years, closed
Asset Valuation Method	5-year rolling phase-in	5-year rolling phase-in	5-year rolling phase-in	5-year rolling phase-in
Inflation	2.50%	2.50%	2.50%	2.50%
Investment Rate of Return	6.00%, net of pension plan investment expense, including inflation	6.00%, net of pension plan investment expense, including inflation	7.00%, net of pension plan investment expense, including inflation	7.25%, net of pension plan investment expense, including inflation
Retirement Age	65	65	65	65
Mortality	Pub-2010 Public General and MP-2020	Pub-2010 Public General and MP-2019	Pub-2010 Public General and MP-2018	RP-2000, projected

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Hospital will present information for those years for which information is available.

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SUPPLEMENTARY INFORMATION

**DALLAS COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

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

Road and Bridge Fund 10500 - 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.

Permanent Improvement Fund 12600 - receives an allocation of property taxes for building maintenance and construction of permanent improvements.

Law Library Fund 47000 - 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.

Major Technology Fund 19500 - used to account for monies received from property taxes that are dedicated to funding the County's information technology operations and improvements to its computer systems.

District Attorney Fund 53500 - HIDTA/Federal Sharing – used to account for funds from participation in the Dallas Area “High-Intensity Drug Traffic Area.”

District Attorney Special Fund 53800 - used to account for funds to be used at the discretion of the District Attorney.

District Attorney Forfeiture Funds 54000, 54100, and 54700 - used to account for money and property forfeited in criminal seizures. Funds are to be used for criminal justice.

Historical Commission Fund 16800 - used to account for donations and other funds received for the preservation of historical landmarks.

Housing Finance Corporation Fund 18000 - used to account for money received from lease payments related to the Dallas County Housing Finance Corporation – Beckley.

Alternative Dispute Resolution Fund 16200 - 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 47100 - 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.

HUD Section 8 Fund 46700 - used to account for federal awards from HUD for Section 8 activity.

Academy for Academic Excellence Fund 46800 - used to account for Academy for Academic Excellence.

Judicial Fund 20000 - used to account for statutory fees from criminal and civil court filings in County and District Courts, restricted to projects for judiciary as approved by Commissioners Court.

Technology Fund 20100 - used to account for fees from each civil case filed in Justice Courts, restricted for the use of technology projects for the Justice Courts.

Local Government Fund 20200 - used to account for a statutory fee and earnings that are restricted for the use of elections, transportation, and other projects as defined by statute.

Local Official Fund 20300 - used to account for money and property forfeited in criminal seizures, restricted for use by the County Sheriff, Constables, and Special VIT interest managed by the County Assessor–Collector of Taxes.

Record Management Fund 20400 - used to account for monies received from each civil case filed in County or District Courts, restricted to manage, preserve, or digitize County records.

**DALLAS COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS**

CAPITAL PROJECT FUNDS

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

Road Bond Funds 42700, 48100, 49000, and 49400 – used to account for proceeds from bonds issued for the purchase of right-of-way and for the subsequent construction and maintenance of roads and bridges throughout the County.

DALLAS COUNTY, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025
(in thousands of dollars)

	Special Revenue										
	Road and Bridge	Permanent Improvement	Law Library	Major Technology	District Attorney		District Attorney Forfeitures			Historical Commission	Housing Finance Corporation
					HIDTA Federal	Special	Federal	State	Other		
ASSETS											
Cash and Investments	\$ 56,732	\$ 12,356	\$ 2,441	\$ 4,205	\$ 1	\$ 164	\$ 1	\$ -	\$ 163	\$ 8	\$ 208
Receivables:											
Taxes - current	-	6,474	-	88,098	-	-	-	-	-	-	-
Less allowance for uncollectible	-	(529)	-	(5,947)	-	-	-	-	-	-	-
Net taxes receivable	-	5,945	-	82,151	-	-	-	-	-	-	-
Accounts	316,061	-	6,292	-	-	-	-	-	-	-	-
Less allowance	(313,369)	-	(6,249)	-	-	-	-	-	-	-	-
Accounts receivable	2,692	-	43	-	-	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-	-	-	-	2,827
Accrued interest	456	109	14	54	-	-	-	-	1	-	2
Due from other funds	-	-	69	-	-	-	-	-	-	-	-
Due from other governmental units	1,033	-	-	-	-	-	-	-	-	-	-
Inventories	2,550	-	-	-	-	-	-	-	-	-	-
Prepayments and advances	4	-	-	9,713	-	-	-	-	-	-	-
Total assets	<u>\$ 63,467</u>	<u>\$ 18,410</u>	<u>\$ 2,567</u>	<u>\$ 96,123</u>	<u>\$ 1</u>	<u>\$ 164</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 164</u>	<u>\$ 8</u>	<u>\$ 3,037</u>
LIABILITIES											
Accounts payable	\$ 1,120	\$ 409	\$ 41	\$ 2,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91
Due to other funds	-	-	214	-	-	-	-	-	-	-	-
Due to other governmental units	1,790	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>2,910</u>	<u>409</u>	<u>255</u>	<u>2,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - other	2,311	40	49	17	-	-	-	-	-	-	1
Unavailable revenue - property taxes	-	5,817	-	80,776	-	-	-	-	-	-	-
Deferred inflow of resources - other	-	-	-	-	-	-	-	-	-	-	2,697
Total deferred inflows	<u>2,311</u>	<u>5,857</u>	<u>49</u>	<u>80,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,698</u>
FUND BALANCES											
Nonspendable: inventories and prepaid	2,554	-	-	9,713	-	-	-	-	-	-	-
Restricted	55,692	-	2,263	-	1	164	1	-	164	8	248
Committed	-	12,144	-	3,301	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>58,246</u>	<u>12,144</u>	<u>2,263</u>	<u>13,014</u>	<u>1</u>	<u>164</u>	<u>1</u>	<u>-</u>	<u>164</u>	<u>8</u>	<u>248</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 63,467</u>	<u>\$ 18,410</u>	<u>\$ 2,567</u>	<u>\$ 96,123</u>	<u>\$ 1</u>	<u>\$ 164</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 164</u>	<u>\$ 8</u>	<u>\$ 3,037</u>

(Continued)

DALLAS COUNTY, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025
(in thousands of dollars)

Special Revenue

	Alternative Dispute Resolution	Appellate Justice System	HUD Section 8 Grants	Academy for Academic Excellence	Judicial	Technology	Local Government	Local Official	Record Management	Total
ASSETS										
Cash and Investments	\$ 4,890	\$ 1,865	\$ 4,769	\$ 1,894	\$ 2,447	\$ 538	\$ 19,274	\$ 32,454	\$ 16,366	\$ 160,776
Receivables:										
Taxes - current	-	-	-	-	-	-	-	-	-	94,572
Less allowance for uncollectible	-	-	-	-	-	-	-	-	-	(6,476)
Net taxes receivable	-	-	-	-	-	-	-	-	-	88,096
Accounts	5,058	1,897	-	358	-	-	-	-	-	329,666
Less allowance	(5,025)	(1,887)	-	-	-	-	-	-	-	(326,530)
Accounts receivable	33	10	-	358	-	-	-	-	-	3,136
Lease receivable	-	-	-	-	-	-	-	-	-	2,827
Accrued interest	48	10	67	2	20	4	152	261	131	1,331
Due from other funds	-	-	-	-	-	-	-	-	-	69
Due from other governmental units	-	-	3	-	-	-	-	7	-	1,043
Inventories	-	-	-	-	-	-	-	73	-	2,623
Prepayments and advances	-	-	5,199	-	-	-	-	-	-	14,916
Total assets	<u>\$ 4,971</u>	<u>\$ 1,885</u>	<u>\$ 10,038</u>	<u>\$ 2,254</u>	<u>\$ 2,467</u>	<u>\$ 542</u>	<u>\$ 19,426</u>	<u>\$ 32,795</u>	<u>\$ 16,497</u>	<u>\$ 274,817</u>
LIABILITIES										
Accounts payable	\$ 8	\$ 5	\$ 411	\$ 460	\$ 23	\$ -	\$ 375	\$ 1,146	\$ 383	\$ 6,788
Due to other funds	-	-	1,524	-	-	-	66	-	-	1,804
Due to other governmental units	-	-	97	-	-	-	-	-	-	1,887
Total liabilities	<u>8</u>	<u>5</u>	<u>2,032</u>	<u>460</u>	<u>23</u>	<u>-</u>	<u>441</u>	<u>1,146</u>	<u>383</u>	<u>10,479</u>
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue - other	46	17	41	1	8	2	63	106	53	2,755
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	86,593
Deferred inflow of resources - other	-	-	-	-	-	-	-	-	-	2,697
Total deferred inflows	<u>46</u>	<u>17</u>	<u>41</u>	<u>1</u>	<u>8</u>	<u>2</u>	<u>63</u>	<u>106</u>	<u>53</u>	<u>92,045</u>
FUND BALANCES										
Nonspendable: inventories and prepaid	-	-	5,199	-	-	-	-	73	-	17,539
Restricted	4,917	1,863	2,766	1,793	2,436	540	18,922	31,470	16,061	139,309
Committed	-	-	-	-	-	-	-	-	-	15,445
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>4,917</u>	<u>1,863</u>	<u>7,965</u>	<u>1,793</u>	<u>2,436</u>	<u>540</u>	<u>18,922</u>	<u>31,543</u>	<u>16,061</u>	<u>172,293</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,971</u>	<u>\$ 1,885</u>	<u>\$ 10,038</u>	<u>\$ 2,254</u>	<u>\$ 2,467</u>	<u>\$ 542</u>	<u>\$ 19,426</u>	<u>\$ 32,795</u>	<u>\$ 16,497</u>	<u>\$ 274,817</u>

(Continued)

DALLAS COUNTY, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025
(in thousands of dollars)

	Capital Project		Total Nonmajor Governmental Funds
	Roads	Total	
ASSETS			
Cash and Investments	\$ 3,073	\$ 3,073	\$ 163,849
Receivables:			
Taxes - current	-	-	94,572
Less allowance for uncollectible	-	-	(6,476)
Net taxes receivable	-	-	88,096
Accounts	-	-	329,666
Less allowance	-	-	(326,530)
Accounts receivable	-	-	3,136
Lease receivable	-	-	2,827
Accrued interest	-	-	1,331
Due from other funds	-	-	69
Due from other governmental units	11	11	1,054
Inventories	-	-	2,623
Prepayments and advances	-	-	14,916
Total assets	\$ 3,084	\$ 3,084	\$ 277,901
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 6,788
Due to other funds	-	-	1,804
Due to other governmental units	82	82	1,969
Total liabilities	82	82	10,561
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - other	-	-	2,755
Unavailable revenue - property taxes	-	-	86,593
Deferred inflow of resources - other	-	-	2,697
Total deferred inflows	-	-	92,045
FUND BALANCES			
Nonspendable: inventories and prepaid	-	-	17,539
Restricted	3,002	3,002	142,311
Committed	-	-	15,445
Unassigned	-	-	-
	3,002	3,002	175,295
Total liabilities, deferred inflows and fund balances	\$ 3,084	\$ 3,084	\$ 277,901

(Concluded)

DALLAS COUNTY, TEXAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Special Revenue										
	Road and Bridge	Permanent Improvement	Law Library	Major Technology	District Attorney		District Attorney Forfeiture			Historical Commission	Housing Finance Corporation
					HIDTA Federal	Special	Federal	State	Other		
REVENUES											
Property taxes	\$ -	\$ 6,492	\$ -	\$ 71,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway license fees	22,871	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	3,994	-	-	-	-	-	-	-	-	-	-
Investment Income (loss)	2,532	763	40	960	-	-	-	-	5	-	8
Intergovernmental revenues	53	-	-	18	-	-	-	-	-	-	-
Charges for current services	798	-	1,860	-	-	-	-	-	-	-	-
Miscellaneous	106	17	1	-	-	150	-	-	-	-	-
Total revenues	30,354	7,272	1,901	72,129	-	150	-	-	5	-	8
EXPENDITURES											
Current:											
General government	-	8,143	-	72,438	-	-	-	-	-	7	-
Judicial	-	118	1,147	-	-	153	-	-	1	-	-
Public safety	-	2,153	-	1	-	-	-	-	-	-	-
Highways and streets	16,038	-	-	-	-	-	-	-	-	-	-
Health	-	1	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	-	5,422	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	212	-	-	-	-	-	-	-
Capital outlay - IT subscriptions	-	-	-	6,025	-	-	-	-	-	-	-
Total Expenditures	16,038	10,415	1,147	84,098	-	153	-	-	1	7	-
Excess (deficiency) of revenues over (under) expenditures	14,316	(3,143)	754	(11,969)	-	(3)	-	-	4	(7)	8
OTHER FINANCING SOURCES (USES)											
Transfers in	-	1,500	-	8,500	-	-	-	-	-	-	-
Transfers (out)	(6,995)	(1,500)	(172)	-	-	-	-	-	-	-	-
Debt issuance - IT subscriptions	-	-	-	6,025	-	-	-	-	-	-	-
Total other finance sources (uses)	(6,995)	-	(172)	14,525	-	-	-	-	-	-	-
Net change in fund balances	7,321	(3,143)	582	2,556	-	(3)	-	-	4	(7)	8
Fund balance - beginning	50,925	15,287	1,681	10,458	1	167	1	-	160	15	240
Fund balance - ending	\$ 58,246	\$ 12,144	\$ 2,263	\$ 13,014	\$ 1	\$ 164	\$ 1	\$ -	\$ 164	\$ 8	\$ 248

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025
(in thousands of dollars)

	Special Revenue									
	Alternative Dispute Resolution	Appellate Judicial System	HUD Section 8 Grants	Academy for Academic Excellence	Judicial	Technology	Local Government	Local Official	Record Management	Total
REVENUES										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,643
Highway license fees	-	-	-	-	-	-	-	-	-	22,871
Fines and forfeitures	-	-	-	-	-	-	-	-	-	3,994
Investment Income (loss)	329	33	142	8	106	21	873	2,532	879	9,231
Intergovernmental revenues	-	-	70,528	5,337	-	-	2,750	3,419	-	82,105
Charges for current services	1,235	514	28	-	547	116	1,231	7,596	7,759	21,684
Miscellaneous	-	-	-	-	1	-	92	198	-	565
Total revenues	1,564	547	70,698	5,345	654	137	4,946	13,745	8,638	218,093
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	847	-	81,435
Judicial	2,284	115	-	-	249	-	216	1,614	7,776	13,673
Public safety	-	-	-	-	-	-	-	4,930	-	7,084
Highways and streets	-	-	-	-	-	-	-	-	-	16,038
Health	-	-	-	-	-	-	45	-	-	46
Education	-	-	-	8,315	-	-	-	-	-	8,315
Public welfare	-	-	70,994	-	-	-	3,495	7,386	-	81,875
Debt service:										
Principal	-	-	107	-	-	-	250	-	-	5,779
Interest and fiscal charges	-	-	2	-	-	-	-	-	-	214
Capital outlay - IT subscriptions	-	-	-	-	-	-	-	-	-	6,025
Total Expenditures	2,284	115	71,103	8,315	249	-	4,006	14,777	7,776	220,484
Excess (deficiency) of revenues over (under) expenditures	(720)	432	(405)	(2,970)	405	137	940	(1,032)	862	(2,391)
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	3,794	-	-	-	-	-	13,794
Transfers (out)	(1,012)	(234)	-	-	(282)	-	(836)	-	(4,545)	(15,576)
Debt issuance - IT subscriptions	-	-	-	-	-	-	-	-	-	6,025
Total other finance sources (uses)	(1,012)	(234)	-	3,794	(282)	-	(836)	-	(4,545)	4,243
Net change in fund balances	(1,732)	198	(405)	824	123	137	104	(1,032)	(3,683)	1,852
Fund balance - beginning	6,649	1,665	8,370	969	2,313	403	18,818	32,575	19,744	170,441
Fund balance - ending	\$ 4,917	\$ 1,863	\$ 7,965	\$ 1,793	\$ 2,436	\$ 540	\$ 18,922	\$ 31,543	\$ 16,061	\$ 172,293

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025
(in thousands of dollars)

	Capital Projects		Total Nonmajor Governmental Funds
	Roads	Total	
REVENUES			
Property taxes	\$ -	\$ -	\$ 77,643
Highway license fees	-	-	22,871
Fines and forfeitures	-	-	3,994
Investment Income (loss)	-	-	9,231
Intergovernmental revenues	-	-	82,105
Charges for current services	-	-	21,684
Miscellaneous	-	-	565
Total revenues	-	-	218,093
EXPENDITURES			
Current:			
General government	-	-	81,435
Judicial	-	-	13,673
Public safety	-	-	7,084
Highways and streets	-	-	16,038
Health	-	-	46
Education	-	-	8,315
Public welfare	-	-	81,875
Debt service:			
Principal	-	-	5,779
Interest and fiscal charges	-	-	214
Capital outlay - IT subscriptions	-	-	6,025
Total Expenditures	-	-	220,484
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,391)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	13,794
Transfers (out)	-	-	(15,576)
Debt issuance - IT subscriptions	-	-	6,025
Total other finance sources (uses)	-	-	4,243
Net change in fund balances	-	-	1,852
Fund balance - beginning	3,002	3,002	173,443
Fund balance - ending	\$ 3,002	\$ 3,002	\$ 175,295

(Concluded)

DALLAS COUNTY, TEXAS
Debt Service - County Wide Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 29,160	\$ 29,160	\$ 28,886	\$ (274)
Investment income (loss)	6,500	6,500	4,189	(2,311)
Total revenues	<u>35,660</u>	<u>35,660</u>	<u>33,075</u>	<u>(2,585)</u>
EXPENDITURES				
Debt Service:				
Principal	19,030	19,030	19,115	(85)
Interest and fiscal charges	10,550	10,550	9,598	952
Total expenditures	<u>29,580</u>	<u>29,580</u>	<u>28,713</u>	<u>867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,080</u>	<u>6,080</u>	<u>4,362</u>	<u>(1,718)</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	6,080	6,080	4,362	(1,718)
Fund balances - beginning	<u>22,857</u>	<u>22,857</u>	<u>22,857</u>	<u>-</u>
Fund balances - ending	<u>\$ 28,937</u>	<u>\$ 28,937</u>	<u>\$ 27,219</u>	<u>\$ (1,718)</u>

(Continued)

DALLAS COUNTY, TEXAS
Road and Bridge Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Licenses and permits	\$ 22,719	\$ 22,719	\$ 22,871	\$ 152
Fines and forfeitures	3,100	3,100	3,994	894
Investment income (loss)	1,600	1,600	2,532	932
Intergovernmental revenues	49	49	53	4
Charges for current services	1,237	1,237	798	(439)
Miscellaneous	60	60	106	46
Total revenues	<u>28,765</u>	<u>28,765</u>	<u>30,354</u>	<u>1,589</u>
EXPENDITURES				
Current:				
General government	24	24	-	24
Highways and streets	27,828	27,828	16,038	11,790
Total expenditures	<u>27,852</u>	<u>27,852</u>	<u>16,038</u>	<u>11,814</u>
Excess (deficiency) of revenues over (under) expenditures	<u>913</u>	<u>913</u>	<u>14,316</u>	<u>13,403</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(16,315)	(16,315)	(6,995)	9,320
Total other financing sources (uses)	<u>(16,315)</u>	<u>(16,315)</u>	<u>(6,995)</u>	<u>9,320</u>
Net change in fund balances	(15,402)	(15,402)	7,321	22,723
Fund balances - beginning	50,925	50,925	50,925	-
Fund balances - ending	<u>\$ 35,523</u>	<u>\$ 35,523</u>	<u>\$ 58,246</u>	<u>\$ 22,723</u>

(Continued)

DALLAS COUNTY, TEXAS
 Permanent Improvement Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 6,559	\$ 6,559	\$ 6,492	\$ (67)
Investment income (loss)	440	440	763	323
Miscellaneous	-	-	17	17
Total revenues	<u>6,999</u>	<u>6,999</u>	<u>7,272</u>	<u>273</u>
EXPENDITURES				
Current:				
General government	19,831	19,831	8,143	11,688
Judicial	33	33	118	(85)
Public safety	728	728	2,153	(1,425)
Health	-	-	1	(1)
Total expenditures	<u>20,592</u>	<u>20,592</u>	<u>10,415</u>	<u>10,177</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,593)</u>	<u>(13,593)</u>	<u>(3,143)</u>	<u>10,450</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500	1,500	1,500	-
Transfers (out)	-	-	(1,500)	(1,500)
Total other financing sources (uses)	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
Net change in fund balances	(12,093)	(12,093)	(3,143)	8,950
Fund balances - beginning	15,287	15,287	15,287	-
Fund balances - ending	<u>\$ 3,194</u>	<u>\$ 3,194</u>	<u>\$ 12,144</u>	<u>\$ 8,950</u>

(Continued)

DALLAS COUNTY, TEXAS
 Law Library Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 30	\$ 30	\$ 40	\$ 10
Charges for current services	1,550	1,550	1,860	310
Miscellaneous	-	-	1	1
Total revenues	<u>1,580</u>	<u>1,580</u>	<u>1,901</u>	<u>321</u>
EXPENDITURES				
Current:				
Judicial	1,374	1,374	1,147	227
Total expenditures	<u>1,374</u>	<u>1,374</u>	<u>1,147</u>	<u>227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>206</u>	<u>206</u>	<u>754</u>	<u>548</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(175)	(175)	(172)	3
Total other financing sources (uses)	<u>(175)</u>	<u>(175)</u>	<u>(172)</u>	<u>3</u>
Net change in fund balances	31	31	582	551
Fund balances - beginning	1,681	1,681	1,681	-
Fund balances - ending	<u>\$ 1,712</u>	<u>\$ 1,712</u>	<u>\$ 2,263</u>	<u>\$ 551</u>

(Continued)

DALLAS COUNTY, TEXAS
Required Supplementary Information
Major Technology Special Revenue Fund
(Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 71,871	\$ 71,871	\$ 71,151	\$ (720)
Investment income (loss)	700	700	960	260
Intergovernmental revenues	-	-	18	18
Total revenues	<u>72,571</u>	<u>72,571</u>	<u>72,129</u>	<u>(442)</u>
EXPENDITURES				
Current:				
General government	91,516	90,751	72,438	18,313
Judicial	-	282	-	282
Public safety	13	494	1	493
Health	-	2	-	2
Debt Service:				
Principal	-	-	5,422	(5,422)
Interest and fiscal charges	-	-	212	(212)
Capital outlay - IT subscriptions	-	-	6,025	(6,025)
Total expenditures	<u>91,529</u>	<u>91,529</u>	<u>84,098</u>	<u>7,431</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,958)</u>	<u>(18,958)</u>	<u>(11,969)</u>	<u>6,989</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,500	8,500	8,500	-
Debt issuance - IT subscriptions	-	-	6,025	6,025
Total other financing sources (uses)	<u>8,500</u>	<u>8,500</u>	<u>14,525</u>	<u>6,025</u>
Net change in fund balances	(10,458)	(10,458)	2,556	13,014
Fund balances - beginning	10,458	10,458	10,458	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,014</u>	<u>\$ 13,014</u>

See Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Continued)

DALLAS COUNTY, TEXAS
 Historical Commission Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	<u>Original</u>	<u>Final</u>		Positive (Negative)
EXPENDITURES				
Current:				
General government	\$ 15	\$ 15	\$ 7	\$ 8
Total expenditures	<u>15</u>	<u>15</u>	<u>7</u>	<u>8</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15)</u>	<u>(15)</u>	<u>(7)</u>	<u>8</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	(15)	(15)	(7)	8
Fund balances - beginning	<u>15</u>	<u>15</u>	<u>15</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 8</u>

(Continued)

DALLAS COUNTY, TEXAS
 Alternate Dispute Resolution Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 200	\$ 200	\$ 329	\$ 129
Charges for current services	1,030	1,030	1,235	205
Total revenues	<u>1,230</u>	<u>1,230</u>	<u>1,564</u>	<u>334</u>
EXPENDITURES				
Current:				
General government	5,078	5,078	-	5,078
Judicial	349	349	2,284	(1,935)
Total expenditures	<u>5,427</u>	<u>5,427</u>	<u>2,284</u>	<u>3,143</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,197)</u>	<u>(4,197)</u>	<u>(720)</u>	<u>3,477</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(1,012)	(1,012)	(1,012)	-
Total other financing sources (uses)	<u>(1,012)</u>	<u>(1,012)</u>	<u>(1,012)</u>	<u>-</u>
Net change in fund balances	(5,209)	(5,209)	(1,732)	3,477
Fund balances - beginning	6,649	6,649	6,649	-
Fund balances - ending	<u>\$ 1,440</u>	<u>\$ 1,440</u>	<u>\$ 4,917</u>	<u>\$ 3,477</u>

(Continued)

DALLAS COUNTY, TEXAS
Appellate Judicial System Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 30	\$ 30	\$ 33	\$ 3
Charges for current services	310	310	514	204
Total revenues	<u>340</u>	<u>340</u>	<u>547</u>	<u>207</u>
EXPENDITURES				
Current:				
General government	579	462	-	462
Judicial	547	547	115	432
Total expenditures	<u>1,126</u>	<u>1,009</u>	<u>115</u>	<u>894</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(786)</u>	<u>(669)</u>	<u>432</u>	<u>1,101</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(117)	(234)	(234)	-
Total other financing sources (uses)	<u>(117)</u>	<u>(234)</u>	<u>(234)</u>	<u>-</u>
Net change in fund balances	(903)	(903)	198	1,101
Fund balances - beginning	1,665	1,665	1,665	-
Fund balances - ending	<u>\$ 762</u>	<u>\$ 762</u>	<u>\$ 1,863</u>	<u>\$ 1,101</u>

(Continued)

DALLAS COUNTY, TEXAS
Housing Finance Corporation Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ -	\$ -	\$ 8	\$ 8
Total revenues	<u>-</u>	<u>-</u>	<u>8</u>	<u>8</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>8</u>	<u>8</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	-	-	8	8
Fund balances - beginning	<u>240</u>	<u>240</u>	<u>240</u>	<u>-</u>
Fund balances - ending	<u>\$ 240</u>	<u>\$ 240</u>	<u>\$ 248</u>	<u>\$ 8</u>

(Continued)

DALLAS COUNTY, TEXAS
 HUD Section 8 Grants Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 150	\$ 150	\$ 142	\$ (8)
Intergovernmental revenues	60,769	60,769	70,528	9,759
Charges for current services	50	50	28	(22)
Total revenues	<u>60,969</u>	<u>60,969</u>	<u>70,698</u>	<u>9,729</u>
EXPENDITURES				
Current:				
Public welfare	69,339	69,339	70,994	(1,655)
Debt Service:				
Principal	-	-	107	(107)
Interest and fiscal charges	-	-	2	(2)
Total expenditures	<u>69,339</u>	<u>69,339</u>	<u>71,103</u>	<u>(1,764)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,370)</u>	<u>(8,370)</u>	<u>(405)</u>	<u>7,965</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	(8,370)	(8,370)	(405)	7,965
Fund balances - beginning	<u>8,370</u>	<u>8,370</u>	<u>8,370</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,965</u>	<u>\$ 7,965</u>

(Continued)

DALLAS COUNTY, TEXAS
Academy for Academic Excellence Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 31	\$ 31	\$ 8	\$ (23)
Intergovernmental revenues	8,138	8,138	5,337	(2,801)
Total revenues	<u>8,169</u>	<u>8,169</u>	<u>5,345</u>	<u>(2,824)</u>
EXPENDITURES				
Current:				
Education	8,390	8,390	8,315	75
Total expenditures	<u>8,390</u>	<u>8,390</u>	<u>8,315</u>	<u>75</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(221)</u>	<u>(221)</u>	<u>(2,970)</u>	<u>(2,749)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,360	1,360	3,794	2,434
Total other financing sources (uses)	<u>1,360</u>	<u>1,360</u>	<u>3,794</u>	<u>2,434</u>
Net change in fund balances	1,139	1,139	824	(315)
Fund balances - beginning	969	969	969	-
Fund balances - ending	<u>\$ 2,108</u>	<u>\$ 2,108</u>	<u>\$ 1,793</u>	<u>\$ (315)</u>

(Continued)



FIDUCIARY SECTION

DALLAS COUNTY, TEXAS

FIDUCIARY FUNDS – ALL CUSTODIAL FUNDS

Custodial 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 Custodial Funds:

Administrative Escrow (Fund 53200) - used to account for miscellaneous amounts temporarily held for other individuals or entities outside control of Commissioners Court.

Sheriff Inmate Funds (Fund 51500) - used to account for monies held in trust for individuals in County custody.

State Reports (Fund 16600) - 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 (Funds 50100-50600, 58000-58700) - used to account for monies received with ultimate disposition of receipts to be determined at a future date.

Community Supervision and Corrections (Fund 12800) - used to account for the activities of a State agency with funds in the County depository.

Housing Finance Corporation - 1993 Refunding (Fund 57000) - used to account for monies received as a result of refunding of 1983 Mortgage Revenue bonds issued by HFC.

Juvenile Department Child Support (Funds 80200-80800) - used to account for money held for other parties in the child support program in accordance with court orders.

DCS - Administration (Fund 60000) - used to account for ad valorem tax revenue and reserved funds available to pay all outstanding debts and obligations of Dallas County Schools described in the final judgment of the 134th Judicial District Court in Cause No. DC-18-04952. For further information see I. Summary of Significant Accounting Policies.

Housing Finance Corporation - 1994 Refunding (Fund 57100) - used to account for monies received as a result of refunding 1984 Mortgage Revenue Bonds issued by HFC.

Community Supervision and Corrections Special (Fund 54300) - used to account for the receipt and distribution of restitution payments made by probationers.

District Attorney Restitution Funds (Fund 53400) - used to account for the receipt and distribution of restitution payments made by the defendants.

Youth Village (Fund 53700) - used to account for donated money to be used for the benefit of youths temporarily housed in the facility.

Tax Assessor-Collector (Fund 70400) - used to account for initial receipt and distribution to proper parties of taxes and fees collected for various entities of government.

Police Agencies Seized Funds (Fund 54200) - used to account for seized monies awaiting judicial determination for local police agencies.

Attorney General Seized Funds (Fund 54400) - used to account for seized monies awaiting judicial determination for the Texas Attorney General.

Gambling Seized Funds (Fund 54500) - used to account for seized monies for gambling awaiting judicial determination for the Texas Department of Public Safety.

Narcotics Seized Funds (Fund 54600) - used to account for seized monies for narcotics awaiting judicial determination for the Texas Department of Public Safety.

DALLAS COUNTY, TEXAS
 Combining Statement of Fiduciary Assets and Liabilities-Custodial Funds
 September 30, 2025
 (in thousands of dollars)

	Fee Office Funds										
	<u>Administrative Fund Escrow</u>	<u>Sheriff Inmate Funds</u>	<u>State Reports</u>	<u>County Clerk</u>	<u>District Clerk</u>	<u>Sheriff</u>	<u>Justice of the Peace</u>	<u>Constables</u>	<u>Community Supervision and Corrections</u>	<u>Housing Finance Corporation - 1993 Refunding</u>	<u>Juvenile Department Child Support</u>
Assets:											
Cash, cash equivalents, and investments	\$ 13,158	\$ 636	\$ 1,744	\$ 64,533	\$ 43,358	\$ 244	\$ 2,002	\$ 140	\$ 10,068	\$ 84	\$ 306
Accrued interest	67	-	-	-	-	-	-	-	140	-	-
Accounts receivable	710	-	-	-	-	-	-	-	-	-	-
Prepayments and advances	-	-	-	-	-	-	-	-	16	-	-
Assets held in escrow	8,117	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 22,052</u>	<u>\$ 636</u>	<u>\$ 1,744</u>	<u>\$ 64,533</u>	<u>\$ 43,358</u>	<u>\$ 244</u>	<u>\$ 2,002</u>	<u>\$ 140</u>	<u>\$ 10,224</u>	<u>\$ 84</u>	<u>\$ 306</u>
Liabilities:											
Accounts payable and other liabilities	\$ 293	\$ 219	\$ -	\$ 1,704	\$ 1,530	\$ 27	\$ 1	\$ -	\$ 385	\$ -	\$ -
Unearned revenue other	141	-	-	-	-	-	-	-	-	-	-
Due to other governmental units	21,618	-	1,696	1	-	-	-	-	3,291	-	-
Total liabilities	<u>22,052</u>	<u>219</u>	<u>1,696</u>	<u>1,705</u>	<u>1,530</u>	<u>27</u>	<u>1</u>	<u>-</u>	<u>3,676</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:											
Net Position:											
Restricted for: Individuals, Organizations or Other Governments	-	417	48	62,828	41,828	217	2,001	140	6,548	84	306
Total Net Position	<u>-</u>	<u>417</u>	<u>48</u>	<u>62,828</u>	<u>41,828</u>	<u>217</u>	<u>2,001</u>	<u>140</u>	<u>6,548</u>	<u>84</u>	<u>306</u>
Total liabilities, deferred inflows and net position	<u>\$ 22,052</u>	<u>\$ 636</u>	<u>\$ 1,744</u>	<u>\$ 64,533</u>	<u>\$ 43,358</u>	<u>\$ 244</u>	<u>\$ 2,002</u>	<u>\$ 140</u>	<u>\$ 10,224</u>	<u>\$ 84</u>	<u>\$ 306</u>

(Continued)

DALLAS COUNTY, TEXAS
 Combining Statement of Fiduciary Assets and Liabilities-Custodial Funds
 September 30, 2025
 (in thousands of dollars)

	Departmental Special Funds					District Attorney Seized Funds					Total
	Dallas County School Funds - Administration	Housing Finance Corporation - 1994 Refunding	Community Supervision and Corrections Special	DA Restitution Funds	Youth Village	Tax Assessor - Collector	Police Agencies	Attorney General	Gambling	Narcotics	
Assets:											
Cash, cash equivalents, and investments	\$ 28,211	\$ 1,183	\$ 1,873	\$ 647	\$ 2	\$ 71,862	\$ 43	\$ 32	\$ 70	\$ 377	\$ 240,573
Accrued interest	-	2	-	-	-	1	1	-	-	2	213
Accounts receivable	-	-	-	-	-	-	-	-	-	-	710
Prepayments and advances	-	-	-	-	-	-	-	-	-	-	16
Assets held in escrow	-	-	-	-	-	-	-	-	-	-	8,117
Total assets	<u>\$ 28,211</u>	<u>\$ 1,185</u>	<u>\$ 1,873</u>	<u>\$ 647</u>	<u>\$ 2</u>	<u>\$ 71,863</u>	<u>\$ 44</u>	<u>\$ 32</u>	<u>\$ 70</u>	<u>\$ 379</u>	<u>\$ 249,629</u>
Liabilities:											
Accounts payable and other liabilities	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,160
Unearned revenue other	-	-	-	-	-	-	-	-	-	-	141
Due to other governmental units	28,211	-	-	-	-	71,863	-	-	-	-	126,680
Total liabilities	<u>28,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>71,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,981</u>
Deferred inflows of resources:											
Unavailable revenue - other	-	-	-	-	-	-	-	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:											
Restricted for: Individuals, Organizations or Other Governments	-	1,185	1,873	647	1	-	44	32	70	379	118,648
Total Net Position	<u>-</u>	<u>1,185</u>	<u>1,873</u>	<u>647</u>	<u>1</u>	<u>-</u>	<u>44</u>	<u>32</u>	<u>70</u>	<u>379</u>	<u>118,648</u>
Total liabilities, deferred inflows and net position	<u>\$ 28,211</u>	<u>\$ 1,185</u>	<u>\$ 1,873</u>	<u>\$ 647</u>	<u>\$ 2</u>	<u>\$ 71,863</u>	<u>\$ 44</u>	<u>\$ 32</u>	<u>\$ 70</u>	<u>\$ 379</u>	<u>\$ 249,629</u>

(Concluded)

DALLAS COUNTY, TEXAS
 Combining Statement of Changes in Fiduciary Net Position
 For the Year Ended September 30, 2025
 (in thousands of dollars)

	Fee Office Funds									
	Administrative Fund Escrow	Sheriff Inmate Funds	State Reports	County Clerk	District Clerk	Sheriff	Justice of the Peaces	Constables	Community Supervision and Corrections	Housing Finance Corporation - 1993 Refunding
ADDITIONS:										
Ad valorem tax collections - local government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues - Fiduciary	310	-	-	-	-	-	-	35,265	-	-
CSCD participants	-	-	-	-	-	-	-	9,099	-	-
Trust/Escrow contributions	10,651	-	-	45,903	89,821	17,428	1,254	1,200	-	538
Inmate accounts	-	14,379	-	-	-	-	-	-	-	-
Investment interest/(loss)	1	-	-	-	-	-	-	-	549	2
Miscellaneous	-	-	-	23	147	-	-	-	65	-
Total Additions	<u>10,962</u>	<u>14,379</u>	<u>-</u>	<u>45,926</u>	<u>89,968</u>	<u>17,428</u>	<u>1,254</u>	<u>1,200</u>	<u>44,978</u>	<u>2</u>
DEDUCTIONS:										
Ad valorem tax payments - local government	-	-	-	-	-	-	-	-	-	-
Administrative Costs	-	-	-	-	-	-	-	-	-	-
CSCD program costs	-	-	-	-	-	-	-	43,539	-	-
Election Costs	10,961	-	-	-	-	-	-	-	-	-
Inmate accounts	-	14,463	-	-	-	-	-	-	-	-
Trust/Escrow disbursements	1	-	-	42,249	87,986	17,466	1,115	1,167	-	540
Total Deductions	<u>10,962</u>	<u>14,463</u>	<u>-</u>	<u>42,249</u>	<u>87,986</u>	<u>17,466</u>	<u>1,115</u>	<u>1,167</u>	<u>43,539</u>	<u>540</u>
Net Change in Fiduciary Net Position	-	(84)	-	3,677	1,982	(38)	139	33	1,439	(2)
Net Position - beginning	-	501	48	59,151	39,846	255	1,862	107	5,109	82
Net Position - ending	<u>\$ -</u>	<u>\$ 417</u>	<u>\$ 48</u>	<u>\$ 62,828</u>	<u>\$ 41,828</u>	<u>\$ 217</u>	<u>\$ 2,001</u>	<u>\$ 140</u>	<u>\$ 6,548</u>	<u>\$ 84</u>

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2025
(in thousands of dollars)

	<u>Fee Office Funds</u>										
	Dallas County School Funds - Administration	Housing Finance Corporation - 1994 Refunding	Community Supervision and Corrections Special	DA Restitution Funds	Youth Village	Tax Assessor - Collector	Police Agencies	Attorney General	Gambling	Narcotics	Total
ADDITIONS:											
Ad valorem tax collections - local government	\$ 28	\$ -	\$ -	\$ -	\$ -	\$ 942,723	\$ -	\$ -	\$ -	\$ -	\$ 942,751
Intergovernmental revenues - Fiduciary	-	-	-	-	-	-	-	-	-	-	35,575
CSCD participants	-	-	-	-	-	-	-	-	-	-	9,099
Trust/Escrow contributions	-	-	2,576	1,537	-	-	-	-	-	221	171,129
Inmate accounts	-	-	-	-	-	-	-	-	-	-	14,379
Investment interest/(loss)	-	36	-	-	-	-	1	1	2	6	598
Miscellaneous	-	-	-	-	-	-	-	-	-	-	235
Total Additions	<u>28</u>	<u>36</u>	<u>2,576</u>	<u>1,537</u>	<u>-</u>	<u>942,723</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>227</u>	<u>1,173,766</u>
DEDUCTIONS:											
Ad valorem tax payments - local government	2	-	-	-	-	942,723	-	-	-	-	942,725
Administrative Costs	26	-	-	-	-	-	-	-	-	-	26
CSCD program costs	-	-	-	-	-	-	-	-	-	-	43,539
Election Costs	-	-	-	-	-	-	-	-	-	-	10,961
Inmate accounts	-	-	-	-	-	-	-	-	-	-	14,463
Trust/Escrow disbursements	-	-	3,080	1,408	-	-	-	-	-	-	155,012
Total Deductions	<u>28</u>	<u>-</u>	<u>3,080</u>	<u>1,408</u>	<u>-</u>	<u>942,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,166,726</u>
Net Change in Fiduciary Net Position	-	36	(504)	129	-	-	1	1	2	227	7,040
Net Position - beginning	-	1,149	2,377	518	1	-	43	31	68	152	111,608
Net Position - ending	<u>\$ -</u>	<u>\$ 1,185</u>	<u>\$ 1,873</u>	<u>\$ 647</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 32</u>	<u>\$ 70</u>	<u>\$ 379</u>	<u>\$ 118,648</u>

(Concluded)

STATISTICAL SECTION
(Unaudited)

DALLAS COUNTY, TEXAS
STATISTICAL SECTION

This part of the County’s annual comprehensive financial report presents detailed information to enhance the understanding of the information in the financial statements, note disclosures, and required supplementary information and what the data indicates about the County’s overall financial health.

Contents	Page
Financial Trends	152
These schedules contain trend information to aid in understanding how the County’s financial performance and wellbeing have changed over time.	
Revenue Capacity	157
These schedules contain information to aid in assessing the County’s most significant local revenue source – property tax.	
Debt Capacity	162
These schedules present information to aid in assessing the County’s ability to issue additional debt in the future.	
Demographic and Economic Information	168
These schedules offer demographic and economic indicators to aid in understanding the environment within which the County’s financial activities take place.	
Operating Information	170
These schedules contain service and infrastructure data to aid in understanding how the information in the County’s financial report relates to services the County provides and the activities it performs.	

DALLAS COUNTY, TEXAS
Net Position of Primary Government
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Table 1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 559,389	\$ 581,267	\$ 607,806	\$ 654,323	\$ 683,253	\$ 724,157	\$ 770,484	\$ 837,028	\$ 953,609	\$ 1,005,286
Restricted	87,072	87,893	107,194	112,738	115,265	136,876	120,154	135,102	158,536	163,867
Unrestricted	<u>(126,204)</u>	<u>(190,639)</u>	<u>(105,235)</u>	<u>(135,953)</u>	<u>(123,646)</u>	<u>(83,858)</u>	<u>(30,619)</u>	<u>18,675</u>	<u>36,219</u>	<u>94,878</u>
Total governmental activities net position	<u>\$ 520,257</u>	<u>\$ 478,521</u>	<u>\$ 609,765</u>	<u>\$ 631,108</u>	<u>\$ 674,872</u>	<u>\$ 777,175</u>	<u>\$ 860,019</u>	<u>\$ 990,805</u>	<u>\$ 1,148,364</u>	<u>\$ 1,264,031</u>

Source: Dallas County Financial Records

DALLAS COUNTY, TEXAS

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands of dollars)
(unaudited)

Table 2

Expenses	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
General government	\$ 168,648	\$ 192,894	\$ 121,734	\$ 149,704	\$ 151,512	\$ 147,096	\$ 170,106	\$ 206,094	\$ 289,329	\$ 294,072
Judicial	179,924	193,293	203,030	215,018	199,758	202,170	187,212	211,565	229,181	229,738
Public Safety	275,315	305,656	314,959	346,225	345,599	341,027	336,123	371,943	384,207	410,826
Highways and Streets	25,378	24,927	44,619	35,959	35,268	39,531	23,087	44,187	49,424	40,290
Health	55,674	63,496	60,760	71,518	105,794	183,168	124,535	130,660	131,029	127,283
Education	6,879	7,819	8,086	8,725	8,591	8,065	7,859	10,089	11,762	9,151
Public Welfare	72,374	76,760	66,980	73,438	164,493	121,810	159,508	202,751	157,870	142,518
Libraries	-	-	-	-	-	-	-	-	-	-
Interest on long term debt	2,757	4,476	5,026	7,166	7,653	7,972	9,541	12,389	9,007	10,833
Total primary government expenses	\$ 786,949	\$ 869,321	\$ 825,194	\$ 907,753	\$ 1,018,668	\$ 1,050,839	\$ 1,017,971	\$ 1,189,678	\$ 1,261,809	\$ 1,264,711
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 44,338	\$ 57,254	\$ 48,066	\$ 53,561	\$ 46,362	\$ 47,749	\$ 48,120	\$ 48,953	\$ 38,186	\$ 45,465
Judicial	53,533	53,506	54,042	50,389	45,268	47,737	44,636	36,023	36,989	41,936
Public Safety	24,869	30,363	24,991	29,336	28,787	24,387	24,185	34,397	39,499	37,614
Highways and Streets	25,425	26,200	25,630	27,684	23,120	25,319	23,227	35,228	37,650	26,590
Health	7,028	7,899	8,262	8,684	9,204	10,064	19,897	6,498	11,843	14,467
Public Welfare	7,626	6,625	9,738	6,954	6,151	9,085	5,630	14,210	4,033	5,903
Operating grants and contributions										
General government	-	-	-	-	-	-	-	-	1,747	-
Judicial	2,732	2,817	4,987	5,187	5,825	5,420	5,737	6,384	9,326	8,112
Public Safety	20,754	20,807	17,894	19,642	18,860	21,353	20,566	20,620	27,142	26,349
Health	37,985	28,412	34,470	39,734	87,417	150,612	100,257	69,621	62,393	66,623
Education	6,920	6,907	8,108	7,771	7,600	8,339	8,082	6,654	7,434	5,337
Public Welfare	61,037	60,932	55,364	59,328	152,156	115,209	107,750	94,957	94,323	108,207
Capital grants and contributions:										
Judicial	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-
Public Welfare	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	\$ 292,247	\$ 301,722	\$ 291,552	\$ 308,270	\$ 430,750	\$ 465,274	\$ 408,087	\$ 373,545	\$ 370,565	\$ 386,603
Total net (expense) revenue	\$ (494,702)	\$ (567,599)	\$ (533,642)	\$ (599,483)	\$ (587,918)	\$ (585,565)	\$ (609,884)	\$ (816,133)	\$ (891,244)	\$ (878,108)
General Revenues and Other Changes in Net Position	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Taxes										
Property taxes	\$ 436,426	\$ 476,351	\$ 509,444	\$ 552,091	\$ 596,936	\$ 640,512	\$ 633,034	\$ 698,375	\$ 737,763	\$ 829,854
Alcoholic beverage taxes	40,062	41,873	42,226	43,565	39,287	39,583	52,709	54,032	56,086	55,877
Unrestricted grants and contributions	7,430	2,388	2,252	2,494	3,598	4,452	66,508	155,934	190,345	71,241
Investment earnings	2,945	5,251	10,159	22,676	7,677	559	(27,066)	38,578	64,609	36,803
Gain (Loss) on Sale	-	-	2,181	-	-	2,762	-	-	-	-
Insurable gain, net of insurance proceeds	-	-	-	-	-	-	-	-	-	-
Donated Capital Asset	6,953	-	-	-	-	-	-	-	-	-
Special Item	-	-	-	-	(15,816)	-	(8,292)	-	-	-
Total primary government	\$ 493,816	\$ 525,863	\$ 566,262	\$ 620,826	\$ 631,682	\$ 687,868	\$ 716,893	\$ 946,919	\$ 1,048,803	\$ 993,775
Other activities:										
Insurable loss, net of insurance proceeds	-	-	-	-	-	-	-	-	-	-
Loss on retirement of capital assets	-	-	-	-	-	-	-	-	-	-
Interest paid - advance refunding	-	-	-	-	-	-	-	-	-	-
Total other expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in Net Position										
Governmental activities	\$ (886)	\$ (41,736)	\$ 32,620	\$ 21,343	\$ 43,764	\$ 102,303	\$ 107,009	\$ 121,236	\$ 157,559	\$ 115,657
Total primary government	\$ (886)	\$ (41,736)	\$ 32,620	\$ 21,343	\$ 43,764	\$ 102,303	\$ 107,009	\$ 121,236	\$ 157,559	\$ 115,657

Source: Dallas County Financial Records

DALLAS COUNTY, TEXAS
 Government Activities Tax Revenue by Source
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (in thousands of dollars)
 (unaudited)

Table 3

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Property Taxes	\$ 436,426	\$ 476,351	\$ 509,444	\$ 552,091	\$ 596,936	\$ 640,512	\$ 633,034	\$ 698,375	\$ 737,763	\$ 829,854
Alcoholic beverage / other taxes	<u>40,062</u>	<u>41,873</u>	<u>42,226</u>	<u>43,565</u>	<u>39,287</u>	<u>39,583</u>	<u>52,709</u>	<u>54,032</u>	<u>56,086</u>	<u>55,877</u>
Total Taxes	<u>\$ 476,488</u>	<u>\$ 518,224</u>	<u>\$ 551,670</u>	<u>\$ 595,656</u>	<u>\$ 636,223</u>	<u>\$ 680,095</u>	<u>\$ 685,743</u>	<u>\$ 752,407</u>	<u>\$ 793,849</u>	<u>\$ 885,731</u>

Source: Dallas County Financial Records

DALLAS COUNTY, TEXAS
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands of dollars)

Table 4

(unaudited)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund (GASB 54)										
Nonspendable	\$ 3,995	\$ 5,126	\$ 4,064	\$ 4,020	\$ 5,266	\$ 5,741	\$ 8,613	\$ 8,690	\$ 9,542	\$ 6,322
Assigned	12,255	10,061	10,432	14,835	13,600	13,600	19,565	31,475	16,927	24,253
Unassigned	<u>57,522</u>	<u>33,826</u>	<u>35,563</u>	<u>30,180</u>	<u>43,560</u>	<u>58,639</u>	<u>70,107</u>	<u>52,811</u>	<u>80,448</u>	<u>123,292</u>
Total General Fund	<u><u>\$ 73,772</u></u>	<u><u>\$ 49,013</u></u>	<u><u>\$ 50,059</u></u>	<u><u>\$ 49,035</u></u>	<u><u>\$ 62,426</u></u>	<u><u>\$ 77,980</u></u>	<u><u>\$ 98,285</u></u>	<u><u>\$ 92,976</u></u>	<u><u>\$ 106,917</u></u>	<u><u>\$ 153,867</u></u>
All Other Governmental Funds (GASB 54)										
Nonspendable	\$ 2,287	\$ 3,389	\$ 7,436	\$ 11,575	\$ 16,304	\$ 17,755	\$ 17,942	\$ 17,234	\$ 21,425	\$ 20,149
Restricted (1)	293,504	276,287	269,703	217,749	164,790	134,511	278,113	251,744	235,201	207,899
Committed	245,943	279,075	285,134	298,984	299,214	293,919	253,234	258,057	276,517	246,420
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,568)</u>	<u>(27,823)</u>	<u>(30,942)</u>	<u>(9,061)</u>	<u>-</u>
Total all other governmental funds	<u><u>\$ 541,734</u></u>	<u><u>\$ 558,751</u></u>	<u><u>\$ 562,273</u></u>	<u><u>\$ 528,308</u></u>	<u><u>\$ 480,308</u></u>	<u><u>\$ 425,617</u></u>	<u><u>\$ 521,466</u></u>	<u><u>\$ 496,093</u></u>	<u><u>\$ 524,082</u></u>	<u><u>\$ 474,468</u></u>

(1) Balances presented for the 2021 through 2022 fiscal years were adjusted to reflect the recording of the Unavailable Revenue deferral pertaining to revenue in the Major Grant Fund.
Source: Dallas County Financial Records

DALLAS COUNTY, TEXAS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands of dollars)
(unaudited)

Table 5

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property taxes	\$ 436,192	\$ 475,867	\$ 509,422	\$ 555,198	\$ 597,853	\$ 637,610	\$ 637,317	\$ 695,631	\$ 757,255	\$ 828,658
Licenses and permits	46,558	47,200	46,661	47,474	46,078	45,583	50,592	53,819	54,016	54,101
Fines and forfeitures	9,473	10,280	8,659	7,320	5,752	5,224	4,851	4,425	3,987	4,124
Investment income and rental revenues	7,558	9,569	14,774	27,486	11,801	5,130	(27,073)	56,717	74,868	45,114
Intergovernmental revenues	133,226	137,222	138,637	142,332	282,173	274,598	306,661	368,609	413,071	309,625
Charges for current services	128,935	124,854	133,565	132,157	125,082	123,075	141,869	132,256	139,093	141,749
Miscellaneous revenues	17,521	16,199	20,120	19,995	12,405	29,855	13,176	8,599	19,800	9,348
Total revenues	779,463	821,191	871,838	931,962	1,081,144	1,121,075	1,127,393	1,320,056	1,462,090	1,392,719
Expenditures										
General government and judicial	272,284	295,662	298,659	318,179	332,882	340,732	376,104	418,718	467,977	496,158
Public safety	262,171	284,174	295,887	308,740	328,686	337,508	362,994	386,556	400,562	432,794
Highways and streets	25,267	24,914	43,709	35,434	35,394	40,071	24,899	46,213	50,790	41,688
Health	54,927	62,247	59,524	68,883	104,871	185,196	128,556	132,320	179,858	131,812
Public welfare	71,024	75,417	65,874	71,850	163,742	121,526	167,535	211,921	192,134	151,919
Libraries	-	-	-	-	-	-	-	-	-	-
Education	6,523	7,381	7,698	8,049	8,436	8,079	7,975	9,860	11,412	9,004
Capital outlay	31,670	41,119	108,663	150,542	110,171	152,311	56,156	89,166	62,556	71,024
Capital outlay - leases	-	-	-	-	-	-	-	1,603	3,624	110,398
Capital outlay SBITA's	-	-	-	-	-	-	-	11,909	-	7,876
Debt service	-	-	-	-	-	-	107	-	-	-
Principal	24,645	28,435	28,751	26,423	28,854	25,033	29,670	39,368	39,681	46,452
Interest	4,724	9,582	10,220	11,657	11,549	11,337	12,146	16,616	15,190	14,532
Total expenditures (a)	753,235	828,931	918,985	999,757	1,124,585	1,221,793	1,166,142	1,364,250	1,423,784	1,513,657
Excess of revenues over (under) expenditures	26,228	(7,740)	(47,147)	(67,795)	(43,441)	(100,718)	(38,749)	(44,194)	38,306	(120,938)
Other financing sources (uses)										
Transfers in	32,777	36,259	28,185	40,213	58,784	50,690	57,810	41,431	50,019	50,399
Transfers (out)	(32,777)	(36,259)	(28,185)	(40,213)	(58,784)	(50,690)	(57,810)	(41,431)	(50,019)	(50,399)
Debt issuance - advance refunding bonds	-	-	-	-	-	-	3,930	-	-	-
Debt issuance - limited tax notes	-	-	-	-	-	-	-	-	-	-
Debt issuance - Costs	-	-	-	-	-	-	-	-	-	-
Debt issuance - leases	-	-	-	-	-	-	-	1,603	3,624	110,398
Debt issuance - IT subscriptions	-	-	-	-	-	-	-	11,909	-	7,876
Debt issuance - Principal	167,900	-	-	-	-	-	-	-	-	-
Debt issuance - Premium	33,278	-	-	-	-	-	132,190	-	-	-
Leases	-	-	51,715	32,805	8,832	61,581	18,783	-	-	-
Premium on advance refunding bonds	-	-	-	-	-	-	-	-	-	-
Premium on limited tax notes	-	-	-	-	-	-	-	-	-	-
Interest on advance refunding bonds	-	-	-	-	-	-	-	-	-	-
Interest on limited tax notes	-	-	-	-	-	-	-	-	-	-
Payment to advance refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	201,178	-	51,715	32,805	8,832	61,581	154,903	13,512	3,624	118,274
Net change in fund balance	\$ 227,406	\$ (7,740)	\$ 4,568	\$ (34,990)	\$ (34,609)	\$ (39,137)	\$ 116,154	\$ (30,682)	\$ 41,930	\$ (2,664)
Restatement (2)	-	-	-	-	-	(23,631)	(7,636)	-	-	-
Sum of expenditures (a)	753,235	828,931	918,985	999,757	1,124,585	1,221,793	1,166,142	1,364,250	1,423,784	1,513,657
Less: Expenditures capitalized for government-wide statement of net position. (1)	(53,312)	(38,210)	(102,747)	(133,357)	(96,442)	(155,375)	(81,375)	(144,088)	(155,777)	(91,201)
Non-capital expenditures	\$ 699,923	\$ 790,721	\$ 816,238	\$ 866,400	\$ 1,028,143	\$ 1,066,418	\$ 1,084,767	\$ 1,220,162	\$ 1,268,007	\$ 1,422,456
Debt service as a percentage of non-capital expenditures	4.2%	4.8%	4.8%	4.4%	3.9%	3.4%	3.9%	4.6%	4.3%	4.3%

Notes:

(1) Some purchases are considered capital expenditures and are recorded at the functional level in the fund basic financials in addition to being recorded as capital outlay.

(2) Balances presented for the 2021 through 2022 fiscal years were adjusted to reflect the recording of the Unavailable Revenue deferral pertaining to revenue in the Major Grant Fund.

DALLAS COUNTY, TEXAS
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars, except for Note 1)
 (unaudited)

Table 6

Year (3)	Real Property		Personal Property		Total		Total Primary Government Direct Tax Rate	Statutory Ratio of Assessed Value to True Value
	Assessed Value Notes (1) & (4)	Estimated True Value Note (2)	Assessed Value Notes (1) & (4)	Estimated True Value Note (2)	Assessed Value Notes (1) & (4)	Estimated True Value Note (2)		
2016	234,902,414	235,437,422	36,749,521	36,749,521	271,651,935	272,186,943	0.24310	99.80%
2017	252,142,781	254,467,411	37,440,442	37,440,442	289,583,223	291,907,853	0.24310	99.20%
2018	280,850,606	282,733,570	38,454,754	38,454,754	319,305,360	321,188,324	0.24310	99.41%
2019	304,062,931	307,920,728	41,963,966	41,963,966	346,026,897	349,884,694	0.24310	98.90%
2020	308,504,346	325,903,891	41,897,149	41,897,149	350,401,495	367,801,040	0.23974	95.27%
2021	337,907,778	344,788,733	44,497,261	44,497,261	382,405,039	389,285,994	0.22795	98.23%
2022	397,904,097	406,913,218	49,313,501	49,313,501	447,217,598	456,226,719	0.21795	98.03%
2023	447,933,898	453,858,041	55,384,334	55,384,334	503,318,232	509,242,375	0.21572	98.84%
2024	504,647,938	509,975,612	56,729,439	56,729,439	561,377,376	566,705,050	0.21550	99.06%
2025	518,215,279	533,214,269	61,263,441	61,263,441	579,478,720	594,477,710	0.21550	97.48%

Source: Dallas County Tax Assessor-Collector.

Note (1) Assessed values shown in this table includes rolling stock and amounts allowed for all exemptions. The Dallas County Commissioners Court approved the greater of 20% or \$5,000 allowance for homestead exemptions for all taxpayers. The Dallas County Commissioners Court approved an additional \$100,000 allowance for homestead exemptions for taxpayers 65 years of age or older. The approved allowance for disabled veterans is \$5,000 for disabilities of 10% but less than 30%, \$7,500 for disabilities of 30% but less than 50%, \$10,000 for disabilities of 50% but less than 70%, and \$12,000 for disabilities greater than 70%.

Note (2) 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.

Note (3) Effective January 1, 2008 the Dallas County Commissioners Court approved a deferral on the total taxes imposed by the County on property held by disabled and 65 or older homeowners.

Note (4) The assessment date is January 1.

DALLAS COUNTY, TEXAS

Property Tax Rates and Tax Levies

Table 7

Last Ten Tax Years

Tax Rates Per \$100 of Taxable Value

(unaudited)								
Tax Year	General Fund	Major Technology Fund	Permanent Improvement Fund	Major Capital Development Fund	Debt Service Funds	Total Primary Government	Component Unit	Total Reporting Entity
Rates (1)								
2016	0.17315	0.01733	0.00180	0.03071	0.02011	0.24310	0.27940	0.52250
2017	0.17315	0.01733	0.00180	0.03372	0.01710	0.24310	0.27940	0.52250
2018	0.17115	0.01933	0.00180	0.03946	0.01136	0.24310	0.27940	0.52250
2019	0.17115	0.01933	0.00180	0.04116	0.00966	0.24310	0.26950	0.51260
2020	0.16914	0.01933	0.00180	0.04116	0.00831	0.23974	0.26610	0.50584
2021	0.16844	0.01803	0.00180	0.03316	0.00652	0.22795	0.25500	0.48295
2022	0.15897	0.01862	0.00170	0.02970	0.00896	0.21794	0.23580	0.45374
2023	0.15744	0.01844	0.00168	0.02941	0.00875	0.21572	0.21950	0.43522
2024	0.15821	0.01853	0.00169	0.02956	0.00751	0.21550	0.21200	0.42750
2025	0.15881	0.02032	0.00148	0.02817	0.00674	0.21550	0.21200	0.42750
Tax levies (1) (in thousands of dollars)								
2016	353,896	35,420	3,679	62,767	41,102	496,864 (a)	582,178	1,079,042
2017	377,435	37,776	3,924	73,503	37,275	529,913 (b)	623,342	1,153,255
2018	408,197	46,103	4,293	94,113	27,094	579,800 (c)	683,317	1,263,117
2019	437,130	49,370	4,597	105,126	24,672	620,895 (d)	708,080	1,328,975
2020	432,806	49,463	4,606	105,323	21,264	613,461 (e)	702,644	1,316,106
2021	477,602	51,123	5,104	94,024	18,479	646,332 (f)	747,292	1,393,624
2022	519,424	60,828	5,551	97,030	29,286	712,118 (g)	796,689	1,508,806
2023	577,851	67,672	6,173	107,946	32,096	791,738 (h)	826,582	1,618,320
2024	634,710	74,339	6,780	118,589	30,129	864,547 (i)	878,727	1,743,274
2025	661,529	84,634	6,153	117,330	28,056	897,702 (j)	917,350	1,815,052

Note (1) Tax levy figures are shown net of exemptions. Tax rates shown are amounts per hundred dollars of net assessed value. Effective January 1, 2008 the Dallas County Commissioners Court approved a tax limitation "freeze" on the total taxes imposed by the County on property held by disabled and over 65 homeowners.

Tax levy figures also include tax increment financing (listed below) for collection by Dallas County with remittance to the City without actual revenue recognition totaling:

Note (2) Legal Limitation

Original - Texas Constitution, Article 8, Section 9

\$ 0.80000

Additional authorized by voters - Texas Constitution

0.15000

Additional authorized by Texas Constitution Article 9, Section 9

0.75000

Legal limitation includes provision for debt service

\$ 1.70000

- (a) \$ 7.1 million
- (b) \$ 9.6 million
- (c) \$ 12.2 million
- (d) \$ 13.9 million
- (e) \$ 14.26 million
- (f) \$ 11.38 million
- (g) \$ 11.51 million
- (h) \$ 12.43 million
- (i) \$ 12.08 million
- (j) \$12.01 million

Taxes due: October 1

Taxes delinquent: February 1 year following levy

Tax lien and assessment date: January 1 year of levy

Taxes added to delinquent roll: April 1 (personal property) or July 1 (real property) in the 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

DALLAS COUNTY, TEXAS
Property Tax Rates
Direct and Overlapping Governments
Last Ten Tax Years
(Rates are per \$100 property value)
(unaudited)

Table 8

Name	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Dallas County	\$ 0.24310	\$ 0.24310	\$ 0.24310	\$ 0.24310	\$ 0.23974	\$ 0.22795	\$ 0.22794	\$ 0.21572	\$ 0.21550	\$ 0.21550
Dallas County Schools	0.00927	0.01000	0.01000	0.01000	0.01000	0.01000	0.01000	0.00000	0.00000	0.00000
Dallas County Hospital Dist.	0.27940	0.27940	0.27940	0.27940	0.26610	0.25500	0.25500	0.21950	0.21200	0.21200
Dallas County Community College District	0.12293	0.12423	0.12400	0.12400	0.12400	0.12351	0.12351	0.11003	0.10560	0.10658
School Districts										
Carrollton-Farmers Branch	1.39170	1.38100	1.37000	1.37000	1.25470	1.20125	1.20125	0.98360	0.98360	0.94810
Cedar Hill	1.51600	1.51600	1.37600	1.37600	1.28330	1.23840	1.23840	1.13260	1.12790	1.12790
Coppell	1.49270	1.47770	1.46050	1.46050	1.31000	1.29200	1.29200	1.05350	1.00260	0.98190
Dallas	1.28209	1.28209	1.41204	1.41204	1.29674	1.24824	1.24824	1.01384	0.99724	0.99384
DeSoto	1.46000	1.49000	1.49000	1.49000	1.52909	1.38860	1.38860	1.07280	1.06520	1.22520
Duncanville	1.52148	1.52148	1.52000	1.52000	1.36760	1.31590	1.31590	1.08280	1.10570	1.10570
Ferris	1.35500	1.38730	1.51730	1.51730	1.31380	1.27430	1.27430	1.14310	1.14080	1.23080
Garland	1.46000	1.46000	1.46000	1.46000	1.25630	1.25630	1.25630	1.05320	1.05090	1.17090
Grand Prairie	1.59500	1.59500	1.59500	1.59500	1.50970	1.37630	1.37630	1.09505	1.05770	1.06269
Grapevine-Colleyville	1.39670	1.39670	1.39670	1.39670	1.30310	1.27510	1.27510	0.92470	0.92330	0.86860
Highland Park	1.15270	1.20320	1.23550	1.23550	1.15190	1.13100	1.13100	0.89270	0.86690	0.83470
Irving	1.44500	1.43140	1.40110	1.40110	1.27510	1.20770	1.20770	1.02810	1.01590	1.01590
Lancaster	1.54000	1.54000	1.53000	1.53000	1.49990	1.47040	1.47040	1.22670	1.22440	1.22440
Mesquite	1.46000	1.46000	1.52000	1.52000	1.44640	1.31200	1.31200	1.09920	1.09690	1.10690
Richardson	1.39005	1.39005	1.52000	1.52000	1.40470	1.39090	1.39090	1.14310	1.10520	1.10520
Sunnyvale	1.42600	1.52000	1.52000	1.52000	1.38920	1.34200	1.34200	1.18920	1.18690	1.21690
Special Districts										
Dallas County FCD #1	2.25000	2.00000	1.80000	1.80000	1.40000	1.30000	1.30000	1.00000	0.90000	0.50000
Dallas County MUD #4	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	1.00000	1.00000
Dallas County URD	1.29500	1.24900	1.11130	1.11130	0.93700	0.81670	0.81670	0.75510	0.70000	0.70000
Denton County LID #1	0.18400	0.18300	0.18200	0.18200	0.18200	0.17000	0.17000	0.16900	0.18800	0.19400
Denton County RUD #1+	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Grand Prairie Metro URD	0.60000	0.60000	0.60000	0.60000	0.60000	0.60000	0.60000	0.60000	6.00000	6.00000
Irving FCD, Section I	0.45300	0.44600	0.45500	0.45500	0.50600	0.52700	0.52700	0.42830	0.37820	0.35350
Irving FCD, Section III	0.12500	0.12500	0.12500	0.12500	0.12360	0.12360	0.12360	0.10350	0.09350	0.09000
Lancaster MUD #1	1.06000	1.00000	1.00000	1.00000	0.95000	0.92000	0.92000	0.92000	0.92000	0.94940
Northwest Dallas Co FCD	0.30000	0.30000	0.30000	0.30000	0.30000	0.30000	0.30000	0.27565	0.27265	0.27265
Texas Tri-Modal MUD2	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.50000	0.50000
Valwood Improvement Auth	0.25000	0.22000	0.20000	0.20000	0.18000	0.01700	0.01700	0.10000	0.06000	0.04000
Wilmer MUD 1	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.50000	0.21250	0.18000
Cities and Towns										
Addison	0.56047	0.55000	0.55000	0.55000	0.60868	0.61466	0.61466	0.60982	0.60982	0.60810
Balch Springs	0.80300	0.80300	0.80300	0.80300	0.80300	0.79463	0.79463	0.79463	0.79463	0.79463
Carrollton	0.60370	0.59970	0.59497	0.59497	0.58750	0.58250	0.58250	0.55375	0.53875	0.53750
Cedar Hill	0.69876	0.69876	0.69703	0.69703	0.68810	0.69703	0.69703	0.64653	0.63646	0.63645
Cockrell Hill	1.11941	1.05883	0.98895	0.98895	0.85057	0.82302	0.82302	0.77260	0.69509	0.67574
Combine	0.33000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
Coppell	0.57950	0.57950	0.56950	0.56950	0.58000	0.58000	0.58000	0.49182	0.45863	0.44498
Dallas	0.78250	0.78040	0.77670	0.77670	0.77630	0.77330	0.77330	0.73570	0.70470	0.69880
Desoto	0.74490	0.73990	0.72139	0.72139	0.70155	0.70155	0.70155	0.68509	0.68493	0.68493
Duncanville	0.75845	0.75845	0.74845	0.74845	0.71685	0.70000	0.70000	0.64603	0.61483	0.60017
Farmers Branch	0.60227	0.60227	0.59951	0.59951	0.58900	0.58900	0.58900	0.56900	0.54350	0.54350
Ferris	0.68713	0.68713	0.68713	0.68713	0.60860	0.84730	0.84730	0.49470	0.53480	0.56478
Garland	0.70460	0.70460	0.70460	0.70460	0.76960	0.75697	0.75697	0.68975	0.68975	0.68975
Glenn Heights	0.93553	0.88543	0.87918	0.87918	0.80443	0.76915	0.76915	0.56473	0.56502	0.56280
Grand Prairie	0.67000	0.67000	0.67000	0.67000	0.67000	0.66500	0.66500	0.66000	0.66000	0.66000
Grapevine	0.28927	0.28927	0.28927	0.28927	0.28260	0.27181	0.27181	0.25056	0.24117	0.23723
Highland Park	0.22000	0.22000	0.22000	0.22000	0.23000	0.23000	0.23000	0.22053	0.20855	0.19930
Hutchins	0.68246	0.68246	0.68246	0.68246	0.68246	0.68246	0.68246	0.63008	0.63008	0.65700
Irving	0.59410	0.59410	0.59410	0.59410	0.59410	0.59410	0.59410	0.58910	0.58910	0.58910
Lancaster	0.86750	0.86750	0.86750	0.86750	0.81974	0.76929	0.76929	0.63900	0.60406	0.59949
Lewisville	0.43609	0.43609	0.43609	0.43609	0.44330	0.44330	0.44330	0.41908	0.42244	0.41901
Mesquite	0.68700	0.68700	0.73400	0.73400	0.70862	0.70862	0.70862	0.69000	0.69000	0.70469
Ovilla	0.70000	0.68040	0.66000	0.66000	0.66000	0.66000	0.66000	0.62621	0.62621	0.61621
Richardson	0.62516	0.62516	0.62516	0.62516	0.62516	0.61516	0.61516	0.56095	0.54218	0.54218
Rowlett	0.78717	0.77717	0.75717	0.75717	0.74500	0.74500	0.74500	0.71040	0.76969	0.80789
Sachse	0.75728	0.74728	0.72000	0.72000	0.72000	0.70073	0.70073	0.65042	0.65042	0.65042
Seagoville	0.74380	0.74380	0.74380	0.74380	0.78880	0.78880	0.78880	0.72800	0.71093	0.72074
Sunnyvale	0.40796	0.41309	0.41290	0.41290	0.45670	0.45300	0.45300	0.45300	0.45300	0.46300
University Park	0.24876	0.24876	0.24538	0.24538	0.26475	0.26439	0.26439	0.23623	0.22996	0.21857
Wilmer	0.50300	0.50290	0.51290	0.51290	0.56290	0.56190	0.56190	0.43913	0.43214	0.46793
Wylie	0.84890	0.78100	0.72585	0.72585	0.67198	0.64375	0.64375	0.53888	0.53430	0.54344

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

Dallas Central Appraisal District

Note: Rate established to fund adopted budget of the following fiscal year.

DALLAS COUNTY, TEXAS

Principal Property Taxpayers

September 30, 2025

Table 9

(in thousands of dollars)

(unaudited)

Name of Taxpayer	Nature of Business	2025			2016		
		Total Assessed Valuation	Rank	Percent of Dallas County Assessed Valuation (1)	Total Assessed Valuation	Rank	Percent of Dallas County Assessed Valuation (1)
Oncor Electric Delivery	Electric Utility	\$ 2,313,940	1	0.40 %	\$ 1,442,296	1	0.61 %
Prologis LP	Real Estate	1,680,766	2	0.29	—		—
Atmos Energy	Electric	1,480,947	3	0.26	397,624	9	0.17
Wal-Mart Stores Inc.	Retail	1,412,285	4	0.24	831,481	3	0.35
Amazon Com KYDC LLC	E-Commerce	1,202,227	5	0.21	—		—
Texas Instruments	Electronics	1,009,958	6	0.17	540,068	6	0.23
Southwest Airlines Co.	Airline	963,899	7	0.17	481,752	7	0.21
Billingsley Arts	Retail	939,239	8	0.16	—		—
NorthPark Land Partners	Real Estate	902,742	9	0.16	667,810	4	0.28
PCV Dakota LLC	Real Estate	796,294	10	0.14	—		—
AT&T/American Telephone	Telephone Utility	—		—	1,102,603	2	0.47
Post Properties	Real Estate	—		—	601,358	5	0.26
FM Village Fixed Rate LLC	Real Estate	—		—	471,339	8	0.20
Galleria Mall Investors LP	Real Estate	—		—	392,729	10	0.17
Total		\$ 12,702,297		2.19 %	\$ 6,929,059		2.95 %

Notes:

(1) Appraisal roll excludes property under protest.

Source: Dallas County Tax Assessor-Collector.

DALLAS COUNTY, TEXAS
Property Tax Levies and Collections
Last Ten Fiscal Years
(in thousands of dollars)
(unaudited)

Table 10

<u>Year</u>	<u>Tax Levies (f)(g)</u>	<u>Collections of Current Tax Levy During Fiscal Period (a)</u>	<u>Percentage of Collected During Fiscal Period (a)</u>	<u>Collections of Delinquent Tax During Fiscal Period (b)</u>	<u>Total Collections (e)</u>	<u>Percentage of Total Collections to Tax Levies</u>
2016	1,067,106 (c)	1,056,699	99.02	5,884	1,062,583	99.58
2017	1,152,203 (c)	1,141,591	99.08	4,642	1,146,233	99.48
2018	1,258,660 (c)	1,246,931	99.07	1,317	1,248,248	99.17
2019	1,334,628 (c)	1,320,541	98.94	276	1,320,817	98.97
2020	1,316,106 (c)	1,400,094	106.38	3,269	1,403,363	106.63
2021	1,420,245 (c)	1,405,974	99.00	(69)	1,405,904	98.99
2022	1,533,974 (c)	1,515,489	98.79	712	1,516,202	98.84
2023	1,617,307 (c)	1,596,643	98.72	(11,447)	1,585,197	98.01
2024	1,736,728 (c)	1,714,807	98.74	(10,420)	1,704,387	98.14
2025	1,815,052 (d)					

Source: Dallas County Financial Records.

- Notes:
- (a) Current fiscal period collections are those collected between October 1 and September 30.
 - (b) Delinquent taxes include taxes collected in subsequent fiscal years.
 - (c) Total levy as of the last supplement processed during the fiscal year.
 - (d) Collections on the 2025 tax roll are incomplete until the end of the fiscal year, September 30, 2026
 - (e) Tax collections exclude TIF payments and are reported net of commission for the office of the Tax Assessor-Collector.
 - (f) Original levy excludes property under protest which is subsequently added to tax rolls as a result of arbitration.
 - (g) Tax levies include Dallas County and its component unit. Refer to Table 7 for tax levies and tax rates for Dallas County and its component unit.

Taxes due: October 1

Taxes delinquent: February 1 year following levy

Tax lien and assessment date: January 1 year of levy

Taxes added to delinquent roll: April 1 (for personal property) or July 1 (for real property) in the 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

DALLAS COUNTY, TEXAS

Ratios of Outstanding Debt

Table 11

Last Ten Fiscal Years

(in thousands of dollars, except per capita amount)

(unaudited)

<u>Year</u>	<u>Estimated Population (2)</u>	<u>Assessed Value</u>	<u>Bonded Debt (1)</u>	<u>Leases</u>	<u>Subscriptions</u>	<u>Total Debt</u>	<u>Bonded Debt, Leases and Subscriptions Percentage of Assessed Value</u>	<u>Bonded Debt, Leases and Subscriptions Percentage of Personal Income</u>	<u>Bonded Debt, Leases and Subscriptions Per Capita</u>
2016	2,553	272,186,943	264,933	-	-	264,933	0.09733	0.2243	104
2017	2,618	291,907,853	230,874	-	-	230,874	0.07909	0.1908	88
2018	2,638	321,188,324	198,567	50,244	-	248,811	0.07747	0.1997	94
2019	2,638	349,884,694	173,431	77,396	-	250,827	0.07169	0.1971	95
2020	2,636	367,801,040	148,618	78,424	-	227,042	0.06173	0.1774	86
2021	2,614	389,285,994	131,558	128,752	-	260,310	0.06687	0.1933	100
2022	2,586	456,229,719	267,202	114,666	-	381,868	0.08370	0.2605	148
2023	2,601	509,242,375	243,886	110,824	-	354,710	0.06965	0.2301	136
2024	2,606	566,705,050	218,765	95,630	7,882	322,277	0.05687	0.2012	124
2025	2,656 (3)	594,477,710	196,069	185,760	8,690	390,519	0.06569	0.2406	147

Source: Dallas County Financial Records.

Note: Assessed Value includes rolling stock, values under protest as claimed by property owners and adjusted market value.

- (1) Bonded debt for the primary government includes all general obligation bonds including premiums.
- (2) See schedule of Demographic and Economic Statistics on (Table 15) for personal income data.
- (3) US Census Bureau population Estimated (<http://quickfacts.census.gov>). 2025 Census Bureau population estimate not available, 2024 U.S. Census Bureau population used. (<http://quickfacts.census.gov>).

DALLAS COUNTY, TEXAS
Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands of dollars, except per capita amount)
(unaudited)

Table 12

Year	Estimated Population (1)	Assessed Value	Certificates of Obligation	Tax Notes	Refunding Bonds	Deferred Amounts	Total	Less: Amounts Restricted for Repaying Principal	Net General Bonded Debt	Bonded Debt Percentage of Assessed Value	Bonded Debt Percentage of Personal Income	Per Capita
2016	2,553	272,186,943	167,900	35,085	24,995	36,953	264,933	(2,053)	262,880	0.09658	0.2226	103
2017	2,618	291,907,853	156,710	23,555	19,280	31,329	230,874	(5,087)	225,787	0.07735	0.1866	86
2018	2,638	321,188,324	145,515	11,445	15,305	26,302	198,567	(7,467)	191,100	0.0595	0.1534	72
2019	2,638	349,884,694	134,320	5,865	11,310	21,936	173,431	(8,529)	164,902	0.04713	0.1296	63
2020	2,636	367,801,040	123,130	-	7,315	18,173	148,618	(5,276)	143,342	0.03897	0.1161	54
2021	2,614	389,285,994	111,935	-	4,730	14,893	131,558	(7,569)	123,989	0.03185	0.0921	47
2022	2,586	456,229,719	232,935	-	3,670	30,597	267,202	(8,616)	258,586	0.05668	0.1764	100
2023	2,601	509,242,375	215,140	-	2,535	26,211	243,886	(14,740)	229,146	0.045	0.1487	88
2024	2,606	566,705,050	197,335	-	1,310	20,120	218,765	(22,857)	195,908	0.03457	0.1223	75
2025	2,656 (2)	594,477,710	179,530	-	-	16,539	196,069	(27,219)	168,850	0.0284	0.104	64

Source: Dallas County Financial Records.

Note: Assessed Value includes rolling stock, values under protest as claimed by property owners and adjusted market value.

(1) See schedule of Demographic and Economic Statistics on (Table 15) for personal income data.

(2) US Census Bureau population Estimated (<http://quickfacts.census.gov>). 2025 Census Bureau population estimate not available, 2024 U.S. Census Bureau population used. (<http://quickfacts.census.gov>).

DALLAS COUNTY, TEXAS

Computation of Direct and Overlapping Bonded Debt

Table 13-1

September 30, 2025

(in thousands of dollars)

(unaudited)

Name	Indebtedness as of	Direct Debt	Percentage of Debt Applicable to Dallas County	Dallas County's Share of Debt
Dallas County	9/30/2025	\$ <u>390,519</u>	100.00%	\$ <u>390,519</u>
Total direct		\$ <u>390,519</u>		\$ <u>390,519</u>
Overlapping Debt:				
Independent school districts:				
Carrollton-Farmers Branch	9/30/2025	908,585	76.53%	695,340
Cedar Hill	9/30/2025	339,203	100.00%	339,203
Coppell	9/30/2025	421,575	100.00%	421,575
Dallas	9/30/2025	4,613,765	100.00%	4,613,765
Desoto	9/30/2025	286,628	100.00%	286,628
Duncanville	9/30/2025	322,745	100.00%	322,745
Ferris	9/30/2025	71,348	3.70%	2,640
Garland	9/30/2025	977,345	100.00%	977,345
Grand Prairie	9/30/2025	320,395	100.00%	320,395
Grapevine-Colleyville	9/30/2025	302,425	2.23%	6,744
Highland Park	9/30/2025	395,545	100.00%	395,545
Irving	9/30/2025	745,650	100.00%	745,650
Lancaster	9/30/2025	140,145	100.00%	140,145
Mesquite	9/30/2025	1,063,220	100.00%	1,063,220
Richardson	9/30/2025	955,960	100.00%	955,960
Sunnyvale	9/30/2025	<u>166,973</u>	100.00%	<u>166,973</u>
Total intermediate educational agency & independent school districts		\$ <u>12,031,507</u>		\$ <u>11,453,873</u>
Special districts:				
Dallas County FCD #1	9/30/2025	14,430	100.00%	14,430
Dallas College	9/30/2025	247,115	100.00%	247,115
Dallas County MUD #4	9/30/2025	21,370	100.00%	21,370
Dallas County Hospital District	9/30/2025	511,285	100.00%	511,285
Dallas County Utility & Reclamation Dist.	9/30/2025	76,430	100.00%	76,430
Denton County LID #1	9/30/2025	12,310	5.33%	656
Irving FCD, Section I	9/30/2025	1,375	100.00%	1,375
Lancaster MUD #1	9/30/2025	16,835	99.32%	16,721
Northwest Dallas Co FCD	9/30/2025	7,225	100.00%	7,225
Water Control and Imp. District No. 6	9/30/2025	<u>3,195</u>	100.00%	<u>3,195</u>
Total special districts		\$ <u>911,570</u>		\$ <u>899,802</u>

Source: County Auditor's Office and Municipal Advisory Council of Texas, *Estimated Overlapping Debt Statement*

- Notes:
- Overlapping governments are those taxing entities that are within the geographic boundaries of Dallas County.
 - Percentages of Debt Applicable to Dallas County are based on the Market Value of properties within each entity.
 - Information for Water Control and Imp. District No. 6. was provided by the City of Balch Springs.
 - Direct debt includes bonds, notes, loans, leases and subscriptions. Bonds total \$196,069, leases total \$185,760, and subscriptions total \$8,690.

DALLAS COUNTY, TEXAS
Direct and Overlapping Bonded Debt
September 30, 2025
(in thousands of dollars)
(unaudited)

Table 13-2

Name	Indebtedness as of	Gross Debt Less Sinking Funds	Percentage of Debt Applicable to Dallas County	Dallas County's Share of Debt
Overlapping Debt (Continued):				
Cities and towns:				
Addison	9/30/2025	\$ 134,025	100.00%	\$ 134,025
Balch Springs	9/30/2025	21,325	100.00%	21,325
Carrollton	9/30/2025	202,225	38.94%	78,746
Cedar Hill	9/30/2025	123,690	94.90%	117,382
Cockrell Hill	9/30/2025	4,960	100.00%	4,960
Combine	9/30/2025	488	12.72%	62
Coppell	9/30/2025	137,510	95.86%	131,817
Dallas	9/30/2025	2,532,964	93.03%	2,356,416
Desoto	9/30/2025	168,200	100.00%	168,200
Duncanville	9/30/2025	16,445	100.00%	16,445
Farmers Branch	9/30/2025	75,915	100.00%	75,915
Ferris	9/30/2025	10,885	9.76%	1,062
Garland	9/30/2025	664,485	98.50%	654,518
Glenn Heights	9/30/2025	12,693	51.38%	6,522
Grand Prairie	9/30/2025	537,866	53.73%	288,995
Grapevine	9/30/2025	150,205	3.13%	4,701
Hutchins	9/30/2025	79,820	100.00%	79,820
Irving	9/30/2025	821,075	100.00%	821,075
Lancaster	9/30/2025	96,972	100.00%	96,972
Lewisville	9/30/2025	326,375	0.51%	1,665
Mesquite	9/30/2025	293,660	96.84%	284,380
Ovilla	9/30/2025	1,565	6.51%	102
Richardson	9/30/2025	459,290	50.51%	231,987
Rowlett	9/30/2025	204,230	85.46%	174,535
Sachse	9/30/2025	74,010	60.23%	44,576
Seagoville	9/30/2025	16,875	96.78%	16,332
Sunnyvale	9/30/2025	28,245	100.00%	28,245
University Park	9/30/2025	11,930	100.00%	11,930
Wilmer	9/30/2025	32,028	100.00%	32,028
Wylie	9/30/2025	61,480	2.35%	1,445
Total cities and towns		\$ <u>7,301,436</u>		\$ <u>5,886,183</u>
Total Overlapping		\$ <u>20,244,513</u>		\$ <u>18,229,213</u>
Total Direct and Overlapping		\$ <u><u>20,635,032</u></u>		\$ <u><u>18,619,732</u></u>

Source: County Auditor's Office and Municipal Advisory Council of Texas, *Estimated Overlapping Debt Statement*

- Notes:
- Overlapping governments are those taxing entities that are within the geographic boundaries of Dallas County.
 - Percentages of Debt Applicable to Dallas County are based on the Market Value of properties within each entity.

DALLAS COUNTY, TEXAS
 Legal Debt Margin - Primary Government

Table 14

Last Ten Fiscal Years
 (in thousands of dollars)
 (unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit (Article 3, Section 52 of the Texas Constitution)	\$ 58,715,672	\$ 63,024,754	\$ 70,200,955	\$ 76,003,985	\$ 77,114,475	\$ 95,598,339	\$ 111,790,433	\$ 111,968,126	\$ 126,147,304	\$ 129,538,946 ⁽¹⁾
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 58,715,672	\$ 63,024,754	\$ 70,200,955	\$ 76,003,985	\$ 77,114,475	\$ 95,598,339	\$ 111,790,433	\$ 111,968,126	\$ 126,147,304	\$ 129,538,946
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt Limit (Under Texas General Law)	\$ 13,580,611	\$ 14,476,973	\$ 15,962,929	\$ 17,298,995	\$ 17,517,753	\$ 19,463,716	\$ 22,808,543	\$ 25,162,842	\$ 28,065,933	\$ 28,970,961 ⁽²⁾
Total net debt applicable to limit	225,927	194,457	191,100	164,902	143,342	123,989	258,586	229,146	195,908	168,850
Legal debt margin	\$ 13,354,684	\$ 14,282,516	\$ 15,771,829	\$ 17,134,093	\$ 17,374,411	\$ 19,339,727	\$ 22,549,957	\$ 24,933,696	\$ 27,870,025	\$ 28,802,111
Total net debt applicable to the limit as a percentage of debt limit	1.66%	1.34%	1.20%	0.95%	0.82%	0.64%	1.13%	0.91%	0.70%	0.58%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed valuation of real property*	\$ 518,155,785
Assessed valuation of all taxable property*	\$ 579,419,226
Bonds issued under Article 3, Section 52b of the Texas Constitution:	
Debt limit, one-fourth of real property assessed valuation	129,538,946
Amount of debt applied to debt limit:	
Bonded debt	—
Less debt service funds - appropriation for future debt payments	—
Total amount of debt applicable to debt limit	—
Legal debt margin, bonds issued under Article 3, section 52b, of the Texas Constitution	\$ 129,538,946
Bonds issued under Texas General Laws:	
Debt limit, five percent of assessed valuation of all taxable property	—
Amount of debt applied to debt limit:	
Bonded debt	(196,069)
Less debt service funds - appropriation for future debt payments	27,219
Total amount of debt applicable to debt limit	(168,850)
Legal debt margin, bonds issued under Texas General Laws	\$ 28,802,111

(1) As to bonds issued under Article 3, Section 52b 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."

(2) Government Code 1301.003 (c) "total indebtedness for the purposes described by this chapter may not be increased by the issuance of bonds to an amount that exceeds five percent of the county's taxable values."

	Real Property	Real and Personal
*Assessed values	518,215,279	\$ 579,478,720
Rolling Stock	(59,494)	(59,494)
Adjusted Assessed Values	\$ 518,155,785	\$ 579,419,226

DALLAS COUNTY, TEXAS

Pledged Revenue Coverage

Table 15

Last Ten Fiscal Years

(in thousands of dollars)

(unaudited)

Tax and Parking Garage Revenue Bonds

Debt Service

<u>Fiscal Year (1)</u>	<u>Total Resources</u>	<u>Less: Operating Expenses (1)</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage (2)</u>
2016 (3)	-	-	-	-	-	-	-
2017 (3)	1,444	228	1,216	11,190	6,977	18,167	0.07
2018 (3)	1,568	262	1,306	11,195	7,500	18,695	0.07
2019 (3)	1,556	302	1,254	11,195	6,940	18,135	0.07
2020 (3)	1,099	257	842	11,190	6,380	17,570	0.05
2021 (3)	730	264	466	11,195	5,821	17,016	0.03
2022 (3)	1,324	296	1,028	11,190	5,261	16,451	0.06
2023 (3)	1,133	485	1,036	11,190	4,701	15,891	0.07
2024 (3)	1,521	623	898	11,195	4,142	15,337	0.06
2025 (3)	1,663	528	1,136	11,195	3,582	14,777	0.08

(1) Operating expenses for Founders Plaza and George Allen parking garage systems.

(2) Funds on deposit in sinking fund in addition to net available revenue provide adequate coverage in compliance with bond covenants.

(3) On September 15, 2016, the County issued debt for which net revenues of \$1 from certain parking operations are pledged.

DALLAS COUNTY, TEXAS

Demographic and Economic Statistics

Table 16

Last Ten Years

(unaudited)

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (in millions of dollars) (2)</u>	<u>Wage Mean (3)</u>	<u>Median Age (4)</u>	<u>School Enrollment (5)</u>	<u>Unemployment Rate (6)</u>
2016	2,553,385	118,113	51,898	33.1	157,886	4.2
2017	2,513,054	121,017	53,174	33.2	156,832	3.5
2018	2,618,148	124,595	54,049	33.3	155,119	3.6
2019	2,637,772	127,241	55,464	33.5	153,861	3.2
2020	2,635,516	127,963	53,800	33.7	145,113	8.1
2021	2,613,539	134,674	59,148	33.7	143,558	4.8
2022	2,586,050	146,575	60,641	34.0	141,169	3.6
2023	2,600,840	154,132	63,858	34.0	138,440	4.0
2024	2,606,358	160,207	68,562	34.3	139,246	4.0
2025	2,656,028	162,319	71,398	34.2	139,802	4.3

Source:

- 1) The 2025 U.S. Census Bureau population figure is not available, 2024 population figure was used (<http://quickfacts.census.gov>).
- 2) U.S. Department of Labor for Dallas County and equivalents: Dallas County, Texas. (Bureau of Labor Statistics www.bls.gov)
- 3) LWDA Wage figures are used (www.texaswages.com).
- 4) ACS Survey for Dallas County, Tx. (data.census.gov).
- 5) Dallas Independent School District Financial Report.
- 6) U.S. Department of Labor for Dallas County and equivalents: Dallas County, Texas (Bureau of Labor Statistics www.bls.gov/lau/data).

DALLAS COUNTY, TEXAS
Principal Employers
September 30, 2025
(unaudited)

Table 17

2025					2016				
Company	Industry	Employees	Rank	Percentage of Total County Employment	Company	Industry	Employees	Rank	Percentage of Total County Employment
UT Southwestern Medical Center	Health Care Provider	22,721	1	0.86 %	Walmart	Retail	25,534	1	1.00 %
JP Morgan Chase	Financial Services	18,500	2	0.70	American Airlines Group	Airline	25,000	2	0.98
Medical City Healthcare	Health Care Provider	17,000	3	0.64	Texas Health Resources	Non-profit HealthCare	19,131	3	0.75
Kroger	Retailer	13,000	4	0.49	Baylor Scott & White Health	Health Care Provider	16,860	4	0.66
Dallas County	Government	6,690	5	0.25	Bank of America	Financial Services	14,465	5	0.57
Deloitte LLP	Consultant	4,895	6	0.18	Lockheed Martin Aeronautics Company	Military Aircraft Design and Production	13,700	6	0.54
University of Texas at Dallas	Education	3,891	7	0.15	Texas Instruments	Semiconductors	13,000	7	0.51
American Heart Association	Nonprofit	3,698	8	0.14	JPMorgan Chase	Financial Services	12,600	8	0.49
Ernst & Young	Accounting	3,502	9	0.13	HCA North Texas Division	Health Care Provider	11,612	9	0.45
Coldwell Banker Richard Ellis (CBRE)	Commercial Real Estate	3,046	10	0.11	Southwest Airlines	Commercial Airline	9,500	10	0.37
Coltala Holdings	Venture Capital and Private Equity	3,000	11	0.11	Target	Retail	8,270	11	0.32
PwC US	Management Consulting	2,800	12	0.11	Verizon	Telecommunications	8,100	12	0.32
State Fair of Texas	Nonprofit	2,420	13	0.09	Raytheon Company	Defense Systems & Electronics	8,000	13	0.31
KPMG	Tax, Audit, and Advisory Firm	2,336	14	0.09	Alcon Laboratories	Biotechnology, Medical Devices, Pharmaceuticals	5,912	14	0.23
Lennox	HVAC and Bulding Materials	1,854	15	0.07	The Kroger Co.	Retailer	5,732	15	0.22
TD Industries	Construction, Facilities Services, and HVAC	1,777	16	0.07	Methodist Health System	Health Care Provider	5,723	16	0.22
Austin Industries	Construction Manager / General Contractor	1,775	17	0.07	Citi	Financial Services	5,500	17	0.22
City of Mesquite	Municipal Government	1,508	18	0.06	Children's Health System	Health Care Provider	5,438	18	0.21
Parrish Restaurants	Restaurants	1,461	19	0.06	Capital One	Financial Services	5,400	19	0.21
Texas Capital Bank	Banking	1,380	20	0.05	J.C. Penney	Retail	4,388	20	0.17

Source: 2025 Dallas Business Journal Book of Lists - Dallas / Ft. Worth Principal Employers.

Note: 2025 only included business in Dallas County.

DALLAS COUNTY, TEXAS

Full-time Equivalent County Government Employees by Function

Table 18

Last Ten Fiscal Years

(unaudited)

Function	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Government	722	738	732	757	784	784	800	821	854	915
Judicial										
Truancy	33	29	20	18	17	17	16	15	16	16
Courts	1,452	1,479	1,477	1,521	1,519	1,519	1,465	1,508	1,538	1,639
Public Safety										
Constable	114	121	113	112	111	111	111	108	113	111
Sheriff	2,231	2,188	1,915	1,859	2,044	2,044	1,960	2,152	2,192	2,249
Juvenile	640	674	640	667	639	639	573	553	588	609
Other	277	277	435	471	454	481	461	497	387	414
Highways and streets										
Road and Bridge	70	67	72	76	76	76	75	83	81	82
Public Works	60	63	64	59	59	59	59	63	61	62
Health	258	255	263	260	272	272	276	421	363	362
Education	109	115	115	115	114	114	102	107	82	80
Public Welfare	206	206	190	174	182	182	310	180	214	151
Total	<u><u>6,172</u></u>	<u><u>6,212</u></u>	<u><u>6,036</u></u>	<u><u>6,089</u></u>	<u><u>6,271</u></u>	<u><u>6,298</u></u>	<u><u>6,208</u></u>	<u><u>6,508</u></u>	<u><u>6,489</u></u>	<u><u>6,690</u></u>

Source: Dallas County Financial Records

- Full-time equivalent county employee totals are filled positions.
- Total full-time equivalent County employee totals do not include temporary employees. Temporary employees are considered to be those who are working but are not employed directly through the County.

DALLAS COUNTY, TEXAS
Operating Indicators by Function
Last Ten Fiscal Years
(unaudited)

Table 19

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Assessor-Collector of Taxes:										
Budgeted employees	253	228	226	226	231	227	227	250	231	266
Ad valorem assessment notices issued	811,123	804,151	809,913	803,986	779,425	812,792	798,178	816,703	817,680	790,201
Motor vehicle registrations	2,180,294	2,224,525	2,202,744	2,230,741	2,033,904	2,203,620	2,194,040	2,248,738	2,193,203	2,288,882
Number of entity collection contracts	78	80	84	85	86	89	90	93	96	93
Constables:										
Budgeted employees	114	121	113	112	111	112	111	108	113	111
Civil process papers served	87,768	88,247	88,794	93,533	64,440	65,880	88,647	95,160	101,644	97,504
County Clerk										
Budgeted employees	198	184	200	203	193	189	182	180	184	185
Marriage licenses	19,067	20,989	17,809	16,358	11,658	13,244	10,004	10,912	11,642	15,604
Civil suits	7,911	7,820	7,776	9,866	6,385	6,268	7,541	9,006	9,858	10,009
Probate cases	12,419	12,570	11,189	11,719	11,778	11,900	10,985	10,481	9,935	10,837
Criminal cases	42,974	45,440	41,501	44,265	23,683	27,077	24,422	26,363	26,001	27,793
District Clerk:										
Budgeted employees	243	243	230	211	207	192	181	190	206	210
Civil process cases	49,211	50,360	50,971	52,880	45,450	45,645	43,404	44,562	46,372	47,778
Criminal cases	22,994	23,326	17,814	23,486	19,638	19,797	29,032	27,234	22,361	26,207
Jurors	103,660	105,151	99,501	97,523	47,239	21,356	44,405	24,778	74,399	79,424
Justice of the Peace Courts:										
Budgeted employees	109	106	97	101	101	96	93	97	99	100
Cases	142,156	173,729	172,232	176,611	123,891	104,137	118,532	117,621	124,899	135,837
Sheriff:										
Budgeted employees	2,269	2,134	2,012	1,955	2,157	2,105	2,066	2,178	2,136	2,218
Daily average in county jail	5,334	5,277	5,010	4,921	5,339	5,570	5,795	6,169	6,407	6,725
Persons booked	67,822	82,972	64,847	62,639	47,738	48,261	49,069	51,772	52,666	57,151
Truancy Courts (1) :										
Budgeted employees	31	20	18	16	15	15	16	15	16	16
Cases Filed	30,216	15,708	14,502	24,602	16,977	10,308	5,997	4,629	13,744	13,942
County Treasurer										
Budgeted employees	15	15	15	15	15	16	15	15	16	16
Total Receipts (2) (3)	\$ 3,133,254	\$ 3,274,700	\$ 3,972,430	\$ 3,980,280	\$ 4,282,578	\$ 4,415,645	\$ 5,019,988	\$ 5,070,544	\$ 6,769,608	\$ 6,289,012
Total Disbursements (2) (3)	\$ 3,142,155	\$ 3,337,904	\$ 3,896,625	\$ 4,078,920	\$ 4,197,565	\$ 4,551,944	\$ 4,765,356	\$ 5,250,646	\$ 6,945,110	\$ 6,503,031
Investment Earnings (2)	\$ 4,093	\$ 7,232	\$ 13,163	\$ 18,847	\$ 9,543	\$ 1,956	\$ 8,920	\$ 43,231	\$ 42,198	\$ 39,346

Sources: Dallas County Financial Records

Note (1): Dallas County currently operates four Truancy courts.

(2): In thousands of dollars.

(3): County Treasurer's office implemented a new policy for rolling over investments in which investments are recorded monthly. Past years encompassed rolling investments daily.

DALLAS COUNTY, TEXAS

Capital Asset Statistics by Function

Table 20

Last Ten Fiscal Years

(unaudited)

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Number of buildings	22	23 (a)	23	23	22 (d)	21 (e)	22 (g)	25 (j)	25	25
Public Safety										
Number of buildings	6	6	6	5 (b)	5	5	6 (h)	6	6	5(j)
Number of jails	4	4	4	4	4	4	4	4	4	4
Number of vehicles	687	683	681	730	728	710	715	714	748	799
Highways and streets										
Number of buildings	3	3	3	3	3	3	3	3	3	3
Streets (lane miles)	112	108	108	108	108	108	108	108	108	108
Number of bridges	26	26	26	26	26	26	26	26	27	27
Health										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Public Welfare										
Number of buildings	2	2	2	2	2	2	3 (i)	3	3	3
Judicial										
Number of buildings	7	7	7	5 (c)	5	5	5	5	5	6(j)
Number of Juvenile beds	714	714	714	702	702	702	702	776	752	1,070
Number of courts	71	71	71	71	71	73 (f)	73	73	73	73

Source: Operating Indicators were provided by the various operating departments.

Notes:

- (a) Building purchased for Auto Service Center.
- (b) Reduction due to the sale of 2627 Zelrich Lane - 7/2/19.
- (c) Reduction due to the sale Oak Cliff Sub-Courthouse 5/7/19 and Irving Sub-Courthouse 3/19/19.
- (d) Reduction due to the sale of the North Dallas Government Center 1/24/20.
- (e) Reduction due to the sale of the Lancaster Sub-Courthouse - 5/6/21.
- (f) Auxiliary Courts 1 and 8 were added.
- (g) Purchase of housing complex.
- (h) Building new Sheriffs' Academy.
- (i) Purchase of 1300 Mockingbird.
- (j) Purchase of 4243 Singleton Blvd, 658th SW 3rd St, and 7141 Envoy Ct.

