

ANNUAL COMPREHENSIVE FINANCIAL REPORT
DALLAS COUNTY, TEXAS



REPORT FOR THE YEAR ENDED
SEPTEMBER 30, 2023

DALLAS COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2023

Prepared by:
Wendwessen B. Stefanos
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, 2023

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INTRODUCTORY SECTION

(Unaudited)



DALLAS COUNTY
WENDWESSEN B. STEFANOS
INTERIM COUNTY AUDITOR

April 26, 2024

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 the 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, 2023.

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). Accounting requirements for Governmental Accounting Standards Board (GASB) Statement Number 96 Subscription Based Information Technology Arrangements was implemented in FY23. This statement is explained in the Notes to the Basic Financial Statements. 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 of proper recording of financial transactions. 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 Deloitte & Touche 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, 2023, 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 Management's Discussion and Analysis (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 in addition to 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 multiyear basis.

PROFILE OF DALLAS COUNTY

The County is located in north central Texas, and is strategically central to the economic region of Texas, Louisiana, Arkansas, Oklahoma, and New Mexico, as well as centrally located within the United States. The County region was opened for settlement by the Mexican colonization laws and was included in an 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 900 square miles. Dallas County is the ninth largest county in the U.S. The 2020 census reported population for the County at 2,613,539. The Census Bureau has indicated the population has decreased approximately 1.05% since the 2020 census while Texas population has increased 3.03%. 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. While there are 254 Texas counties, Dallas County is one of seven with its bonds 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 \$332.5 billion in 2022 to \$375.1 billion in 2023. 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, Jail Population Committee, Dallas County Juvenile Board, Jail Sanitation and Maintenance Committee, Dallas County and 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. The Commissioners Court has vested accounts payable and payroll processing functions with the County Auditor. 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, 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, 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 (District) 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 District's budget, sets its tax rate, and approves major contracts, the District is an organization separate from the County. These factors dictate inclusion of the District in the County's financial statements.

According to the Texas Constitution, the District, not the County, is responsible for the District's ongoing debt payments regardless of any future financial/economic events. The District's financial data is presented separately to emphasize that it is legally separate from the County. The District operates under different statutory and constitutional authority. The District also has a separate constitutional tax limitation, independent power of eminent domain and individual right of ownership of property. The District maintains a medical facility, which provides service to indigents residing within the District and serves as the major teaching hospital for the University of Texas Southwestern Medical School. The Hospital 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 \$70,852 which is less than the U.S. median household income of \$74,755 as reported in the latest U.S. Census Bureau data. Persons in poverty as a percentage of population for Dallas County is 14.2% compared to 14.0% for Texas and 12.6% for the United States as reported by the U.S. Census Bureau. Dallas County per capita income was \$40,819 compared to U.S. of \$41,804 and Texas of \$38,123. The unemployment rate for Dallas County, Texas was 4.0% at September 30, 2023, which is higher than the national rate of 3.5%. The area enjoys relatively low taxes with no personal or corporate state income tax and maximum state and city sales tax of 8.25%.

Dallas home prices increased 0.26% in September from a year earlier, according to S&P Case-Shiller Home Price Index as compared to 3.97% 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 increase which indicates lower sales of existing homes. Based upon total assessed valuation of principal property taxpayers between 2022 and 2023 indicates a stable economic environment. The combined assessed valuation of the 10 largest taxpayers total 2.76% of the County's 2023 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 the homeless, 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)/(Major Projects Fund), 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 four categories of projects: transportation, parks and open space, and buildings, plus an energy conservation initiative for utility costs. Revenue projections are expected to replenish reserves for future use. In

accordance with the Major Capital Plan, a percentage of assessed taxes are devoted to large scale capital projects. A total of 3.866 cents per hundred tax rate is committed to combined Debt Service and MCDF in fiscal 2023 and 3.9677 cents per hundred for fiscal 2022.

The Major Technology Fund receives dedicated property taxes and is used to fund long-term objectives related to computer technology. A dedicated tax rate of 1.8617 cents per \$100 for fiscal 2023 was committed to funding projects including statewide initiatives to develop technology programs, 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

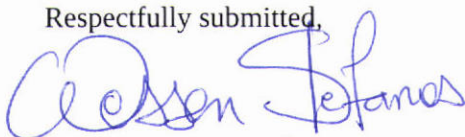
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Dallas County for its annual financial report (ACFR) for the fiscal year ended September 30, 2022. The Certificate of Achievement is a prestigious 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 42 consecutive years (fiscal years ended 1981 through 2022). 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, Directors of the Office of Budget and Evaluation, Human Resources, Purchasing, and Public Works for verification and review of 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,



Wendwessen B. Stefanos
Interim 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

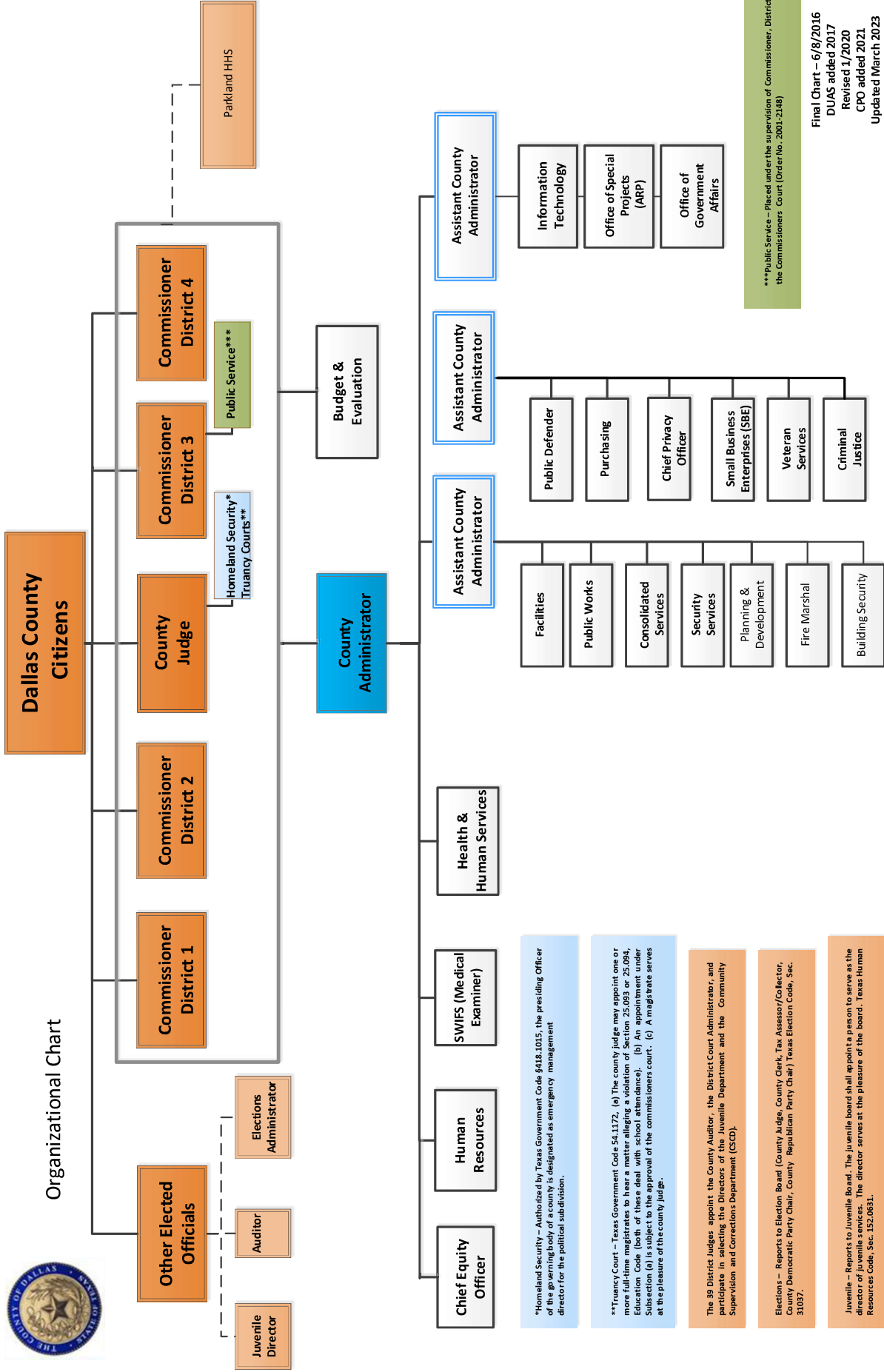
September 30, 2022

Christopher P. Morill

Executive Director/CEO



Organizational Chart



***Public Service – Placed under the supervision of Commissioner, District 3, by order of the Commissioners' Court (Order No. 2001-2148)

Final Chart – 6/8/2016
 DUAS added 2017
 Revised 1/2020
 CPO added 2021
 Updated March 2023

*Homeland Security – Authorized by Texas Government Code §418.1015, the presiding Officer of the governing body of a county is designated as emergency management director for the political subdivision.

***Truancy Court – Texas Government Code §4.1172. (b) The county judge may appoint one or more full-time magistrates to be a matter alternative to 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.

The 30 District Judges, appoint the County Auditor, the District Court Administrator, and magistrates in order of the following: Districts of the Juvenile Department and the Community Supervision and Corrections Department (CSCD).

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

Juvenile – Reports to 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.

DALLAS COUNTY, TEXAS

Principal Officials

As of September 30, 2023

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
Interim County Auditor	Wendwessen B. Stefanos
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

INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and Commissioners Court Dallas County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dallas County, Texas (the "County"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's 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 accompanying 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 the Dallas County, Texas, as of September 30, 2023, 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.

We did not audit the financial statements of the Dallas County Hospital District, which represents the entire discretely presented component unit as of September 30, 2023. 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, 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 – Restatement

As discussed in Note XIII to the financial statements, the beginning fund balance of the Major Grants Fund of the accompanying 2023 financial statements has been restated to correct an error. Our opinion is 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 the County's 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.

Auditor's 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 auditor's 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 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, 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 the County's 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 the County's 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, County Building Improvements Special Revenue Fund, American Rescue Plan 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 auditing standards generally accepted in the United States of America, 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 the County's basic financial statements. The combining and individual fund financial statements, 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, as listed in the table of contents is 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 auditor's 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.

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.

Deloitte & Touche LLP

April 26, 2024

FINANCIAL SECTION

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DALLAS COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Primary Governmental Activities

This management's discussion and analysis (MD&A) of Dallas County (County) financial performance provide an overview of the County's financial activities for the fiscal year ended September 30, 2023. 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 \$130,786 from current year operations. Total net position is comprised of:
 - 12.3 % - restricted by external regulators
 - 1.4 % - restricted for debt
 - 1.9 % - 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
 - 84.4 % - net investment in capital assets
- Major factors contributing to change in net position are:
 - Salary increases of 3% January 2023.
 - OPEB liability decreased as a result of changes in assumptions that were significantly favorable.
 - Pension liability increased from an asset in FY22 to a liability in FY23. This was due to significant increases in interest on total pension liability in FY23 as compared to FY22.
 - Tax revenues realized during the period increased, reflecting strong collection experience on 2023 taxable values which increased 14.2% over 2022 taxable values.

Governmental Funds Financial Statements

- The County's governmental funds reported combined fund balances of \$589,069; compared to \$619,751 in the prior year. The components of fund balance are:
 - 4.4 % - nonspendable: inventories and prepaids
 - (4.3) % - unassigned to major grants
 - 21.5 % - restricted to nonmajor governmental funds
 - 2.5 % - restricted to debt service
 - 42.5 % - committed to major projects
 - 1.3 % - committed to nonmajor governmental funds
 - (0.9) % - unassigned to nonmajor governmental funds
 - 5.3 % - assigned general fund
 - 17.1% - restricted County building improvements
 - 1.6 % - restricted to American rescue plan
 - 9.0 % - unassigned general fund
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$52,811 or 7.7% of general fund expenditures and represents a \$17,296 decrease compared to the prior fiscal period. The budget policy requires this ratio to be 10.5%.

- Tax revenues realized during the period increased by nearly 9%, reflecting strong collection experience on 2023 taxable values which increased over 2022 taxable values.

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 28 individual governmental funds (excluding fiduciary funds), 21 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. The Dallas County Hospital District, dba Parkland Health & Hospital System (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, 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.

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, 2023, and 2022 are summarized as follows:

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

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
Current and other assets	\$ 1,926,575	\$ 2,131,949	\$ (205,374)
Capital assets (net of depreciation)	<u>1,100,397</u>	<u>1,008,618</u>	<u>91,779</u>
Total assets	<u>3,026,972</u>	<u>3,140,567</u>	<u>(113,595)</u>
Deferred outflow of resources	<u>222,478</u>	<u>203,909</u>	<u>18,569</u>
Current and other liabilities	463,282	619,405	(156,123)
Long-term liabilities	<u>829,203</u>	<u>649,316</u>	<u>179,887</u>
Total liabilities	<u>1,292,485</u>	<u>1,268,721</u>	<u>23,764</u>
Deferred inflows of resources	<u>966,160</u>	<u>1,215,736</u>	<u>(249,576)</u>
Net investments in capital assets	837,028	770,484	66,544
Restricted	135,102	120,154	14,948
Unrestricted (deficit)	<u>18,675</u>	<u>(30,619)</u>	<u>49,294</u>
Total net position	<u>\$ 990,805</u>	<u>\$ 860,019</u>	<u>\$ 130,786</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 increased expenditures in the County Building Improvement and American Rescue Plan Funds.

Additionally, long-term liabilities increased between FY22 and FY23 as a result of the County’s pension liability, the pension liability increased due to assumption changes for inflation, salaries and investment returns, including interest on the total pension liability. Deferred inflows decreased in FY23 as a result of a shortened amortization period for OPEB resources.

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 in construction in progress for major building improvements, purchases of land, machinery and equipment, and execution of leases. 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 unrestricted deficit is negative due to unfunded OPEB liability and accrued pension costs.

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 \$130,786

Governmental activities. Program revenues and expenses are presented net of interfund eliminations. Key elements for the years ended September 30, 2023, and 2022 are as follows:

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
Revenues:			
Net program revenues:			
Charges for services	\$ 175,309	\$ 165,695	\$ 9,614
Operating grants and contributions	<u>198,236</u>	<u>242,392</u>	<u>(44,156)</u>
Subtotal:	373,545	408,087	(34,542)
General revenues:			
Property taxes	698,375	633,034	65,341
Other taxes	54,032	52,709	1,323
Grants and contributions not restricted	155,934	66,508	89,426
Investment earnings	<u>38,578</u>	<u>(27,066)</u>	<u>65,644</u>
Total revenues:	<u>946,919</u>	<u>725,185</u>	<u>221,734</u>
Expenses:			
General government	206,094	170,106	35,988
Judicial	211,565	187,212	24,353
Public safety	371,943	336,123	35,820
Highways and streets	44,187	23,087	21,100
Health	130,660	124,535	6,125
Education	10,089	7,859	2,230
Public welfare	202,751	159,508	43,243
Interest and fiscal charges on long-term debt	<u>12,389</u>	<u>9,541</u>	<u>2,848</u>
Total expenses:	<u>1,189,678</u>	<u>1,017,971</u>	<u>171,707</u>
Special item	-	8,292	(8,292)
Change in net position:	130,786	107,009	23,777
Net position - beginning	<u>860,019</u>	<u>753,010</u>	<u>107,009</u>
Net position - ending	<u>\$ 990,805</u>	<u>\$ 860,019</u>	<u>\$ 130,786</u>

General Revenues and Program Revenues

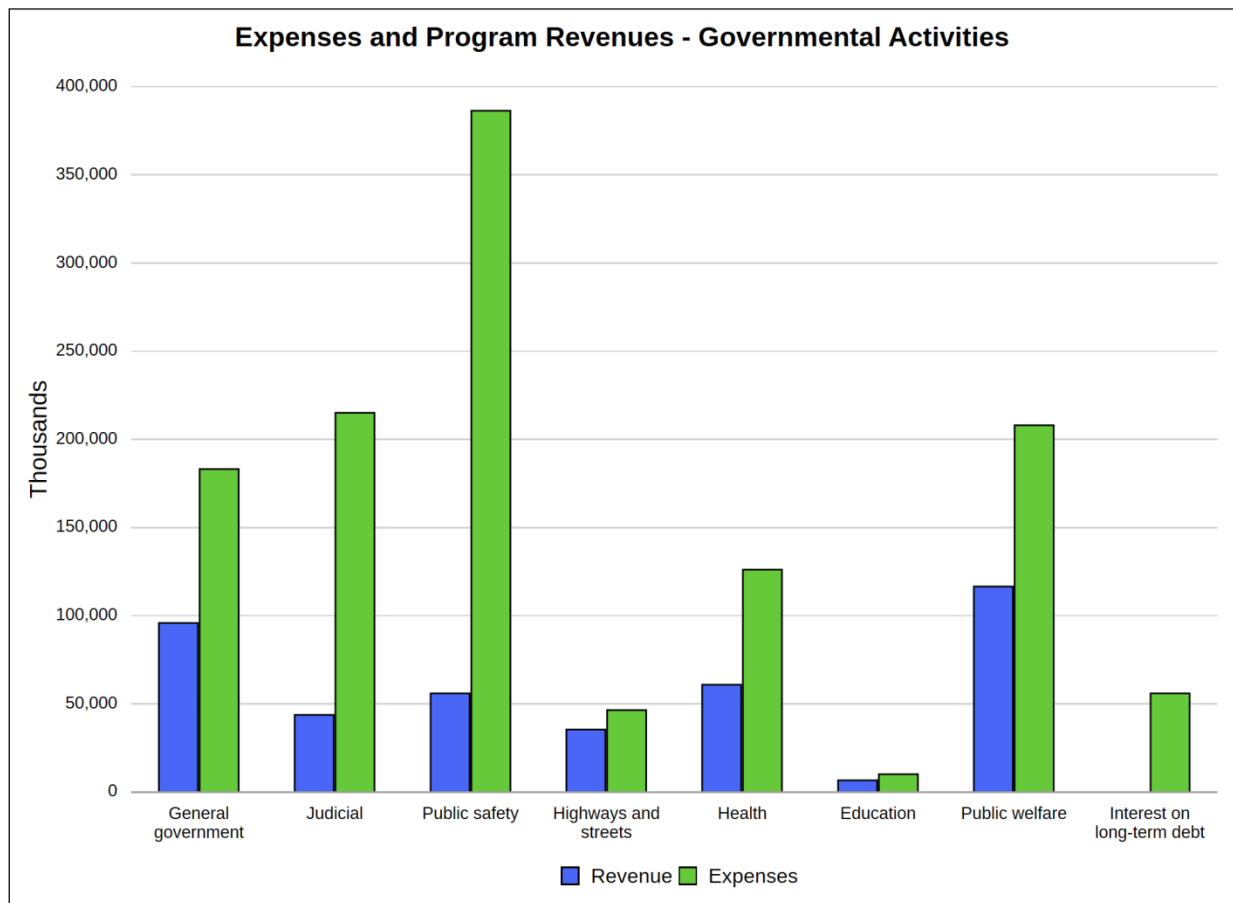
General revenues are not assigned to support a specific function but are available to provide financial resources as necessary. Included in general revenues are ad valorem taxes, other tax-related revenues, interest earned from investments, and miscellaneous income. General revenues increased significantly due to the following:

General Revenue

- Property taxes increased \$65,341 during the year from a 14.2% increase in taxable assessed valuations with a 4.6% decrease in the County’s tax rate.
- Investment earnings reflect an increase of \$65,644 due to increased investment yields.
- Grants and contributions not restricted increased from receipts of revenues related to the American Rescue Plan Act.

Program Revenue

- Program revenues decreased between FY23 and FY22 as a result of operating grants decreasing \$44,156 due to expiring revenues from the CARES Act.



Program revenues of \$373,545 less expenses of \$1,189,678 for FY23 was a net expense of \$816,133. Program revenue less expenses was a net expense of \$609,884 in 2022. The change between FY23 and FY22 was primarily due to:

- Salaries increased on October 1 with an adjustment of 3% effective January 2023. Similarly, pension costs increased as a result of salary increases.
- Increased construction, land purchases related to new County government centers and grant expenditures related to 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. The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unrestricted, unassigned, assigned, restricted, and committed fund balances* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Restatement: Subsequent to the issuance of the financial statements for the fiscal period ended September 30, 2022, the County identified an error. The 2023 beginning fund balance of the Major Grants Fund has been restated as a result of an error in recognizing revenue that did not meet the availability criteria. See related information within Footnote XIII.

The County's aggregate governmental fund balance decreased \$30,682 in the current fiscal year to \$589,069. The majority of the decrease was due to the increased spending for various construction projects from the County Building Improvements Fund and American Rescue Plan Fund expenditures for Public Welfare. Expenditures from the two funds accounted for increased expenditures of \$109,185.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$52,811 in contrast to \$70,107 in the prior year. The total fund balance is \$92,976 as compared to \$98,285 at the end of the prior year. Decreased commitments accounted for the majority of the unassigned fund balance decrease. Increased expenditures were recorded in most expenditure categories as a result of salary and cost of living adjustments. As a measure of the General Fund's liquidity, County management has a budgetary target of unassigned fund balance to total fund expenditures (excluding other financing uses) of 10.5%. The budget incorporates maximum anticipatory spending with expectations that management controls will minimize actual costs. FY23 reflects unassigned fund balance to total fund expenditures (excluding other financing uses) at 7.7%

In FY23, the Debt Service fund balance increased between FY22 and FY23 because of an increased tax rate for increased debt service requirements.

The Major Projects Fund reflects a fund balance of \$251,595 in FY23 compared to \$242,893 in FY22. Tax revenue increased \$2,118 as a result of assessed values increasing with a lowered tax rate for this individual fund. Investment income increased due to increased investment yields and increased market valuations of investments owned by the County.

Major Grants Fund includes several federal and state grant programs governed by rules and regulations of the grantor agencies. The Major Grants Fund reflects a fund balance of \$(23,904) as a result of the County awaiting reimbursement of \$36,049 for emergency expenditures that were paid during the coronavirus pandemic.

Nonmajor Governmental Funds had a minor impact on the governmental fund balances, the majority of the increase was \$12,664 for settlements received in FY23 related to Opioid lawsuits.

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

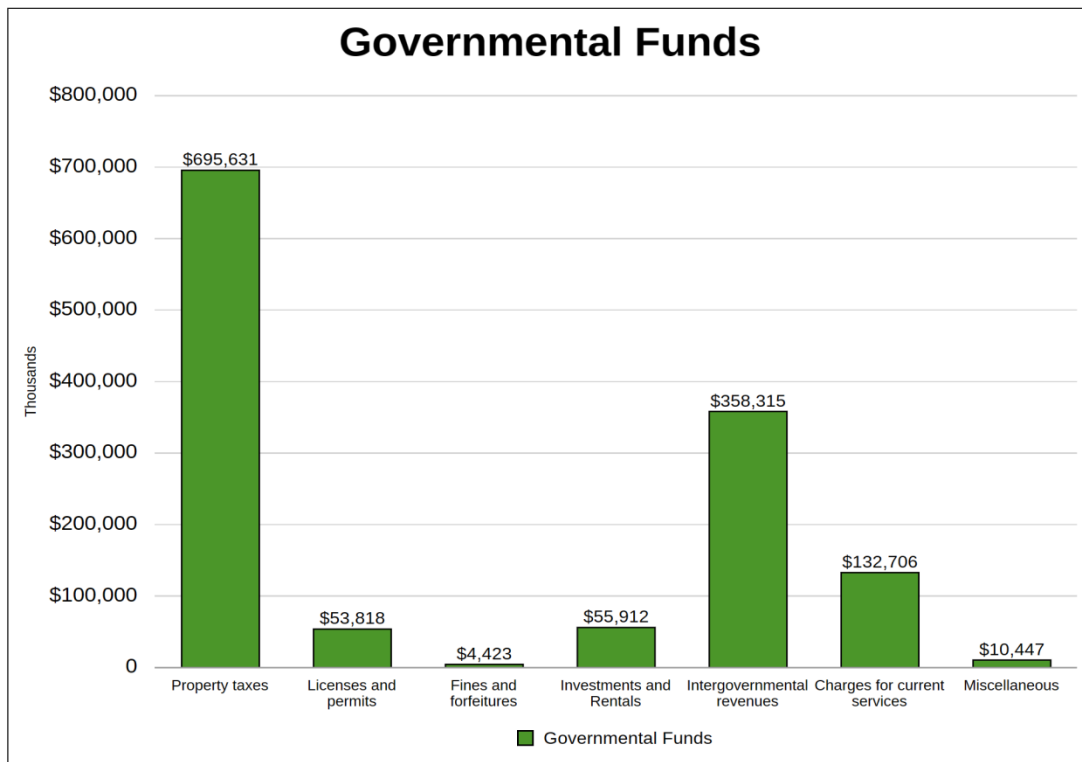
**Governmental Funds – Revenues Classified by Source
(in thousands of dollars)**

	<u>2023</u>	<u>2022 as restated (i)</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Property taxes	\$ 695,631	\$ 637,317	\$ 58,314	9.15%
Licenses and permits	53,819	50,592	3,227	6.38
Fines and forfeitures	4,425	4,851	(426)	(8.78)
Investments and rentals	56,717	(27,073)	83,790	309.50
Intergovernmental revenues	368,609	306,661	61,948	20.20
Charges for current services	132,256	141,869	(9,613)	(6.78)
Miscellaneous	<u>8,599</u>	<u>13,176</u>	<u>(4,577)</u>	34.74
Total	<u><u>\$ 1,320,056</u></u>	<u><u>\$ 1,127,393</u></u>	<u><u>\$ 192,663</u></u>	17.09

(i) See Footnote XIII for more information

- Property taxes – increased by \$58,314 primarily due to a 14.2% increase in the 2023 assessed taxable values with a decreased tax rate. New construction values increased \$15,712, as compared to the previous year.
- Licenses and permits and fines and forfeitures – revenues increased from sales taxes collected on car sales.
- Investments and rentals-fair value of federal and agency bond investments owned by the County's governmental funds increased \$83,790 at September 30, 2023. This increase was due to increased interest rates on short-term investments.
- Intergovernmental revenues increased as a result of increased spending of American Rescue Plan Funds as well as receipt of additional settlements related to Opioid lawsuits. As of September 30, 2023, American Rescue Plan funds of \$300,409 remains available to be spent.
- Charges for current services decreased in FY23 from decreases in collections from City of Dallas and election administration fees.
- Miscellaneous revenues decreased from FY22. FY22 miscellaneous revenues included \$2,294 of Opioid settlements. Subsequent settlements of \$12,664 are included with intergovernmental revenues.

Revenues Classified by Source – Governmental Activities – FY23



The following table presents expenditures by function compared to prior year amounts.

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

Function:	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
General government	\$ 202,580	\$ 173,926	\$ 28,648	16.47 %
Judicial	216,138	202,178	13,964	6.91
Public safety	386,556	362,994	23,573	6.49
Highways and streets	46,213	24,899	21,314	85.60
Health	132,320	128,556	3,777	2.94
Public welfare	211,921	167,535	44,367	26.48
Education	9,860	7,975	1,885	23.64
Capital Outlay	89,166	56,156	33,010	58.78
Capital Outlay - Leases	1,603	107	1,496	1,398.13
Capital outlay - IT subscriptions	11,909	-	11,909	100.00
Debt Service - principal	39,368	29,670	9,698	32.69
Debt Service - interest and fiscal charges	<u>16,616</u>	<u>12,146</u>	<u>4,470</u>	36.80
Total	<u>\$ 1,364,250</u>	<u>\$ 1,166,142</u>	<u>\$ 198,111</u>	15.97

Salaries increased on October 1 with market adjustments of 3% effective January 2023. Pension expenses increased as a result; the impact of salary increases increased the net pension liability in FY23.

- General Government expenditures increased from salary increases of 3%, utilities costs increased and expenditures for technology software and equipment increased along with increased permanent improvement expenditures.
- Public Safety expenditures increased for both salary increases and increased jail costs.
- Highway and street expenditures increased as a result of construction beginning on Public works road projects.
- Health and Public Welfare expenditures increased due to increased spending of the American Rescue Plan funds.
- Education expenditures increased due to increased education funding related to the Academy for Academic Excellence.
- Capital outlay expenditures increased due to increased construction activity in the County Building Improvements fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Commissioners Court on September 9, 2022, adopted the General Fund budget totaling \$780,356 (prior to including prior period carry forward of encumbrances), an increase of \$31,087 from FY23 budget. Valid encumbrances from prior year are added completing the approved budget. The FY23 legally adopted budget for all funds prior to encumbrance and available funds rollovers totaled \$1,836,560.

Highlights from Dallas County FY23 Budget include the following:

- Tax rate was approved at 21.7946 cents per \$100 assessed valuation, which decreased from a tax rate from prior year.
- Salaries increased on October 1 with a market adjustment of 3% effective January 2023. Accordingly, pension costs budgeted increased.
- A net total of 11 positions were removed.
- Budgetary amounts include encumbered funds for various products or services not yet ordered.

General Fund

Budgeted revenues totaled \$644,397 and actuals totaled \$675,621. Budgeted revenues increased due to property tax revenue and interest income.

Budgeted salaries expenditures in each classification were less than actual expenditures. This was a result of the County's imposed strict cost control measures based upon the coronavirus pandemic declared in spring of 2020.

DEBT ADMINISTRATION AND CAPITAL ASSETS

Long-term debt. On September 30, 2023, the County had limited tax, unlimited tax, and general obligation bonds outstanding in the amount of \$217,675, with debt premium of \$26,211. 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 \$217,675. The debt limits for the two authorizations are \$111,968,126 (25% of real property assessed valuation), and \$24,933,696 (5% of assessed valuation of all taxable property); therefore, the County has legal debt margins on general obligation debt of \$111,968,126, and \$24,933,696, 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 2023, 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 FY23.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Governmental Activities:				
Bonded debt obligations	\$ 267,202	\$ -	\$ 23,316	\$ 243,886
Leases	128,038	1,603	19,294	110,347
Subscription Based IT Arrangements	-	11,909	1,642	10,267
Other Post Employment Benefits	206,918	19,104	65,485	160,537
Claims and Judgments	2,000	943	943	2,000
Compensated Absences	43,192	52,861	52,617	43,436
Net Pension Liability/(Asset)	(92,808)	452,453	103,576	256,069
Workers’ Compensation	1,965	3,391	2,696	2,660
	<u>\$ 556,508</u>	<u>\$ 542,264</u>	<u>\$ 269,569</u>	<u>\$ 829,203</u>

Legal counsel and subject experts are contracted to review workers’ compensation claims and other legal matters as needed. The FY23 claims and judgments were mostly settled for property damages and workers’ compensation expenditures. The County’s OPEB actuarial study was last updated on September 30, 2022. Only a fraction of OPEB expense is actually paid in any given year. OPEB liability decreased as a result of differences between actual and expected experience. More detailed information about the County’s OPEB and long-term liabilities is presented in Notes VIII and VI, 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, 2023, net capital assets of the governmental activities totaled \$1,100,397, reflecting a net increase of \$91,779. 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. FY23 depreciation and amortization for buildings, improvements, and M&E totaled \$48,313. Depreciation is not recorded for the historical treasure, the 1892 Old Red Courthouse, which has a book value of \$32,042.

A combined tax rate of \$0.038659 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 108.88 miles of roads and 26 bridges and culverts. The FY23 assessment revealed the condition of the roads was maintained consistent with County policy, whereas 99.2% 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, except one, of the County’s bridges are in very good condition rated 6.0 or better on a 9.0 scale. One bridge is in good condition rated between 4.0 and 5.9 on a 9.0 scale.

The County expended \$2,758 on County road maintenance for the year ended September 30, 2023. These expenditures delayed deterioration; however, overall road conditions were not significantly improved.

Incurred bridge maintenance costs in FY23 were \$459. 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)

	2023	2022
Government Activities:		
Land	\$ 69,677	\$ 39,320
Land leased	25,927	25,927
Historic treasures	32,042	32,042
Buildings	634,632	628,935
Buildings leased	108,631	118,421
Machinery and equipment	114,666	97,983
Machinery and equipment leased	53	608
Subscription assets	24,499	-
Infrastructure	26,671	26,671
Construction in progress	63,599	38,711
Total	<u>\$ 1,100,397</u>	<u>\$ 1,008,618</u>

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 FY24 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 FY24 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 \$70,733, or an increase of 10.15%. The property tax revenue to be raised from new property added to the tax roll is \$16,406.

Highlights from Dallas County FY24 Budget include the following:

- The overall tax rate decreased from the 2023 tax year.
- Taxable values increased 12.8% compared to the prior budget year.
- Compensation increases for all levels were approved at 5%.
- All employees will be paid a minimum of \$18.24 per hour.
- A decrease of 262 positions was approved.

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, 2023
(in thousands of dollars)

	Primary Government	Component Unit
	Governmental Activities	Hospital District
ASSETS		
Cash, cash equivalents and investments	\$ 1,000,066	\$ 1,306,594
Receivables (net of allowance for uncollectible)	790,567	304,784
Lease receivable	8,654	4,251
Accrued interest	12,974	-
Due from other governmental units	88,390	280,765
Due from third party reimbursement programs	-	30,651
Inventories	5,291	75,331
Prepayments and advances	20,633	-
Assets limited to use	-	262,455
Lease assets, net	-	37,952
Subscription assets, net	-	22,898
Other noncurrent assets	-	1,773
Capital assets not being depreciated		
Land	95,604	142,482
Construction - in - progress	63,599	27,681
Infrastructure	26,671	-
Historical treasures	32,042	-
Capital assets (net of accumulated depreciation and amortization)		
Buildings	743,263	1,302,006
Machinery and equipment	139,218	134,073
Total capital assets	1,100,397	1,606,242
Total assets	3,026,972	3,933,696
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources - Other post employment benefit (OPEB)	41,209	-
Deferred outflow of resources - pension	181,269	-
Deferred outflow of resources - adjustment	-	271,502
Deferred outflows of resources	222,478	271,502
LIABILITIES		
Accounts payable and accrued liabilities	96,840	562,363
Accrued interest payable	1,318	4,362
Current portion of subscription liabilities	-	7,937
Other current liabilities	7,892	135,776
Unearned revenues	313,605	-
Due to other governmental units	43,627	-
Long-term liabilities:		
Due within one year	86,376	15,835
Due in more than one year	332,465	616,078
Due in more than one year - net pension liability	256,069	731,441
Due in more than one year - OPEB	154,293	-
Subscription liabilities, noncurrent	-	2,388
Total liabilities	1,292,485	2,076,180
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow of resources - OPEB	174,283	-
Deferred inflow of resources - pension	906	2,456
Deferred inflow of resources - leases	-	4,041
Deferred inflow - other	8,654	-
Deferred inflow - property taxes	782,317	-
Total deferred inflows of resources	966,160	6,497
NET POSITION		
Net investment in capital assets	837,028	1,035,399
Restricted for:		
Highways and streets	40,140	-
Debt service	13,422	-
Record management and capital projects	81,540	-
Third parties	-	34,283
Unrestricted (deficit) position	18,675	1,052,839
Total net position	\$ 990,805	\$ 2,122,521

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, 2023
(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	\$ 206,094	\$ 48,953	\$ -	\$ -	\$ (157,141)	\$ -
Judicial	211,565	36,023	6,384	-	(169,158)	-
Public safety	371,943	34,397	20,620	-	(316,926)	-
Highways and streets	44,187	35,228	-	-	(8,959)	-
Health	130,660	6,498	69,621	-	(54,541)	-
Education	10,089	-	6,654	-	(3,435)	-
Public welfare	202,751	14,210	94,957	-	(93,584)	-
Interest and fiscal charges - debt	12,389	-	-	-	(12,389)	-
Total primary government	\$ 1,189,678	\$ 175,309	\$ 198,236	\$ -	\$ (816,133)	\$ -
 Component Unit:						
Hospital District	\$ 4,202,907	\$ 3,349,240	\$ -	\$ 3,006	\$ -	\$ (850,661)

General revenues:

Property taxes	\$ 698,375	\$ 806,924
Alcoholic beverage and other taxes	54,032	-
Grants and contributions not restricted to specific programs	155,934	37,706
Investment earnings/(loss)	38,578	74,229
Total general revenue	<u>946,919</u>	<u>918,859</u>
Change in net position	<u>130,786</u>	<u>68,198</u>
Net position - beginning of year	<u>860,019</u>	<u>2,054,323</u>
Net position - ending of year	<u>\$ 990,805</u>	<u>\$ 2,122,521</u>

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

DALLAS COUNTY, TEXAS
Balance Sheet
Governmental Funds
September 30, 2023
(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	\$ 104,606	\$ 12,905	\$ 301,431	\$ -	\$ 317,725	\$ 105,249	\$ 141,964	\$ 983,880
Property tax receivables (net of allowance for uncollectible)	568,842	31,594	106,274	-	-	-	72,695	779,405
Accounts receivable (net of allowance for uncollectible)	8,414	-	-	-	-	-	2,748	11,162
Lease receivable	1,166	-	4,658	-	-	-	2,830	8,654
Accrued interest	2,966	1,864	4,499	-	1,454	-	2,141	12,924
Due from other funds	39,462	139	-	1,699	-	-	1,347	42,647
Due from other governmental units	7,786	-	2,527	78,066	-	-	11	88,390
Inventories	4,311	-	-	-	-	-	980	5,291
Prepayments and advances	4,379	-	1,239	1,712	128	27	13,148	20,633
Total assets	\$ 741,932	\$ 46,502	\$ 420,628	\$ 81,477	\$ 319,307	\$ 105,276	\$ 237,864	\$ 1,952,986
LIABILITIES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 36,139	\$ -	\$ 15,606	\$ 18,030	\$ 9,573	\$ 4,145	\$ 13,158	\$ 96,651
Due to other funds	30,917	-	-	39,208	-	-	1,138	71,263
Due to other governmental units	18	-	41,676	-	-	-	1,933	43,627
Unearned revenue - other	-	-	-	13,196	300,409	-	-	313,605
Total liabilities	67,074	-	57,282	70,434	309,982	4,145	16,229	525,146
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - other	8,638	-	215	34,947	-	-	2,483	46,283
Unavailable revenue - property taxes	572,078	31,762	106,878	-	-	-	73,115	783,833
Deferred inflows of resources - other	1,166	-	4,658	-	-	-	2,831	8,655
Total deferred inflows	581,882	31,762	111,751	34,947	-	-	78,429	838,771
FUND BALANCES								
Nonspendable inventories and prepaids	8,690	-	1,239	1,712	128	27	14,128	25,924
Restricted	-	14,740	-	-	9,197	101,104	126,703	251,744
Committed	-	-	250,356	-	-	-	7,701	258,057
Assigned	31,475	-	-	-	-	-	-	31,475
Unassigned	52,811	-	-	(25,616)	-	-	(5,326)	21,869
Total fund balances	92,976	14,740	251,595	(23,904)	9,325	101,131	143,206	589,069
Total liabilities, deferred inflows and fund balances	\$ 741,932	\$ 46,502	\$ 420,628	\$ 81,477	\$ 319,307	\$ 105,276	\$ 237,864	

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.	1,100,397
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.	47,800
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.	34,300
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.	(780,761)
Net position of governmental activities	\$ 990,805

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, 2023
(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	\$ 507,387	\$ 28,684	\$ 94,780	\$ -	\$ -	\$ -	\$ 64,780	\$ 695,631
Licenses and permits	30,829	-	-	-	-	-	22,990	53,819
Fines and forfeitures	212	-	-	-	-	-	4,213	4,425
Investment income (loss)	8,812	7,590	17,596	170	7,911	-	7,762	49,841
Rental revenues	4,759	-	2,095	-	-	-	22	6,876
Intergovernmental revenues	5,479	-	7,779	138,698	146,274	-	70,379	368,609
Charges for current services	113,063	-	-	670	-	-	18,523	132,256
Miscellaneous	5,080	-	183	2,402	-	-	934	8,599
Total revenues	<u>675,621</u>	<u>36,274</u>	<u>122,433</u>	<u>141,940</u>	<u>154,185</u>	<u>-</u>	<u>189,603</u>	<u>1,320,056</u>
EXPENDITURES								
Current:								
General government	110,466	-	12,268	1,926	786	-	77,134	202,580
Judicial	191,578	-	46	7,537	2,508	-	14,469	216,138
Public safety	347,733	-	266	22,360	8,682	-	7,515	386,556
Highways and streets	-	-	28,252	-	-	-	17,961	46,213
Health	32,960	-	-	69,810	28,786	-	764	132,320
Education	-	-	-	-	1,745	-	8,115	9,860
Public welfare	872	-	8,055	45,235	103,609	-	54,150	211,921
Debt Services:								
Principal	1,223	18,930	16,854	643	-	-	1,718	39,368
Interest and fiscal charges	89	11,221	4,986	35	-	-	285	16,616
Capital outlay	-	-	31,199	-	-	57,967	-	89,166
Capital outlay - Leases	1,603	-	-	-	-	-	-	1,603
Capital outlay - IT subscriptions	749	-	-	614	-	-	10,546	11,909
Total expenditures	<u>687,273</u>	<u>30,151</u>	<u>101,926</u>	<u>148,160</u>	<u>146,116</u>	<u>57,967</u>	<u>192,657</u>	<u>1,364,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,652)</u>	<u>6,123</u>	<u>20,507</u>	<u>(6,220)</u>	<u>8,069</u>	<u>(57,967)</u>	<u>(3,054)</u>	<u>(44,194)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	16,284	-	4,195	8,646	-	-	12,306	41,431
Transfers (out)	(12,293)	-	(16,000)	(2,017)	-	-	(11,121)	(41,431)
Debt issuance - leases	1,603	-	-	-	-	-	-	1,603
Debt issuance - IT subscriptions	749	-	-	614	-	-	10,546	11,909
Debt issuance - principal	-	-	-	-	-	-	-	-
Debt issuance - premium	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>6,343</u>	<u>-</u>	<u>(11,805)</u>	<u>7,243</u>	<u>-</u>	<u>-</u>	<u>11,731</u>	<u>13,512</u>
Net change in fund balances	(5,309)	6,123	8,702	1,023	8,069	(57,967)	8,677	(30,682)
Fund balances - beginning - as restated beginning of year	98,285	8,617	242,893	(24,927)	1,256	159,098	134,529	619,751
Fund balances - ending of year	<u>\$ 92,976</u>	<u>\$ 14,740</u>	<u>\$ 251,595</u>	<u>\$ (23,904)</u>	<u>\$ 9,325</u>	<u>\$ 101,131</u>	<u>\$ 143,206</u>	<u>\$ 589,069</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, 2023
 (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	\$	(30,682)
<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>		
		96,277
<p>The net effect of various transactions (e.g., sale of capital assets). See - Notes to the Basic Financial Statements for details.</p>		
		(4,499)
<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>		
		282
<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>		
		26,868
<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>		
		43,754
<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>		
		(1,214)
Change in net position of governmental activities	\$	<u><u>130,786</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, 2023

(in thousands of dollars)

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 16,186
Accrued interest receivable	50
Due from other funds	28,616
Total current assets	<u>\$ 44,852</u>
LIABILITIES	
Current Liabilities:	
Medical claims	\$ 7,892
Workers' compensation claims - current	2,251
Total current liabilities	<u>10,143</u>
Non-Current Liability:	
Workers' compensation claims non-current	409
Total liabilities	<u>10,552</u>
NET POSITION	
Unrestricted	34,300
Total net position	<u>\$ 34,300</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
September 30, 2023
(in thousands of dollars)

	Governmental Activities - Internal Service Fund
Operating revenues:	
Premiums	\$ <u>91,945</u>
Operating Expenses:	
Benefits payments	87,388
Administration	<u>6,516</u>
Total operating expenses	<u>93,904</u>
Operating income	(1,959)
Non-operating revenues:	
Interest income	<u>745</u>
Change in net position	(1,214)
Total net position - beginning of year	35,514
Total net position - ending of year	\$ <u><u>34,300</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

September 30, 2023

(in thousands of dollars)

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash for premiums and reimbursements	\$ 87,676
Cash payments for benefit claims	(85,453)
Cash payments for administrative fees	(6,516)
Net cash used by operating activities	<u>(4,293)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income on investments	<u>745</u>
Net cash provided by investing activities	<u>745</u>
Net decrease in cash and cash equivalents	(3,548)
Cash and cash equivalents at beginning of year	<u>19,734</u>
Cash and cash equivalents at end of year	<u><u>\$ 16,186</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (1,959)
Changes in current assets and liabilities:	
Accrued interest	30
Due from other funds	4,239
Liabilities	<u>1,935</u>
Net cash used by operating activities	<u><u>\$ (4,293)</u></u>

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

DALLAS COUNTY, TEXAS
Statement of Fiduciary Net Position
September 30, 2023
(in thousands of dollars)

	Total
Assets:	
Cash, cash equivalents and investments	\$ 226,575
Accrued interest	559
Accounts receivable	4,225
Prepayments and advances	100
Assets held in escrow	7,464
Total assets	\$ 238,923
Liabilities:	
Accounts payable	\$ 5,457
Unearned revenue other	142
Due to other governmental units	117,690
Total liabilities	123,289
Net Position:	
Restricted for: Individuals, Organizations or Other Governments	115,634
Total Net Position	115,634
 Total liabilities, deferred inflows and net position	 \$ 238,923

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, 2023
(in thousands of dollars)

		Custodial Funds
ADDITIONS:		
Ad valorem tax collections - local government	\$	762,424
Intergovernmental revenues - Fiduciary		28,377
CSCD participants		10,061
Trust/Escrow contributions		153,989
Inmate accounts		13,284
Investment interest/(loss)		853
Miscellaneous		175
Total Additions		969,163
DEDUCTIONS:		
Ad valorem tax payments - local government		762,546
Administrative Costs		55
CSCD program costs		42,911
Election Costs		5,833
Inmate accounts		13,278
Trust/Escrow disbursements		144,371
Total Deductions		968,994
Increase in Fiduciary Net Position		169
Net Position - beginning		115,465
Net Position - ending	\$	115,634

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

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(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 FY23.

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The statement is effective for reporting periods beginning after June 15, 2022. This statement did not impact the County financial statements.

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements*. The objective of this statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

On October 1, 2022, the County adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The statement requires the County to recognize a subscription liability, measured at the present value of payments expected to be made during the contract term, and an intangible right to use asset. The County recognized \$11,909 in subscription assets and subscription liabilities as a result of the adoption of GASB 96. The adoption of GASB 96 had no impact on net position as of October 1, 2022.

GASB Statement No. 99 - *Omnibus 2022*. The objective of this statement is to enhance comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. This statement did not impact the County financial statements.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 (“DCHFC”) provides the County to continue its real estate interest at 400 S. Beckley. The County Commissioners Court created the DCHFC, but it is not a political subdivision of the County under state law. The criteria used to include the DCHFC as a blended component unit of the County include: the County is able to impose its will, as the DCHFC’s board of directors and the Commissioners Court are the same and County staff maintain the books and records of the corporation. The DCHFC is reported in the special revenue funds in the 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, 2023, including interest \$300,409 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

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 statements. Other nonmajor 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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 120 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, 2023, and became due October 1, 2023, have been assessed to finance the budget of the fiscal year beginning October 1, 2023, 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, 2023.

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.

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, 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 is included in Other Nonmajor Governmental Funds.

County Building Improvements Fund is used to account for funds received from sale of bonds which occurred in August 2023 with an aggregate principal and premium of \$150,969 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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 nonoperating. 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).

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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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, 2023, \$26,310 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 Comptroller 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,

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Cash, Cash Equivalents, and Investments (continued)

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 AA-m 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.

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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Nonmajor 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 obligation issued in FY22.
- Other Nonmajor 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 Nonmajor Governmental Funds: Permanent Improvement and Major Technology Fund balances committed by the governing body for future nonmajor building improvements or major technology related expenditures;
- Major Projects Fund balance (amount committed for future major construction related expenditures according to official action of the governing body).

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 \$5 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

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Capital Assets (continued)

The 1892 Old Red Courthouse is recorded as an 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.
- leave or compensation is not contingent on a specific event (such as illness).

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, 2023, but compensated absences are accrued in the government-wide statements.

The County's permanent, full-time employees accrue annually 80 hours of vacation from date of employment to 6 years of service, 120 hours from 6 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 respective accrual categories specified. Upon termination, an employee is entitled to payment for total accrued but unused hours of vacation.

The County's permanent, full-time employees accrue annually 96 hours of sick leave. 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 5 years of service, increasing thereafter at 5% for each additional 5 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 Nonmajor 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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Deferred Outflows / Inflows of Resources (continued)

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 County has four types of items that qualify for reporting in this category. The governmental funds report unavailable revenues from property taxes 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. 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 noncancelable 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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Leases (continued)

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 leased asset is initially recorded at the amount of the lease liability plus any prepayments less lease incentives received prior to lease commencement. The right-to-use leased 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. 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:

- Nonspendable 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, 2023, is composed of \$14,740 restricted as a result of bond requirements for future debt service, \$9,197 restricted for American Rescue Plan and \$101,104 for County Building Improvements. The Special Revenue Fund balance of \$126,703 is restricted by federal and State statutes.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Fund Balances (continued)

- 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, 2023, Major Project Fund committed balance is \$250,356. The balance of committed fund balance \$7,701 is for permanent building improvements.
- 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, 2023, the assigned fund balance of \$31,475 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. In FY23 Major Grants and Major Technology combined deficit fund balances of \$(30,942) is classified as unassigned.

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.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2023 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 is available for public inspection in the office of the Dallas County Auditor, 500 Elm Street, Suite 4200, Dallas, Texas 75202.

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	\$ (1,516)
Other receivables and accrued interest – which remain uncollected within 60 days of year-end	<u>49,316</u>
Net adjustment to increase fund balance – total governmental funds to arrive at position - governmental activities	<u><u>\$ 47,800</u></u>

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

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

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

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	\$ (217,675)
Premium on bonds payable	(26,211)
Leases payable	(110,347)
Subscription based IT arrangement payable	(10,267)
Other post employment benefits	(160,537)
Accrued interest payable	(1,319)
Accrued liabilities	2,470
Claims and judgments	(2,000)
Workers' compensation	(2,660)
Compensated absences	(43,435)
Net pension liability	(256,069)
Deferred inflow resources – OPEB	(174,283)
Deferred outflow of resources – OPEB	41,209
Deferred outflow of resources – pension	181,269
Deferred inflow of resources – pension	<u>(906)</u>
Net adjustment to decrease fund balance – total government funds to arrive at net position - governmental activities	<u>\$ (780,761)</u>

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	\$ 131,078
Leases executed	1,603
Subscription based IT arrangements executed	11,909
Depreciation/Amortization expense	<u>(48,313)</u>
Net adjustment to increase net changes in fund balances - total government funds to arrive at changes in net position of governmental activities.	<u>\$ 96,277</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(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 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> (4,499)</u>
Net adjustment to decrease net changes in fund balances – total government funds to arrive at changes in net position of governmental activities	\$ <u> (4,499)</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, 2022 Unavailable Revenue, as restated	\$ (752,585)
September 30, 2023 Unavailable Revenue	830,116
September 30, 2022 Deferred Inflows of resources - other	8,655
Statement of Net Position	
September 30, 2022 Deferred Inflows	705,067
September 30, 2023 Deferred Inflows - property tax	(782,317)
September 30, 2023 Deferred Inflows - other	<u> (8,654)</u>
	<u> \$ 282</u>

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	\$ (244)
Workers Compensation	(695)
Pension	5,090
Accrued interest	(157)
Other post-employment benefits	35,709
Accounts payable and accrued liabilities	100
Lease obligation	(1,603)
Subscription based IT arrangement obligations	(11,909)
Other current liabilities	<u> 577</u>
Net adjustment to increase net changes in fund balances	<u> \$ 26,868</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(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 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	\$	18,930
Lease principal payments		18,795
Subscription based IT arrangement payments		1,643
Amortization of debt premium		<u>4,386</u>
Net adjustment to decrease net changes in fund balances	\$	<u><u>43,754</u></u>

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; Certificats of Deposit; TexPool deposits, and TexPool Prime deposits.

Deposits

At September 30, 2023, 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)	\$ (18,557)	\$ 8,613	\$ (9,944)	\$ 185,169	\$ 175,225
Investments and cash equivalents ^(a)	1,040,537	7,929	1,048,466	41,404	1,089,870
Unrealized loss-investments (fair value adjustment).	<u>(38,100)</u>	<u>(356)</u>	<u>(38,456)</u>	<u>2</u>	<u>(38,454)</u>
Total cash, cash equivalents and investments	<u>\$ 983,880</u>	<u>\$ 16,186</u>	<u>\$ 1,000,066</u>	<u>\$ 226,575</u>	<u>\$ 1,226,641</u>

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

DALLAS COUNTY
Notes to the Basic Financial Statements
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III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES (continued)

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.

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.

DALLAS COUNTY
Notes to the Basic Financial Statements
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III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES (continued)

Investments

At September 30, 2023, 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	\$ 421,249	34.34 %	783	2.13%	Note 1
Federal Home Loan Mortgage Corporation Notes	121,271	9.89	797	3.38	Note 1
Federal National Mortgage Association Notes	35,407	2.89	323	1.71	Note 1
Federal Farm Credit Bank Notes	85,187	6.94	791	1.97	Note 1
Certificates of Deposit	19,389	1.58	585	3.53	
Investments	682,503	55.64	757	2.34	
TexPool Prime Deposits	106,988	8.72	1	5.59	Note 2
TexPool Deposits	261,925	21.35	1	5.35	Note 2
Cash Equivalents	368,913	30.08	1	5.42	
Cash	175,225	14.28	-	-	
Investments, Cash and Cash Equivalents	<u>\$ 1,226,641</u>	<u>100 %</u>	<u>500</u>	<u>3.39%</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
Notes to the Basic Financial Statements
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III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES (continued)

Investments (continued)

On September 30, 2023, the County had the following investments and cash equivalents, and maturities:

	Investment Maturities (in years)					
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 – 2</u>	<u>2 – 3</u>	<u>3 – 4</u>	<u>4 – 5</u>
U.S. agencies and government sponsored enterprises	\$ 663,114	\$ 163,386	\$ 188,071	\$ 181,760	\$ 37,737	\$ 92,154
Certificates of Deposit	19,389	7,817	4,969	3,565	2,096	942
Investment Pools:						
TexPool Prime ⁽¹⁾	106,988	106,988	-	-	-	-
TexPool ⁽¹⁾	261,925	261,925	-	-	-	-
Total investments and cash equivalents	<u>\$ 1,051,416</u>	<u>\$ 540,116</u>	<u>\$ 193,040</u>	<u>\$ 185,325</u>	<u>\$ 39,833</u>	<u>\$ 93,096</u>

⁽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 46 and 28 weighted average maturity days, respectively.

DALLAS COUNTY
Notes to the Basic Financial Statements
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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, 2023.

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: 4 county entities, 10 school districts, 23 cities, 2 flood control districts, 1 levee districts, and 49 public improvement districts (PIDs) as authorized by V.T.C.A., Tax Code §6.24.

The County continues to collect only delinquent taxes for County Education Districts, Wilmer/Hutchins ISD, and Levee District 4.

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 \$69, effective January 1, 2008, 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 (\$0.158971), Debt Service (\$0.008963), Major Projects (\$0.029696), Nonmajor Funds - Permanent Improvement (\$0.001699), and Major Technology (\$0.018617). 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.

Tax abatements for FY23 total \$743. County abatements are summarized as follows.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

IV. PROPERTY TAXES AND OTHER RECEIVABLES (Continued)

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 FY23, gross tax revenues abated \$454.

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 FY23, gross tax revenues abated \$239.

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 FY23, gross tax revenues abated \$50.

Property tax receivables are affected by participation in several Tax Increment Finance (TIF) Districts. In the fiscal year that ended September 30, 2023, the County either financially participated in or had the authorization to participate in 42 TIF districts at various percentage participation levels. The 2023 total incremental taxable value prior to participation and new construction after participation decreased from the prior year's value.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(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, 2023.

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

Unavailable and Unearned Arising From	General Fund	Debt Service	Major Projects	Major Grants	American Rescue Plan	Other Nonmajor Governmental	Total
Unavailable and unearned property taxes	\$ 572,078	\$ 31,762	\$ 106,878	\$ -	\$ -	\$ 73,115	\$ 783,833
Unearned revenue – other	-	-	-	13,196	300,409	-	313,605
Unavailable revenue – other	<u>8,638</u>	<u>-</u>	<u>215</u>	<u>34,947</u>	<u>-</u>	<u>2,483</u>	<u>46,283</u>
Unavailable and unearned – Fund Basis	<u>\$ 580,716</u>	<u>\$ 31,762</u>	<u>\$ 107,093</u>	<u>\$ 48,143</u>	<u>\$ 300,409</u>	<u>\$ 75,598</u>	1,143,721
Unavailable property taxes							1,516
OPEB							174,283
Pension							906
Unavailable							<u>(40,661)</u>
							Deferred inflows and unearned revenue – Government wide
							<u>\$ 1,279,765</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 2022 and 2023 for each FY22 and FY23 was \$0.227946 and \$0.217946 per one hundred dollars of assessed value, respectively.

DALLAS COUNTY
Notes to the Basic Financial Statements
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IV. PROPERTY TAXES AND OTHER RECEIVABLES (Continued)

Receivables as of September 30, 2023, 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	\$ 599,855	\$ 33,354	\$ 112,741	\$ -	\$ 76,571	\$ 822,521
Less allowance for uncollectable property taxes	<u>(31,013)</u>	<u>(1,760)</u>	<u>(6,467)</u>	<u>-</u>	<u>(3,876)</u>	<u>(43,116)</u>
Subtotal	<u>568,842</u>	<u>31,594</u>	<u>106,274</u>	<u>-</u>	<u>72,695</u>	<u>779,405</u>
Accounts receivable	155,325	-	-	-	327,774	483,099
Less allowance for uncollectable accounts receivable	<u>(146,911)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(325,026)</u>	<u>(471,937)</u>
Subtotal	<u>8,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,748</u>	<u>11,162</u>
Total net receivables	<u>\$ 577,256</u>	<u>\$ 31,594</u>	<u>\$ 106,274</u>	<u>\$ -</u>	<u>\$ 75,443</u>	<u>\$ 790,567</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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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	\$ 39,320	\$ 30,357	\$ -	\$ 69,677
Land - leased	25,927	-	-	25,927
Construction-in-progress	38,711	65,504	(40,616)	63,599
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>162,671</u>	<u>95,861</u>	<u>(40,616)</u>	<u>217,916</u>
Capital assets, being depreciated:				
Buildings	972,174	29,953	(3,759)	998,368
Buildings - leased	118,899	1,603	(2)	120,500
Machinery and equipment	254,990	29,973	(2,788)	282,175
Machinery and equipment - leased	<u>634</u>	<u>27,312</u>	<u>-</u>	<u>27,946</u>
Total capital assets, being depreciated/amortized:	<u>1,346,697</u>	<u>88,841</u>	<u>(6,549)</u>	<u>1,428,989</u>
Less accumulated depreciation and amortization for:				
Buildings	(343,238)	(20,566)	68	(363,736)
Buildings - leased	(478)	(11,391)	-	(11,869)
Machinery and equipment	(157,007)	(12,988)	2,486	(167,509)
Machinery and equipment - leased	<u>(26)</u>	<u>(3,368)</u>	<u>-</u>	<u>(3,394)</u>
Total accumulated depreciation and amortization	(500,749)	(48,313)	2,554	(546,508)
Total capital assets, being depreciated and amortized, net	<u>845,948</u>	<u>40,528</u>	<u>(3,995)</u>	<u>882,481</u>
Governmental activities capital assets, net	<u>\$ 1,008,619</u>	<u>\$ 136,389</u>	<u>\$ (44,611)</u>	<u>\$ 1,100,397</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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V. CAPITAL ASSETS (Continued)

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

	<u>Amortization</u>			<u>Total</u>
	<u>Depreciation</u>	<u>Building</u>	<u>Machinery and Equipment</u>	
Governmental activities:				
General Government	\$ 26,621	\$ 11,391	\$ 2,605	\$ 40,617
Judicial	54	-	148	202
Public Safety	4,762	-	-	4,762
Highways and Streets	738	-	-	738
Health	265	-	351	616
Education	699	-	-	699
Public Welfare	415	-	264	679
Total depreciation and amortization expense:	<u>\$ 33,554</u>	<u>\$ 11,391</u>	<u>\$ 3,368</u>	<u>\$ 48,313</u>

VI. LONG-TERM LIABILITIES

Long-Term Debt

The following are bonded debts outstanding on September 30, 2023.

<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>
Limited Tax Refunding Bonds Series 2013	5.00 %	2013	2025	\$ 10,515	\$ 2,535
Combination Tax and Parking Garage Revenue					
Certificates of Obligation Series 2016	3.00 – 5.00	2016	2031	167,900	89,555
Certificates of Obligation Series 2022	5.00	2022	2042	132,190	125,585
Subtotal					217,675
Premium on Debt – amortized over the life of debt using a method that approximates an effective interest rate.					26,211
Total					<u>\$ 243,886</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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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 FY23, net revenue from these parking facilities was approximately \$1,036. In FY23, debt service for these bonds was \$11,190 and \$4,701 for principal and interest, respectively.

Changes in Long-Term Liabilities

Long-term liabilities for the year ended September 30, 2023, 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:						
Bonded debt obligations	\$ 267,202	\$ -	\$ 23,316	\$ 243,886	\$ 19,030	a
Leases	128,038	1,603	19,294	110,347	17,883	b,c
Subscription Based IT Arrangments	-	11,909	1,642	10,267	2,425	c
Other Post Employment Benefits	206,918	19,104	65,485	160,537	6,244	c
Claims and Judgments	2,000	943	943	2,000	600	c
Compensated Absences	43,192	52,861	52,617	43,436	37,944	c
Net Pension Liability/(Asset)	(92,808)	452,453	103,576	256,069	-	c
Workers' Compensation	1,965	3,391	2,696	2,660	2,250	c
	<u>\$ 556,508</u>	<u>\$ 542,264</u>	<u>\$ 269,569</u>	<u>\$ 829,203</u>	<u>\$ 86,376</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
Notes to the Basic Financial Statements
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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>
2024	\$ 19,030	\$ 10,548
2025	19,115	9,596
2026	17,800	8,641
2027	17,805	7,751
2028	17,805	6,860
2029 - 2032	66,635	22,292
2034 - 2038	33,050	11,566
2039- 2042	26,435	3,304
Subtotal	217,675	80,558
Premium on debt	26,211	-
Total	<u>\$ 243,886</u>	<u>\$ 80,558</u>

The Debt Service Fund has \$14,740 available to service bonded debt retirements.

VII. INTERFUND RECEIVABLES AND PAYABLE BALANCES AND TRANSFERS

The composition of interfund balances as of September 30, 2023, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Major Grants	\$ 39,208
General	Other-Non Major	254
Debt Service	General	139
Major Grants	General	1,029
Major Grants	Other-Non Major	670
Other-Non Major	General	1,317
Other-Non Major	Other-Non Major	30
Internal Service	General	28,432
Internal Service	Other-Non Major	184
Total		<u>\$ 71,263</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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VII. INTERFUND RECEIVABLES AND PAYABLE BALANCES AND TRANSFERS (Continued)

The Internal Service Fund receivable from General and Other Nonmajor Governmental relates to health insurance liabilities expected to be funded in FY23.

<u>Transfer In:</u>					
<u>Transfer Out:</u>	<u>General</u>	<u>Major Projects</u>	<u>Major Grants</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total</u>
General	\$ -	\$ -	\$ 7,987	\$ 4,306	\$ 12,293
Major Projects	8,000	-	-	8,000	16,000
Major Grants	2,017	-	-	-	2,017
Other Nonmajor Governmental Funds	<u>6,267</u>	<u>4,195</u>	<u>659</u>	<u>-</u>	<u>11,121</u>
Total	<u>\$ 16,284</u>	<u>\$ 4,195</u>	<u>\$ 8,646</u>	<u>\$ 12,306</u>	<u>\$ 41,431</u>

Transfers from Other Nonmajor 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 \$10,462. 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 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 FY23, the General Fund provided matching funds aggregating \$9,304. The majority of these transfers were for health, juvenile, education and law enforcement grants.

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Approximately 15.2% of the \$96,651 balance in accounts payable and accrued liabilities at September 30, 2023, represents accrued payroll liabilities with the balance payable to vendors or contractors.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
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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 850 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, 2022, the following inactive or active County employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	3,986
Inactive employees entitled but not yet receiving benefits	4,736
Active employees	6,399
Total	15,121

(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 13.93% contribution rate by the County (effective January 1, 2022) decreased to 13.23% January 1, 2023, 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

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VIII. RETIREMENT COMMITMENTS (Continued)

(b) Funding Policy (continued)

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.

(c) Net Pension Liability

The County's net pension liability was measured as of December 31, 2022, 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 2022, 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.

DALLAS COUNTY
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VIII. RETIREMENT COMMITMENTS (Continued)

(c) Net Pension Liability (continued)

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 2023 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 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>Benchmark</u>	<u>Target Allocation⁽¹⁾</u>	<u>Geometric Real Rate of Return⁽²⁾</u>
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities – Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
International Equities – Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.39%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	7.60%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited – Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate – Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90 Day U.S. Treasury	2.00%	0.20%

⁽¹⁾ Target asset allocation adopted at the March 2023 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.3%, per Cliffwater LLC's 2023 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.

DALLAS COUNTY
Notes to the Basic Financial Statements
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VIII. RETIREMENT COMMITMENTS (Continued)

(c) Net Pension Liability (continued)

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.

Discount rate ⁽¹⁾	7.60%
Long-term expected rate of return, net of 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 (\$92,808) and ending balance of \$256,069 represent an increase in net pension liability of \$348,877 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, 2021	\$ 2,671,586	\$ 2,764,394	\$ (92,808)
Changes for the year:			
Service cost	58,807	-	58,807
Interest on total pension liability ⁽¹⁾	209,007	-	209,007
Effect of plan changes ⁽²⁾	-	-	-
Effect of economic/demographic gains or losses	17,050	-	17,050
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(6,630)	(6,630)	-
Benefit payments	(128,400)	(128,400)	-
Administrative expenses	-	(1,550)	1,550
Member contributions	-	34,686	(34,686)
Net investment gain	-	(163,999)	163,999
Employer contributions	-	68,890	(68,890)
Other ⁽³⁾	-	(2,040)	2,040
Balance as of December 31, 2022	<u>\$ 2,821,420</u>	<u>\$ 2,565,351</u>	<u>\$ 256,069</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
Notes to the Basic Financial Statements
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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	\$ 3,298,456	\$ 2,821,420	\$ 2,579,903
Fiduciary net position	2,565,351	2,565,351	2,565,351
Net pension (asset)/liability	<u>\$ 733,105</u>	<u>\$ 256,069</u>	<u>\$ 14,552</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, 2023, the County recognized pension expense of \$64,860.

Pension Expense / (Income)	January 1, 2022, to December 31, 2022
Service cost	\$ 58,807
Interest on total pension liability	209,007
Administrative expenses	1,550
Member contributions	(34,686)
Expected investment return (net of investment expenses)	(214,786)
Recognition of deferred inflow/outflow of resources	
Economic/demographic or loss	7,542
Assumption changes or inputs	29,934
Investment or loss	5,452
Other	2,040
Pension expense	<u>\$ 64,860</u>

DALLAS COUNTY
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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, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 17,655
Changes of assumptions	906	60,773
Net difference between projected and actual earnings	-	50,258
Contributions made subsequent to measurement date ⁽¹⁾	-	52,583
	\$ 906	\$ 181,269

(1) Amounts will be recognized as reduction of the Net Pension liability in FY24.

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
2023	\$ 4,513
2024	34,664
2025	12,845
2026	75,758
	\$ 127,780

(e) Payable to the Pension Plan

At September 30, 2023, the County reported a payable of \$4,965 for the outstanding amount of contributions to the pension plan required for the year ended September 30, 2023.

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
Notes to the Basic Financial Statements
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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 FY23, employee and County contributions were \$213 and \$45, 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, 2023, County contributions exceeded retiree contributions by \$6,244 for the Plan. Retiree Plan members receiving benefits contributed \$4,545 or approximately 29.64% 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, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	807
Active employees	6,065
Total	6,872

Total OPEB Liability

The County's total OPEB liability of \$160,537 was measured as of September 30, 2022, and was determined by an actuarial valuation as of that date.

DALLAS COUNTY
Notes to the Basic Financial Statements
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VIII. RETIREMENT COMMITMENTS (Continued)

Total OPEB Liability (continued)

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Salary increases	Varies by age and service. 3.9% over career including inflation.
Discount rate	4.02%
Healthcare cost trend rates	6.75 % for 2022, decreasing 0.25 % per year to ultimate rate of 4.0 % for 2033 and later years
Medicare cost trend rates	6.75 % for 2022, decreasing 0.25 % per year to ultimate rate of 4.0 % for 2033 and later years
Retirees' share of benefit-related costs	57.50% of projected health insurance premiums for retirees

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 2023
Total OPEB Liability - Start of Year	\$ <u>206,918</u>
Changes for the year:	
Service cost	14,162
Interest	4,942
Changes of benefit terms	-
Differences between expected and actual experience	(10,425)
Changes in assumptions or other inputs	(50,260)
Other changes, separately identified if significant	-
Benefit payments	(4,800)
Administrative expense	<u>-</u>
Net change in total OEPB Liability	<u>(46,381)</u>
Total OPEB Liability - End of Year	\$ <u><u>160,537</u></u>
Covered employee payroll	<u>404,633</u>
Total OPEB liability as a percent of covered employee payroll	<u>39.67%</u>

Note 1 - The discount rate for postretirement welfare cost purposes is a single rate reflecting the yield or index rate for 20-year, tax-exempt general obligation bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale), to the extent that plan investments are not expected to finance the payment of benefits. Since there are no plan assets, the discount rate is determined based on the aforementioned basis as of the applicable Measurement Date. The discount rates are 4.02% as of September 30, 2022 and 2.26% as of September 30, 2021 based on the Bond Buyer 20-Bond-Go Index, as reported in The Bond Buyer.

DALLAS COUNTY
Notes to the Basic Financial Statements
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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 (3.02%) or 1% higher (5.02%) than the discount rate:

	1% Decrease 3.02%	Discount Rate 4.02%	1% Increase 5.02%
Total OPEB liability	\$ 186,890	\$ 160,537	\$ 139,434

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 (5.75%) or 1% higher (7.75%) than the current healthcare cost trend rates:

	1% Decrease 5.75%	Healthcare Cost Trend Rate 6.75%	1% Increase 7.75%
Total OPEB liability	\$ 135,807	\$ 160,537	\$ 192,322

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

For the year ended September 30, 2023, the County recognized OPEB expense (income) of \$(9,595).

OPEB Expense(Income)

Service cost	\$ 14,162
Interest cost	4,942
Assumption changes and other inputs ⁽¹⁾	(23,386)
Difference between expected and actual experience	(5,313)
OPEB income	\$ (9,595)

⁽¹⁾Assumption changes and other inputs reflect a change in the discount rate of 2.26 % in 2022 to 4.02 % in 2023.

DALLAS COUNTY
Notes to the Basic Financial Statements
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VIII. RETIREMENT COMMITMENTS (Continued)

Total OPEB Liability (continued)

On September 30, 2023, 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	\$ 6,244	\$ -
Assumption changes or other inputs	34,965	74,417
Difference between expected and actual experience	-	99,866
Total	<u>\$ 41,209</u>	<u>\$ 174,283</u>

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
2023	\$ (28,699)
2024	(28,699)
2025	(28,699)
2026	(16,334)
2027	(14,806)
Thereafter	<u>(22,081)</u>
Total	<u>\$ (139,318)</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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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.

The following is a schedule of future minimum lease payments for lease liabilities as of September 30, 2023:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 17,883	\$ 4,395	\$ 22,278
2025	18,190	3,610	21,800
2026	18,148	2,796	20,944
2027	18,916	1,950	20,866
2028	16,846	1,085	17,931
2029-2032	20,364	845	21,209
Total	<u>\$ 110,347</u>	<u>\$ 14,681</u>	<u>\$ 125,028</u>

There were no payments for residual value guarantees or termination penalties during the reporting period.

The following is a schedule of right-to-use lease assets by major classes at September 30, 2023:

<u>Lease assets</u>	<u>Amount</u>
Land	\$ 25,927
Buildings	120,500
Machinery and equipment	634
Subtotal	147,061
Less: accumulated amortization	(12,450)
Total	<u>\$ 134,611</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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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:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 538	\$ 257	\$ 795
2025	611	242	853
2026	465	227	692
2027	479	213	692
2028	471	199	670
2029-2032	2,590	785	3,375
2033-2120	3,500	6,031	9,531
Total	<u>\$ 8,654</u>	<u>\$ 7,954</u>	<u>\$ 16,608</u>

For the year ended September 30, 2023, the County received \$782 of lease payments and \$308 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.

The following is a schedule of future minimum lease payments for the SBITA lease liabilities as of September 30, 2023:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,424	\$ 288	\$ 2,712
2025	2,236	192	2,428
2026	1,709	115	1,824
2027	1,572	79	1,651
2028	1,458	42	1,500
2029-2032	868	7	875
Total	<u>\$ 10,267</u>	<u>\$ 723</u>	<u>\$ 10,990</u>

There were no payments for termination penalties during the reporting period.

DALLAS COUNTY
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X. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

SBITA Lease Liabilities (Continued)

The following is a schedule of the right-to-use (RTU) assets and accumulated amortization for subscription leases at September 30, 2023:

Lease assets	Amount
Subscription asset	\$ 27,312
Less: accumulated amortization	(2,813)
Total	\$ 24,499

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 except wind/hail which is 3% of the value per location with a minimum of \$1,000; boiler and machinery at \$100; data, and IT equipment, and media at \$1,250. The current premium is \$3,794.

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 also was 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, 2023. The County has not recently experienced any losses which exceeded stop-loss coverage.

DALLAS COUNTY
Notes to the Basic Financial Statements
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XI. RISK MANAGEMENT (Continued)

Changes in the medical and workers' compensation claim liability amounts in FY22 and FY23 follow:

	<u>Beginning Liability</u>		Current Year Claims and Changes in Estimates		<u>Claim Payments</u>		Ending Liability
2022 Medical	\$ 7,415	\$	77,627	\$	78,390	\$	6,652
2023 Medical	6,652		84,132		82,892		7,892
2022 Workers' compensation	1,746		2,357		2,138		1,965
2023 Workers' compensation	1,965		3,391		2,696		2,660

DALLAS COUNTY
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XII. COMMITMENTS AND CONTINGENCIES

Several lawsuits that could affect the County’s financial position are in various stages of litigation. An estimated liability of \$2,000 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 \$943. 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, 2023.

General Fund	
Public welfare contracts	\$ 4,066
Professional services	9,473
Equipment	7,367
Maintenance and supplies	4,998
Rental contracts	1,092
Other	<u>4,479</u>
	<u>\$ 31,475</u>
Major Projects Fund	
Thoroughfares and trails	\$ 24,008
Public works projects - local cities	88,882
Buildings and Improvements	4,490
Professional services	12,135
Equipment	4,600
Building maintenance and supplies	4,214
Computer software	109
Rental Contracts	222
Leases	6,353
Other	<u>9</u>
	<u>\$ 145,022</u>
Major Grants	
Professional services	\$ 17,348
Equipment	1,386
Rental Contracts	116
Maintenance and supplies	782
Computer software	43
Public welfare contracts	191
Other	<u>4,720</u>
	<u>\$ 24,586</u>

DALLAS COUNTY
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XII. COMMITMENTS AND CONTINGENCIES (Continued)

Nonmajor Governmental Funds	
Special Revenue Funds	
Maintenance and supplies	\$ 2,189
Buildings and improvements	11,101
Building maintenance and supplies	49
Thoroughfares and trails	-
Professional services	45,368
Repairs	639
Bridge repairs	749
Rental contracts	276
Computer software	1,496
Public welfare contracts	-
Equipment	2,667
Utilities	55
Other	<u>7,258</u>
Total	<u>\$ 71,847</u>
Capital Projects	<u>\$ 29,524</u>

XIII. RESTATEMENT

Subsequent to the issuance of the September 30, 2022 financial statements, the County identified an error in recognizing revenue that was not available in the Major Grants Fund. A total of \$31,267 in revenue that was not available was recognized over the fiscal years ended September 30, 2021 and September 30, 2022. The County has restated beginning fund balance and related notes for the year ended September 30, 2023, to correct this error.

The effect of the correction on beginning fund balance is detailed below:

Major Grants:

Statement of Revenues, Expenditures, and Changes in Fund Balances

Fund Balance – beginning	\$ 6,340
Prior Periods Adjustment	<u>\$ (31,267)</u>
Fund Balance – beginning of year as restated	<u>\$ (24,927)</u>

FOOTNOTE II: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Fund Basis

September 30, 2022, Unavailable Revenue	\$ (721,318)
Prior Periods Adjustment	<u>(31,267)</u>
September 30, 2022 Unavailable Revenue, as restated	<u>\$ (752,585)</u>

DALLAS COUNTY
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XIV. 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 2023, 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 745 inpatient beds, 97 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 6,222 inmates in 2023.

Parkland acquired the licenses and operations of twelve nursing homes in February 2015, seventeen 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. 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.

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Organization (continued)

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 95% of premium revenue for the Health Plan for the year ended December 31, 2022. 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 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.

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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

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).

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 nonexchange 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

DALLAS COUNTY
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Cash, Cash Equivalents, and Investments (continued)

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, 2023, 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.

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 3 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 2023.

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

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.

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.

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.

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 \$806,924 in 2023, 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.

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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Uncompensated Care (continued)

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, 2023, the estimated cost of uncompensated care is approximately \$1,499,371, of which approximately \$757,000 was charity care.

Ad Valorem Taxes

Parkland received approximately 26% of its total revenues from ad valorem taxes in 2023. Parkland's ad valorem taxes receivable is net of an allowance for uncollectible taxes of \$23,332 as of September 30, 2023.

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>
2023	\$ 344,765,603	\$ 0.220	\$ 806,924	\$ 1,499,371	\$ 692,447

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

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 \$99,400 in 2023. 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 \$1,800 in 2023 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 \$345,300 in 2023 which is recognized in the Statement of Activities. CMS has

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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

1115 Transformation Waiver Funds (continued)

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 \$25,200 in 2023 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 \$124,400 in 2023 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 \$2,200 in 2023 and is recognized in the Statement of Activities.

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 \$34,200 in 2023 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 \$33,600 in 2023, 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 (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, 2024. Revenue from UHRIP and CHIRP are recognized in the Statement of Activities.

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

1115 Transformation Waiver Funds (continued)

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.

During 2023, Parkland collected \$428,400 from the LPPF in mandatory payments and made intergovernmental transfers of \$453,000. At September 30, 2023, Parkland held \$36,000, in mandatory payments.

Net Patient Services Revenue

Parkland has agreements with third-party payors 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 payors. Parkland's more significant third-party payors are the Medicare and Medicaid programs, which accounted for gross charges of approximately 16.0% and 25.1%, respectively in 2023. 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 \$7,900,000 for the year ended September 30, 2023.

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 \$11,400 in 2023. Parkland's cost reports have generally been audited and settled by the administrative contractors through 2018

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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Net Patient Services Revenue (continued)

for Medicare and 2017 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.

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 \$7,500 in 2023, for the BAB interest subsidy. The BAB subsidy was reduced by 5.7% in 2023, 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 compensated absences was \$56,000 for 2023 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

DALLAS COUNTY
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Risk Management (continued)

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.

Change in Accounting Principle

On October 1, 2022, Parkland adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, using a retrospective method of adoption to all contracts in place and not yet completed at the beginning of the earliest period presented. The statement requires Parkland to recognize a subscription liability, measured at the present value of payments expected to be made during the contract term, and an intangible subscription asset. The 2022 financial statements and disclosures were restated to reflect the impact of this adoption. At October 1, 2021, Parkland recognized \$65,700 in subscription assets, \$54,600 in subscription liabilities and reduced prepaid expenses by \$11,100, as a result of the adoption of GASB 96. The adoption of GASB 96 had no impact on net position as of October 1, 2021.

The effect of the changes made to the accompanying Statement of Net Position, and Statement of Activities for the year ended September 30, 2022 are:

Statement of Net Position	2022 (As Previously Reported)	Effect of Adoption	2022 (As Restated)
Inventories and other assets	\$ 47,797	\$ (10,878)	\$ 36,919
Total current assets	1,501,007	(10,878)	1,490,129
Subscription assets, net	-	50,430	50,430
Total assets	3,378,570	39,552	3,418,122
Total assets and deferred outflows of resources	3,518,737	39,552	3,558,289
Current portion of subscription liabilities	-	27,182	27,182
Interest payable	3,742	1,339	5,081
Total current liabilities	451,626	28,521	480,127
Subscription liabilities, noncurrent	-	11,031	11,031
Total liabilities	1,457,300	39,552	1,496,852
Total liabilities and deferred inflows of resources	1,617,503	39,552	1,659,055
Total liabilities and net position	3,518,737	39,552	3,558,289

Statement of Revenues, Expenses and Changes in Net Position	2022 (As Previously Reported)	Effect of Adoption	2022 (As Restated)
Supplies and other	\$ 536,634	\$ (29,134)	\$ 507,500
Depreciation and amortization	92,560	27,795	120,355
Total operating expenses	2,716,560	(1,339)	2,715,221
Operating income (loss)	(579,610)	1,339	(578,271)
Interest expense	(28,908)	(1,339)	(30,247)
Total nonoperating revenue (expense)	812,629	(1,339)	811,290

DALLAS COUNTY
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Change in Accounting Principle (continued)

Statement of Cash Flows	2022 (As Previously Reported)	Effect of Adoption	2022 (As Restated)
Payments to suppliers	\$ (1,063,154)	\$ 30,323	\$ (1,032,831)
Net cash used in operating activities	(614,272)	30,323	(583,949)
Interest paid on long term debt, lease liabilities and subscription liabilities	(32,353)	(1,339)	(33,692)
Principal payments made on subscription liabilities	-	(28,984)	(28,984)
Net cash used in capital and related financing activities	(52,556)	(30,323)	(82,879)
Reconciliation of Operating Loss to Net Cash Used in Operating Activities	2022 (As Previously Reported)	Effect of Adoption	2022 (As Restated)
Operating loss	\$ (579,610)	\$ 1,339	\$ (578,271)
Depreciation and amortization	92,560	27,795	120,355
Other receivables, inventories and other assets	3,817	(150)	3,667
Accounts payable and accrued expenses	44,174	1,339	45,513
Net cash used in operating activities	(614,272)	30,323	(583,949)
Supplemental Cash Flows Information			
Subscription liabilities incurred for subscription assets	-	12,566	12,566

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Deposits and Investments

As of September 30, 2023, Parkland had deposits and investments as follows:

Description	Fair Value	Weighted Average Days to Maturity
Bank Deposits	\$ 6,885	N/A
TexPool deposits	561,067	1
Money market funds	8,401	1
Commercial paper	120,533	95
FNMA	62,242	2,725
FHLB	241,284	692
FHLMC	119,621	1,047
FFCB	74,640	623
U.S. Treasury	105,863	476
Municipal bonds	5,945	836
	<u>\$ 1,306,481</u>	

Descriptions on Statement of Net Position	Hospital	Foundation, Health Plan and PCCI	Total
Cash, cash equivalents and investments	\$ 1,044,026	\$ 262,568	\$ 1,306,594
Assets limited to use			
Current portion	39,800	-	39,800
Noncurrent portion	222,655	-	222,655
	<u>\$ 1,306,481</u>	<u>\$ 262,568</u>	<u>\$ 1,569,049</u>

Investment Maturities	Hospital
One year or less	\$ 303,080
After one through five years	401,255
After five through ten years	22,188
After ten years	12,006
Investments	738,529
Bank deposits	6,885
TexPool deposits	561,067
Total	<u>\$ 1,306,481</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. 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, 2023. 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 \$1,700 as of September 30, 2023.

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, 2023:

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
U.S. Treasury securities	\$ 105,863	\$ -	\$ 105,863
U.S. Government obligations	151,795	345,992	497,787
Money market funds	8,401	-	8,401
Commercial Paper	-	120,533	120,533
Municipal Bonds	-	5,945	5,945
Total investments and cash equivalents by fair value level	\$ 266,059	\$ 472,470	\$ 738,529

These amounts exclude investments in local government investment pools which are recorded at amortized cost. These investments total \$561,067 as of September 30, 2023.

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 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 \$3,600 of cash held at the individual nursing homes.

DALLAS COUNTY
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

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 18.5% as of September 30, 2023.

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, 2023, consists of the following:

Hospital:	<u>Amount</u>
Interest income, including realized gains and BAB subsidy	\$ 69,870
Unrealized gain on investments	1,571
Health Plan	881
Foundation	1,907
Total Gain	\$ <u>74,229</u>

Assets Limited to Use

Assets limited to use at September 30, 2023, consist of the following funds which are all investments in TexPool and U.S. government-sponsored enterprises:

	<u>Amount</u>
Debt service	\$ 1,692
Designated for capital uses	251,877
Other designated	8,886
Total	<u>262,455</u>
Less current	<u>(39,800)</u>
Noncurrent	\$ <u>222,655</u>

Debt Service

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

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.

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

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, 2023 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	\$ -	\$ -	\$ 142,482
Buildings	1,673,270	26,979	(17,303)	1,682,946
Equipment	876,670	49,720	(2,478)	923,912
Total capital assets	<u>2,692,422</u>	<u>76,699</u>	<u>(19,781)</u>	<u>2,749,340</u>
Less accumulated depreciation:				
Land and improvements	(13,318)	(1,394)	-	(14,712)
Buildings	(321,054)	(45,174)	-	(366,228)
Equipment	(757,990)	(39,996)	2,820	(795,166)
Total accumulated depreciation	<u>(1,092,362)</u>	<u>(86,564)</u>	<u>2,820</u>	<u>(1,176,106)</u>
Net	1,600,060	(9,865)	(16,961)	1,573,234
Construction in progress	23,162	65,033	(60,514)	27,681
Capital assets, net	<u>\$ 1,623,222</u>	<u>\$ 55,168</u>	<u>\$ (77,475)</u>	<u>\$ 1,600,915</u>

The above does not include PCCI leases which net \$5,327.

Lease assets activity for the year ended September 30, 2023 was:

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Retirements/ Transfers Out</u>	<u>Ending Balance</u>
Buildings	\$ 51,569	\$ 5,330	\$ (2,527)	\$ 54,372
Less accumulated amortization	<u>(10,520)</u>	<u>(6,355)</u>	<u>-</u>	<u>(16,875)</u>
Lease assets, Net	<u>\$ 41,049</u>	<u>\$ (1,025)</u>	<u>\$ (2,527)</u>	<u>\$ 37,497</u>

Lease Receivable

Parkland leases building space and parking to various third-parties, the terms of which expire 2024 through 2088. Revenue recognized under lease contracts during the year ended September 30, 2023 was \$667, which includes both lease revenue and interest.

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Lease Receivable (continued)

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

		2023						
		Beginning Balance		Additions/ Transfers In		Retirements/ Transfers Out		Ending Balance
Subscription IT asset	\$	78,225	\$	1,182	\$	(2,354)	\$	77,053
Less accumulated amortization		<u>(27,795)</u>		<u>(28,869)</u>		<u>2,354</u>		<u>(54,310)</u>
Subscription Assets, Net	\$	<u>50,430</u>	\$	<u>(27,687)</u>	\$	<u>-</u>	\$	<u>22,743</u>

		2022 (As Restated)						
		Beginning Balance		Additions/ Transfers In		Retirements / Transfers Out		Ending Balance
Subscription IT asset	\$	65,659	\$	12,566	\$	-	\$	78,225
Less accumulated amortization		<u>-</u>		<u>(27,795)</u>		<u>-</u>		<u>(27,795)</u>
Subscription Assets, Net	\$	<u>65,659</u>	\$	<u>(15,229)</u>	\$	<u>-</u>	\$	<u>50,430</u>

Subscription Liabilities

Parkland has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2026. 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 years ended September 30, 2023 and 2022.

The following is a summary of subscription liability transactions for the years ended September 30, 2023 and 2022:

		Beginning Balance		Additions		Deductions		Ending Balance		Current Position
2023	\$	38,213	\$	1,182	\$	29,182	\$	10,213	\$	7,877
2022		54,631		12,566		28,984		38,213		27,182

The following is a schedule by year of payments under the SBITAs as of September 30, 2023:

Year Ending September 30,		Total to Be Paid		Principal		Interest
2024	\$	8,007	\$	7,877	\$	130
2025		1,196		1,149		47
2026		<u>1,198</u>		<u>1,187</u>		<u>11</u>
	\$	<u>10,401</u>	\$	<u>10,213</u>	\$	<u>188</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities, on September 30, 2023, consist of the following:

	Amount
Hospital:	
Accounts payable	\$ 40,404
Accrued expenses	212,355
Accrued payroll	94,468
Employee health care and benefit liability	26,347
Other employee benefits	6,541
Health Plan	180,807
PCCI	1,402
Foundation	39
Total accounts payable and accrued liabilities	\$ 562,363

The liabilities, described in the table below as of September 30, 2023, 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.

	Balance at Beginning of the Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of the Year
Hospital professional and general liability				
2022	\$ 10,820	\$ 2,255	\$ (1,051)	\$ 12,024
2023	12,024	(2,340)	(1,299)	8,385
Employee health care benefit liability				
2022	17,360	165,546	(156,053)	26,853
2023	26,853	173,883	(174,389)	26,347
Worker's compensation liability				
2022	5,308	1,294	(1,393)	5,209
2023	5,209	11,543	(2,411)	14,341

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

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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Employees Health Care Benefit Liability (continued)

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.

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, 2023, Parkland recognized approximately \$33,869, 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, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2023	\$ 45,465	\$ 5,330	\$ 8,445	\$ 42,350	\$ 6,002

The 2023 deduction includes the removal of a lease liability related to a terminated lease contract totaling \$2,938.

The following is a schedule by year of payments under the leases as of September 30, 2023:

<u>Year Ending September,</u>	<u>Total to Be Paid</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 7,436	\$ 6,002	\$ 1,434
2025	7,558	6,353	1,205
2026	7,398	6,430	968
2027	7,012	6,325	687
2028	7,043	6,544	499
2029-2033	8,608	7,542	1,066
2034-2037	3,308	3,154	154
	<u>\$ 48,363</u>	<u>\$ 42,350</u>	<u>\$ 6,013</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Retirement Plans

Defined Benefit Plan

Parkland maintains the Plan, a single employer, defined benefit pension plan.

Plan participation as of January 1, 2023, includes 12,082 active participants, 4,802 inactive employees entitled to but not yet receiving benefits, 1,634 inactive employees with contributions owned, and 3,588 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, 2022, which is included in the actuarial valuation as of January 1, 2023, was approximately \$792,713.

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.

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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Actuarial methods and assumptions

Valuation date	January 1, 2023
Measurement date	December 31, 2022
Investment rate of return	6.00%
Inflation	2.50%
Actuarial cost method	Entry age normal
Amortization method	Closed, 21 years
Amortization growth rate	4.00%
Salary increases including inflation	Graded table
Mortality	Separate rates using Pub-2010 Public General Mortality Tables by gender and MP-2021 (generational with convergence to the long term rate of 0.75% in 2037).

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>
Cas	BAML 3-Mon Tbill	1.33%	0.5%
Core Fixed Income	Bloomberg Barclays Aggregate	18.38%	2.13%
Short Treasury Bonds	Bloomberg US Treasury 1-3 Yr	0.73%	0.94%
Long Treasury Bonds	Bloomberg US Treasury Long	1.83%	1.71%
Long Government Bonds	Bloomberg US Government Long	90.00%	1.72%
Mortgages	Bloomberg US MBS	5.74%	2.83%
TIPS	Bloomberg US Treasury US TIPS	0.19%	1.43%
Municipal Bonds	Bloomberg Municipal	0.37%	1.58%
Large Caps	S&P 500	25.56%	4.09%
Small and Mid Caps	Russell 2500	8.62%	4.10%
Non US Equity	MSCI ACWI xUS	8.06%	5.81%
Foreign Developed Equity	MSCI EAFE	8.13%	5.15%
Emerging Markets Equity	MSCI EM	3.40%	6.20%
Non US Small Cap	MSCI EAFE Small Cap	3.8%	5.31%
REITs	FTSE Nareit All Equity REITs	12.90%	4.50%
Assumed Inflation - Mean			2.33%
Portfolio Nominal Mean Return			6.72%
Portfolio Standard Deviation			12.37%
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

DALLAS COUNTY
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Actuarial methods and assumptions (continued)

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.

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	\$ 1,984,069	\$ 1,599,811	\$ 384,258
Changes for the year			
Service cost	72,094	-	72,094
Interest on total pension liability	121,084	-	121,084
Effect of economic/demographic gains or (losses)	58,240	-	58,240
Effect of assumption changes or inputs	-	-	-
Contributions - employee	-	53,925	(53,925)
Contributions - employer	-	74,800	(74,800)
Net investment income	-	(221,128)	221,128
Benefit payments, including refunds of employee contributions	(77,361)	(77,361)	-
Administrative expenses	-	(3,362)	3,362
Net changes	<u>174,057</u>	<u>(173,126)</u>	<u>347,183</u>
Balances end of year	<u>\$ 2,158,126</u>	<u>\$ 1,426,685</u>	<u>\$ 731,441</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

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.

	Decrease to 5.0%	Current Rate 6.0%	Increase to 7.0%
Total pension liability	\$ 2,468,471	\$ 2,158,126	\$ 1,903,412
Fiduciary net position	1,426,685	1,426,685	1,426,685
Net pension liability	\$ 1,041,786	\$ 731,441	\$ 476,727

During the Plan year that ended December 31, 2022, \$53,925 of employee contributions were made in accordance with the contribution requirements described above. During the fiscal year that ended September 30, 2023, \$59,500 of employee contributions were made in accordance with the contribution requirements described above.

Parkland contributed approximately \$74,800 to the Plan during the year ended December 31, 2022, in accordance with contribution requirements determined by January 1, 2022 actuarial valuation, including \$14,000 of surplus funding approved by the Board.

An additional \$60,745 was contributed between January 1, 2023, and September 30, 2023. This amount was recorded as a deferred outflow of resources at September 30, 2023.

For the year ended September 30, 2022, Parkland recognized a pension expense of \$141,900. As of September 30, 2023, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 53,521	\$ 70
Changes of assumptions	17,313	2,386
Employer contributions subsequent to the measurement date	60,745	-
Net difference between projected and actual earnings on Plan investments	139,923	-
Total	\$ 271,502	\$ 2,456

At September 30, 2023, Parkland reported approximately \$60,745, 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources at September 30, 2023, related to pensions will be recognized in pension expense as follows:

DALLAS COUNTY
Notes to the Basic Financial Statements
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XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Sensitivity Analysis (continued)

Years Ending September 30,		Amount
2024	\$	36,832
2025		48,522
2026		59,241
2027		63,706
	\$	208,301

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.

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, 2023, were approximately \$35,500 from Parkland and \$78,900 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, 2023, is as follows:

	Amount	Percentage
Commercial insurance and other	\$ 82,317	41%
Medicaid	55,315	28%
Medicare	60,161	30%
Patients	719	1%
Total	\$ 198,512	100%

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Commitments and Contingencies

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 40-year period at an interest rate of 3%. Metrocare may repay the funds sooner at its discretion. No funds had been advanced by Parkland as of September 30, 2023.

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, 2023, Parkland had construction commitments outstanding of \$33,200 related to various construction projects.

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.

In 2013, Parkland issued \$38,300 of Limited Tax and Revenue Bonds. The Tax-Exempt Series 2013 Bonds bore interest at stated fixed interest rates between 4.0% and 5.0% and were to mature from August 15, 2020 to 2038, and were subject to redemption prior to maturity on August 15, 2023 or any date thereafter, in whole or in part, at the option of Parkland at the par amount plus any accrued interest.

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

Limited Tax Bonds (continued)

In August 2021, Parkland chose to defease in-substance the Tax Exempt Series 2013 Bonds maturing on August 15, 2023 and after. The Tax Exempt Series 2013 Bonds had an outstanding balance of \$34,100 at the time of defeasance. To defease the bonds maturing on August 15, 2023 and after, Parkland placed \$34,400 in escrow, which will be used to redeem the Series 2013 bonds in 2023. The in-substance defeasance resulted in a loss on reacquired debt using existing resources of \$2,300.

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, 2023:

	<u>2023 Beginning Balance</u>	<u>Additions</u>	<u>Amortization</u>	<u>Reductions</u>	<u>2023 Ending Balance</u>
Taxable Series 2009C Bonds	\$ 409,205	\$ -	\$ -	\$ 3,415	\$ 405,790
Tax-exempt 2013 Bonds	1,260	-	-	(1,260)	-
Tax-exempt 2013 Bonds premium	15	-	(15)	-	-
Tax-exempt 2019 Bonds	149,440	-	-	(11,735)	137,705
Tax-exempt 2019 Bonds premium	24,104	-	(3,234)	-	20,870
Total debt	<u>\$ 584,024</u>	<u>\$ -</u>	<u>\$ (3,249)</u>	<u>\$ (16,410)</u>	<u>\$ 564,365</u>
Short-term debt					\$ 15,835
Long-term debt					<u>548,530</u>
Total debt					<u>\$ 564,365</u>

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

XIV. 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, 2023 are as follows:

Years Ending September 30,	Payments and Mandatory Redemptions	Interest Payments	BAB Interest Subsidy	Total Debt Service
2024	\$ 15,835	\$ 29,112	\$ (7,459)	\$ 37,488
2025	16,375	28,298	(7,201)	37,472
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	106,035	112,479	(31,749)	186,765
2034-2038	140,345	82,967	(27,132)	196,180
2039-2043	170,995	40,217	(13,273)	197,939
2044	38,040	2,138	(706)	39,472
Subtotal	543,495	374,558	(107,597)	810,456
Bond premium	37,499	-	-	37,499
Accumulated amortization	(16,629)	-	-	(16,629)
Total	\$ <u>564,365</u>	<u>374,558</u>	<u>(107,597)</u>	<u>831,326</u>

COVID-19 Pandemic and CARES Act Funding

On March 11, 2020, the World Health Organization designated the SARS-CoV-2 virus and the incident of COVID-19 (COVID-19) as a global pandemic. Patient volumes and the related revenues were significantly affected by COVID-19. Parkland's pandemic response plan has multiple facets and continues to evolve as the pandemic unfolds. Parkland has taken steps to enhance its operational and financial flexibility, and react to the risks the COVID-19 pandemic presents to its business.

Parkland received \$134,957 in general and targeted Provider Relief Fund distributions provided for under the Coronavirus Aid, Relief, and Economic Security (CARES) Act during the years ended September 30, 2022, 2021, and 2020. No funding was received during the year ended September 30, 2023. These distributions from the Provider Relief Fund are not subject to repayment, provided Parkland is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for qualifying expenses or lost revenue attributable to COVID-19, as defined by the U.S. Department of Health and Human Services (HHS).

DALLAS COUNTY
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

XIV. DALLAS COUNTY HOSPITAL DISTRICT (Continued)

COVID-19 Pandemic and CARES Act Funding (continued)

Parkland is accounting for such payments as conditional contributions. Payments are recognized as other non-operating revenue once the applicable terms and conditions required to retain the funds have been met. Based on an analysis of the compliance and reporting requirements of the Provider Relief Fund and the effect of the pandemic on Parkland's operating revenues and expenses through September 30, 2023, Parkland recognized \$0 related to the Provider Relief Fund, and these payments are recorded as grants and contributions in the Statement of Activities.

Parkland will continue to monitor compliance with the terms and conditions of the Provider Relief Fund and the effect of the pandemic on Parkland's revenues and expenses. The terms and conditions governing the Provider Relief Funds are complex and subject to interpretation and change. If Parkland is unable to attest to or comply with current or future terms and conditions Parkland's ability to retain some or all of the distributions received may be affected. Provider Relief Fund payments are subject to government oversight, including potential audits.

Parkland provides certain support to the County in relation to COVID-19 testing of County residents. Parkland received \$10,100 in 2023, from the County for such support provided, which is included in Program Revenues in the accompanying Statement of Activities.

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, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES:				
Property taxes	\$ 493,104	\$ 493,104	\$ 507,387	\$ 14,283
Licenses and permits	27,924	27,924	30,829	2,905
Fines and forfeitures	126	126	212	86
Investment income (loss)	1,015	1,015	8,812	7,797
Rental revenues	3,170	3,170	4,759	1,589
Intergovernmental revenues	5,770	5,770	5,479	(291)
Charges for current services	112,098	112,098	113,063	965
Miscellaneous	1,190	1,190	5,080	3,890
Total revenues	<u>644,397</u>	<u>644,397</u>	<u>675,621</u>	<u>31,224</u>
EXPENDITURES:				
General government:				
Salaries	81,167	80,822	61,887	18,935
Operating	41,269	48,086	41,696	6,390
Property	4,495	10,551	6,883	3,668
Total General government	<u>126,931</u>	<u>139,459</u>	<u>110,466</u>	<u>28,993</u>
Judicial:				
Salaries	165,857	165,491	160,970	4,521
Operating	34,111	41,313	30,608	10,705
Total Judicial	<u>199,968</u>	<u>206,804</u>	<u>191,578</u>	<u>15,226</u>
Public safety:				
Salaries	281,472	281,111	314,780	(33,669)
Operating	32,115	41,970	32,121	9,849
Property	355	168	832	(664)
Total Public safety	<u>313,942</u>	<u>323,249</u>	<u>347,733</u>	<u>(24,484)</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, 2023

(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Health:				
Salaries	14,769	14,739	13,017	1,722
Operating	23,776	26,437	19,759	6,678
Property	-	259	184	75
Total General government	<u>38,545</u>	<u>41,435</u>	<u>32,960</u>	<u>8,475</u>
Public welfare:				
Salaries	1,405	1,402	856	546
Operating	14	27	16	11
Total General government	<u>1,419</u>	<u>1,429</u>	<u>872</u>	<u>557</u>
Debt Service:				
Principal	-	-	1,223	(1,223)
Interest and fiscal charges	-	-	89	(89)
Capital outlay - Leases	-	-	1,603	(1,603)
Capital outlay - IT subscriptions	-	-	749	(749)
Reserves	<u>83,261</u>	<u>51,690</u>	<u>-</u>	<u>51,690</u>
Total expenditures and reserves	<u>764,066</u>	<u>764,066</u>	<u>687,273</u>	<u>76,793</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(119,669)</u>	<u>(119,669)</u>	<u>(11,652)</u>	<u>108,017</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	28,642	28,642	16,284	(12,358)
Transfers (out)	(7,258)	(7,258)	(12,293)	(5,035)
Debt issuance - leases	-	-	1,603	1,603
Debt issuance - IT subscriptions	-	-	749	749
Total other financing sources (uses)	<u>21,384</u>	<u>21,384</u>	<u>6,343</u>	<u>(15,041)</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, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Net change in fund balances	(98,285)	(98,285)	(5,309)	92,976
Fund balances - beginning	98,285	98,285	98,285	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,976</u>	<u>\$ 92,976</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, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 92,113	\$ 92,113	\$ 94,780	\$ 2,667
Investment income (loss)	1,100	1,100	17,596	16,496
Rental revenues	1,500	1,500	2,095	595
Intergovernmental revenues	400	400	7,779	7,379
Miscellaneous	-	-	183	183
Total revenues	<u>95,113</u>	<u>95,113</u>	<u>122,433</u>	<u>27,320</u>
EXPENDITURES				
Current:				
General government	84,805	95,456	12,268	83,188
Judicial	-	-	46	(46)
Public safety	-	-	266	(266)
Highways and streets	211,272	206,726	28,252	178,474
Public welfare	8,648	8,723	8,055	668
Debt Service:				
Principal	-	-	16,854	(16,854)
Interest and fiscal charges	-	-	4,986	(4,986)
Capital outlay	<u>21,881</u>	<u>15,701</u>	<u>31,199</u>	<u>(15,498)</u>
Total expenditures	<u>326,606</u>	<u>326,606</u>	<u>101,926</u>	<u>224,680</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(231,493)</u>	<u>(231,493)</u>	<u>20,507</u>	<u>252,000</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,600	4,600	4,195	(405)
Transfers (out)	<u>(16,000)</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(11,400)</u>	<u>(11,400)</u>	<u>(11,805)</u>	<u>(405)</u>
Net change in fund balances	(242,893)	(242,893)	8,702	251,595
Fund balances - beginning	<u>242,893</u>	<u>242,893</u>	<u>242,893</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,595</u>	<u>\$ 251,595</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, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 12	\$ 12	\$ 170	\$ 158
Intergovernmental revenues	135,241	135,241	138,698	3,457
Charges for current services	916	916	670	(246)
Miscellaneous	1,100	1,100	2,402	1,302
Total revenues	<u>137,269</u>	<u>137,269</u>	<u>141,940</u>	<u>4,671</u>
EXPENDITURES				
Current:				
General government	52,902	52,902	1,926	50,976
Judicial	3,268	3,268	7,537	(4,269)
Public safety	9,410	9,410	22,360	(12,950)
Health	48,855	48,855	69,810	(20,955)
Public welfare	37,074	37,074	45,235	(8,161)
Debt Service:				
Principal	-	-	643	(643)
Interest and fiscal charges	-	-	35	(35)
Capital outlay - IT subscriptions	-	-	614	(614)
Total expenditures	<u>151,509</u>	<u>151,509</u>	<u>148,160</u>	<u>3,349</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,240)</u>	<u>(14,240)</u>	<u>(6,220)</u>	<u>8,020</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,900	7,900	8,646	746
Transfers (out)	-	-	(2,017)	(2,017)
Debt issuance - IT subscriptions	-	-	614	614
Total other finance sources (uses)	<u>7,900</u>	<u>7,900</u>	<u>7,243</u>	<u>(657)</u>
Net change in fund balances	(6,340)	(6,340)	1,023	7,363
Fund balances - beginning - as restated beginning of year	6,340	6,340	(24,927)	(31,267)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,904)</u>	<u>\$ (23,904)</u>

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

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 County Building Improvements Special Revenue Fund
 (Unaudited)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
EXPENDITURES				
Capital outlay	\$ 57,967	\$ 57,967	\$ 57,967	\$ -
Total expenditures	<u>57,967</u>	<u>57,967</u>	<u>57,967</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(57,967)</u>	<u>(57,967)</u>	<u>(57,967)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	(57,967)	(57,967)	(57,967)	-
Fund balances - beginning	<u>159,098</u>	<u>159,098</u>	<u>159,098</u>	<u>-</u>
Fund balances - ending	<u>\$ 101,131</u>	<u>\$ 101,131</u>	<u>\$ 101,131</u>	<u>\$ -</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, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 125	\$ 125	\$ 7,911	\$ 7,786
Intergovernmental revenues	-	146,274	146,274	-
Total revenues	<u>125</u>	<u>146,399</u>	<u>154,185</u>	<u>7,786</u>
EXPENDITURES				
Current:				
General government	-	786	786	-
Judicial	-	2,508	2,508	-
Public safety	-	8,682	8,682	-
Health	-	28,786	28,786	-
Education	-	1,745	1,745	-
Public welfare	-	103,609	103,609	-
Total expenditures	<u>-</u>	<u>146,116</u>	<u>146,116</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>125</u>	<u>283</u>	<u>8,069</u>	<u>7,786</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	125	-	(125)
Total other financing sources (uses)	<u>-</u>	<u>125</u>	<u>-</u>	<u>(125)</u>
Net change in fund balances	125	408	8,069	7,661
Fund balances - beginning	<u>1,256</u>	<u>1,256</u>	<u>1,256</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,381</u>	<u>\$ 1,664</u>	<u>\$ 9,325</u>	<u>\$ 7,661</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, 2023

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 basis consistent with GAAP (with the exception of budgeting for reserves): General Fund, Debt Service Fund, and Special Revenue Funds (except for District Attorney funds 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.

- 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 0.16 cents per \$100 valuation.
- Major Technology Fund – dedicated tax rate of 1.86 cents per \$100 valuation.
- Major Capital Development Fund – dedicated tax rate of 2.96 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 October 31 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, 2023

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 2022 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 is available for public inspection in the office of the Dallas County Auditor, 500 Elm Street, Suite 4200, Dallas, TX 75202.

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.

General Fund Budgetary Highlights

The Management's discussion and analysis includes a summary of only significant General Fund variances between actual results in FY23 as compared to the final budget for the General Fund.

In May 2021, the County received \$255,959 of American Rescue Plan Act (ARP Act) funding of \$511,918 from the U.S. Treasury. The remaining 50% was funded in July 2022. ARP Act funds are intended to provide support for eligible costs incurred during the period of March 3, 2022 through December 31, 2024, to State, local and tribal governments in responding to the impact of COVID-9.

As of September 30, 2023, including accrued interest, \$300,409 of the ARP Act Funds remain.

DALLAS COUNTY
 Required Supplementary Information
Infrastructure Assets Under Modified Approach
 September 30, 2023
 (in thousands of dollars)
 (Unaudited)

Roads

A federal highway administration pavement condition rating (PCR) was utilized to assess the condition of the 108.88 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	2023		2022		2021		2020		2019	
District 1 ⁽¹⁾	0.0	%	0.0	%	0.0	%	0.0	%	0.0	%
District 2	100.0		100.0		100.0		100.0		100.0	
District 3	99.2		99.1		99.1		98.6		99.1	
District 4	100.0		100.0		100.0		100.0		100.0	
Overall System	99.2		99.2		99.7		98.8		99.7	

Comparison of estimated to actual maintenance costs:

	2023	2022	2021	2020	2019
Estimated	\$ 1,609	1,609	\$ 1,130	\$ 1,126	\$ 1,126
Actual	2,758	2,317	2,329	2,296	2,091

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

DALLAS COUNTY
 Required Supplementary Information
Infrastructure Assets Under Modified Approach
 September 30, 2023
 (in thousands of dollars)
 (Unaudited)

Bridges

	<u>Rating</u>	<u>Number</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Very Good	6.0 – 9.0	25	96 %	88 %	88 %	88 %	92 %
Good	4.0 – 5.9	1	4	12	12	12	8
Fair	3.0 – 3.9	-	-	-	-	-	-
Poor	0.0 – 2.9	-	-	-	-	-	-
		<u>26</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 2023.

County’s policy is to maintain bridges at the 4.0 – 5.9 level. Consistent with County policy, the above chart

Comparison of estimated to actual maintenance costs:

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Estimated	\$ 1,133	\$ 300	\$ 300	\$ 1,120	\$ 1,113
Actual	459	186	256	202	247

DALLAS COUNTY
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, 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	\$ 58,807	\$ 60,364	\$ 50,874	\$ 46,770	\$ 45,971	\$ 46,920	\$ 43,906	\$ 41,338
Interest on total pension liability	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	17,050	2,433	5,808	6,637	913	(986)	6,501	(11,965)
Benefit payments	(135,030)	(123,809)	(116,956)	(110,561)	(99,144)	(92,524)	(84,328)	(78,547)
Net change in total pension liability	149,834	135,617	279,162	119,327	114,220	118,653	110,754	98,486
Total pension liability, beginning	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>\$ 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	\$ 68,890	\$ 56,815	\$ 56,183	\$ 48,680	\$ 45,309	\$ 43,304	\$ 39,234	\$ 35,839
Employee contributions	34,686	30,394	29,484	27,438	25,849	24,870	23,918	21,864
Investment income net of investment expenses	(163,999)	513,588	222,926	307,647	(36,221)	246,954	117,495	(6,146)
Benefit payments	(135,030)	(123,809)	(116,956)	(110,561)	(99,144)	(92,524)	(84,328)	(78,547)
Administrative expenses	(1,550)	(1,532)	(1,718)	(1,634)	(1,495)	(1,274)	(1,277)	(1,147)
Other	(2,040)	(383)	(930)	(886)	(632)	(339)	1,977	8
Net change in plan fiduciary net position	(199,043)	475,073	188,989	270,684	(66,334)	220,991	97,019	(28,129)
Fiduciary net position, beginning	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>\$ 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)	\$ 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	90.92%	103.47%	90.27%	93.07%	85.60%	93.71%	87.94%	87.97%
Covered payroll	\$ 494,541	\$ 467,582	\$ 420,693	\$ 391,817	\$ 357,160	\$ 354,950	\$ 341,163	\$ 311,763

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

DALLAS COUNTY
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>
2014	\$ 33,769	\$ 33,769	-	\$ 297,808	11.3%
2015	35,867	35,867	-	311,886	11.5
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

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	18.1 years (based on contribution rate calculated in 12/31/2021 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.

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

	<u>Total OPEB Liability 2022</u>	<u>Total OPEB Liability 2021</u>	<u>Total OPEB Liability 2020</u>	<u>Total OPEB Liability 2019</u>	<u>Total OPEB Liability 2018</u>
Total OPEB Liability - Start of Year	\$ 206,918	\$ 194,549	\$ 228,011	\$ 173,700	\$ 300,743
Changes for the year:					
Service Cost	14,162	13,843	13,797	7,086	12,826
Interest	4,942	4,558	6,379	7,453	11,300
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(10,425)	-	(67,839)	-	(117,539)
Changes in assumptions or other inputs	(50,260)	(1,797)	18,196	44,721	(29,077)
Other changes, separately identified if significant	-	-	-	-	-
Benefit payments	(4,800)	(4,235)	(3,995)	(4,949)	(4,553)
Administrative expense	-	-	-	-	-
Net change in total OPEB liability	<u>(46,381)</u>	<u>12,369</u>	<u>(33,462)</u>	<u>54,311</u>	<u>(127,043)</u>
Total OPEB Liability - End of Year	\$ <u>160,537</u>	\$ <u>206,918</u>	\$ <u>194,549</u>	\$ <u>228,011</u>	\$ <u>173,700</u>
Covered employee payroll	\$ <u>404,633</u>	\$ <u>392,818</u>	\$ <u>379,295</u>	\$ <u>350,346</u>	\$ <u>340,450</u>
Total OPEB liability as a percent of covered employee payroll	<u>39.67%</u>	<u>52.68%</u>	<u>51.29%</u>	<u>65.08%</u>	<u>51.02%</u>

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

DALLAS COUNTY
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, 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	\$ 72,094	\$ 68,967	\$ 65,820	\$ 51,517	\$ 47,055	\$ 44,516	\$ 41,024
Interest on total pension liability	121,084	112,920	106,382	102,108	95,249	89,044	83,216
Effect of plan changes	-	-	-	-	-	(4,577)	-
Effect of economic/demographic gains or (losses)	58,240	15,847	8,301	(1,105)	7,645	8,896	2,439
Effect of assumption changes or inputs	-	8,495	(8,557)	207,476	(1,022)	-	-
Benefit payments	(77,361)	(69,373)	(62,990)	(56,859)	(53,984)	(49,645)	(44,312)
Net change in total pension liability	174,057	136,856	108,956	303,137	94,943	88,234	82,367
Total pension liability, beginning	1,984,069	1,847,213	1,738,257	1,435,120	1,340,177	1,251,943	1,169,576
Total pension liability, ending (a)	<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>
Fiduciary Net Pension							
Employer contributions	\$ 74,800	\$ 72,500	\$ 59,072	\$ 46,700	\$ 40,000	\$ 27,915	\$ 28,083
Employee contributions	53,925	50,396	47,987	46,107	44,223	38,686	30,270
Investment income net of investment expenses	(221,128)	174,667	160,402	192,482	(51,595)	130,137	55,203
Benefit payments	(77,361)	(69,373)	(62,990)	(56,859)	(53,984)	(49,645)	(44,312)
Administrative expenses	(3,362)	(3,653)	(2,918)	(2,743)	(2,654)	(3,803)	(1,881)
Net change in plan fiduciary net position	(173,126)	224,537	201,533	225,687	(24,010)	143,290	67,363
Fiduciary net position, beginning	1,599,811	1,375,274	1,173,721	948,034	972,044	828,754	761,391
Fiduciary net position, ending (b)	<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>
Net position liability = (a)-(b)	<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>
Fiduciary net position as a % of total pension liability	66.11%	80.63%	74.45%	67.52%	66.06%	72.53%	66.20%
Covered employee payroll	\$ 792,713	\$ 721,279	\$ 706,911	\$ 685,520	\$ 659,891	\$ 632,669	\$ 613,367
Net pension liability as a % of covered payroll	92.27%	53.27%	66.76%	82.35%	73.81%	58.19%	68.99%

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

	December 31,						
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contributions in relation to the actuarially determined contributions	\$ 74,800	\$ 72,500	\$ 59,072	\$ 46,700	\$ 40,000	\$ 27,915	\$ 28,123
Actuarially determined contributions	<u>60,775</u>	<u>59,916</u>	<u>59,072</u>	<u>37,005</u>	<u>28,827</u>	<u>27,915</u>	<u>28,083</u>
Contribution (surplus) / deficit	<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>\$ 792,713</u>	<u>\$ 721,279</u>	<u>\$ 706,911</u>	<u>\$ 685,520</u>	<u>\$ 659,891</u>	<u>\$ 632,669</u>	<u>\$ 613,367</u>
Contributions as a percentage of covered employee payroll	<u>9.40%</u>	<u>10.10%</u>	<u>8.40%</u>	<u>6.80%</u>	<u>6.10%</u>	<u>4.40%</u>	<u>4.60%</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarial cost method	Entry age normal cost	Entry age normal cost	Entry age normal cost	Entry age normal cost
Amortization method	30 year, closed	30 year, closed	30 year, closed	30 year, 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	2.5%	2.5%	2.5%	2.5%
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-2010 Public General and MP-2021	Pub-2010 Public General and MP-2020	Pub-2010 Public General and MP-2020	Pub-2010 Public General and MP-2019

As of December 31,

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial cost method	Entry age normal cost	Entry age normal cost	Entry age normal cost	Entry age normal cost
Amortization method	30 year, closed	30 year, closed	30 year, closed	30 year, 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	2.5%	2.5%	2.5%	2.5%
Investment rate of return	7.00%, net of pension plan investment expense, including inflation	7.25%, net of pension plan investment expense, including inflation	7.50%, net of pension plan investment expense, including inflation	7.75%, net of pension plan investment expense, including inflation
Retirement age	65	65	65	65
Mortality	Pub-2010 Public General and MP-2018	RP-2000, projected	RP-2000, projected	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
Notes to the Basic Financial Statements
September 30, 2023
(in thousands of dollars)

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 105 - 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 126 - receives an allocation of property taxes for building maintenance and construction of permanent improvements.

Law Library Fund 470 - 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 195 - used to account for monies received from property taxes that are dedicated to the improvement of the County's computer systems.

District Attorney Fund 535 - HIDTA/Federal Sharing – used to account for funds from participation in the Dallas Area “High-Intensity Drug Traffic Area.”

District Attorney Special Fund 538 - used to account for funds to be used at the discretion of the District Attorney. District Attorney Forfeiture Funds 540, 541, and 547 - used to account for money and property forfeited in criminal seizures. Funds are to be used for criminal justice.

Historical Commission Fund 168 - used to account for donations and other funds received for the preservation of historical landmarks.

Housing Finance Corporation Fund 180 - used to account for money received from lease payments related to the Dallas County Housing Finance Corporation – Beckley.

Alternative Dispute Resolution Fund 162 - 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 471 - 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 467 - used to account for federal awards from HUD for Section 8 activity.

Academy for Academic Excellence Fund 468 - used to account for Academy for Academic Excellence.

Judicial Fund 200 - 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 201 - 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 202 - 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 203 - 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 204 - used to account for monies received from each civil case filed in County or District Courts restricted to manage, preserve or digitize County records.

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 427, 481, 490, and 494 – 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, 2023
(in thousands of dollars)

	Special Revenue										
					District Attorney			District Attorney Forfeitures			
	Road and Bridge	Permanent Improvement	Law Library	Major Technology	HIDTA Federal	Special	Federal	State	Other	Historical Commision	Housing Finance Corporation
ASSETS											
Cash and Investments	\$ 42,255	\$ 8,983	\$ 1,431	\$ 2,366	\$ 1	\$ 180	\$ 1	\$ -	\$ 150	\$ 16	\$ 180
Receivables:											
Taxes - current	-	6,408	-	70,163	-	-	-	-	-	-	-
Less allowance for uncollectible	-	(329)	-	(3,547)	-	-	-	-	-	-	-
Net taxes receivable	-	6,079	-	66,616	-	-	-	-	-	-	-
Accounts	314,706	-	6,191	-	-	-	-	-	-	-	-
Less allowance	(312,043)	-	(6,149)	-	-	-	-	-	-	-	-
Accounts receivable	2,663	-	42	-	-	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-	-	-	-	2,830
Accrued interest	626	155	17	172	-	-	-	-	3	-	4
Due from other funds	-	-	-	-	-	30	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	-
Inventories	918	-	-	-	-	-	-	-	-	-	-
Prepayments and advances	4	18	1	9,157	-	-	-	-	-	-	-
Total assets	<u>\$ 46,466</u>	<u>\$ 15,235</u>	<u>\$ 1,491</u>	<u>\$ 78,311</u>	<u>\$ 1</u>	<u>\$ 210</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 16</u>	<u>\$ 3,014</u>
LIABILITIES											
Accounts payable	\$ 1,394	\$ 1,387	\$ 29	\$ 7,469	\$ -	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 91
Due to other funds	-	-	176	-	-	-	-	-	-	-	-
Due to other governmental units	1,791	-	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>3,185</u>	<u>1,387</u>	<u>205</u>	<u>7,469</u>	<u>-</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - other	2,219	18	44	7	-	-	-	-	-	-	(14)
Unavailable revenue - property taxes	-	6,111	-	67,004	-	-	-	-	-	-	-
Deferred inflow of resources - other	-	-	-	-	-	-	-	-	-	-	2,831
Total deferred inflows	<u>2,219</u>	<u>6,129</u>	<u>44</u>	<u>67,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,817</u>
FUND BALANCES											
Nonspendable: inventories and prepaid	922	18	1	9,157	-	-	-	-	-	-	-
Restricted	40,140	-	1,241	-	1	180	1	-	153	16	106
Committed	-	7,701	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(5,326)	-	-	-	-	-	-	-
Total fund balances	<u>41,062</u>	<u>7,719</u>	<u>1,242</u>	<u>3,831</u>	<u>1</u>	<u>180</u>	<u>1</u>	<u>-</u>	<u>153</u>	<u>16</u>	<u>106</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 46,466</u>	<u>\$ 15,235</u>	<u>\$ 1,491</u>	<u>\$ 78,311</u>	<u>\$ 1</u>	<u>\$ 210</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 16</u>	<u>\$ 3,014</u>

(Continued)

DALLAS COUNTY, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023
(in thousands of dollars)

	Special Revenue										
	Alternative Dispute Resolution	Appellate Justice System	Historical Exhibit Funds	HUD Section 8 Grants	Academy for Academic Excellence	Judicial	Technology	Local Government	Local Official	Record Management	Total
ASSETS											
Cash and Investments	\$ 6,267	\$ 1,411	\$ -	\$ 4,910	\$ 746	\$ 2,069	\$ 369	\$ 19,759	\$ 26,170	\$ 21,627	\$ 138,891
Receivables:											
Taxes - current	-	-	-	-	-	-	-	-	-	-	76,571
Less allowance for uncollectible	-	-	-	-	-	-	-	-	-	-	(3,876)
Net taxes receivable	-	-	-	-	-	-	-	-	-	-	72,695
Accounts	5,010	1,867	-	-	-	-	-	-	-	-	327,774
Less allowance	(4,977)	(1,857)	-	-	-	-	-	-	-	-	(325,026)
Accounts receivable	33	10	-	-	-	-	-	-	-	-	2,748
Lease receivable	-	-	-	-	-	-	-	-	-	-	2,830
Accrued interest	90	16	-	116	17	31	6	291	276	321	2,141
Due from other funds	-	-	-	-	1,317	-	-	-	-	-	1,347
Due from other governmental units	-	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	62	-	980
Prepayments and advances	-	-	-	3,889	-	-	-	2	40	37	13,148
Total assets	\$ 6,390	\$ 1,437	\$ -	\$ 8,915	\$ 2,080	\$ 2,100	\$ 375	\$ 20,052	\$ 26,548	\$ 21,985	\$ 234,780
LIABILITIES											
Accounts payable	\$ 21	\$ 4	\$ -	\$ 957	\$ 231	\$ 21	\$ 87	\$ 436	\$ 674	\$ 327	\$ 13,158
Due to other funds	-	-	-	813	-	-	-	-	149	-	1,138
Due to other governmental units	-	-	-	60	-	-	-	-	-	-	1,851
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	21	4	-	1,830	231	21	87	436	823	327	16,147
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - other	43	12	-	21	1	4	-	38	49	41	2,483
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	-	73,115
Deferred inflow of resources - other	-	-	-	-	-	-	-	-	-	-	2,831
Total deferred inflows	43	12	-	21	1	4	-	38	49	41	78,429
FUND BALANCES											
Nonspendable: inventories and prepaid	-	-	-	3,889	-	-	-	2	102	37	14,128
Restricted	6,326	1,421	-	3,175	1,848	2,075	288	19,576	25,574	21,580	123,701
Committed	-	-	-	-	-	-	-	-	-	-	7,701
Unassigned	-	-	-	-	-	-	-	-	-	-	(5,326)
Total fund balances	6,326	1,421	-	7,064	1,848	2,075	288	19,578	25,676	21,617	140,204
Total liabilities, deferred inflows and fund balances	\$ 6,390	\$ 1,437	\$ -	\$ 8,915	\$ 2,080	\$ 2,100	\$ 375	\$ 20,052	\$ 26,548	\$ 21,985	\$ 234,780

(Continued)

DALLAS COUNTY, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023
(in thousands of dollars)

	Capital Project		Total Nonmajor Governmental Funds
	Roads	Total	
ASSETS			
Cash and Investments	\$ 3,073	\$ 3,073	\$ 141,964
Receivables:			
Taxes - current	-	-	76,571
Less allowance for uncollectible	-	-	(3,876)
Net taxes receivable	-	-	72,695
Accounts	-	-	327,774
Less allowance	-	-	(325,026)
Accounts receivable	-	-	2,748
Lease receivable	-	-	2,830
Accrued interest	-	-	2,141
Due from other funds	-	-	1,347
Due from other governmental units	11	11	11
Inventories	-	-	980
Prepayments and advances	-	-	13,148
Total assets	\$ 3,084	\$ 3,084	\$ 237,864
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 13,158
Due to other funds	-	-	1,138
Due to other governmental units	82	82	1,933
Other current liabilities	-	-	-
Total liabilities	82	82	16,229
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - other	-	-	2,483
Unavailable revenue - property taxes	-	-	73,115
Deferred inflow of resources - other	-	-	2,831
Total deferred inflows	-	-	78,429
FUND BALANCES			
Nonspendable: inventories and prepaid	-	-	14,128
Restricted	3,002	3,002	126,703
Committed	-	-	7,701
Unassigned	-	-	(5,326)
Total liabilities, deferred inflows and fund balances	\$ 3,084	\$ 3,084	\$ 237,864

(Concluded)

DALLAS COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023
(in thousands of dollars)

	Special Revenue										
	Road and Bridge	Permanent Improvement	Law Library	Major Technology	District Attorney		District Attorney Forfeiture			Historical Comission	Housing Finance Corporation
					HIDTA Federal	Special	Federal	State	Other		
REVENUES											
Property taxes	\$ -	\$ 5,421	\$ -	\$ 59,359	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway license fees	22,990	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	4,213	-	-	-	-	-	-	-	-	-	-
Investment Income (loss)	1,885	648	3	1,178	-	-	-	-	8	-	9
Intergovernmental revenues	136	-	-	36	-	-	-	-	-	-	-
Rental revenues	-	-	1	-	-	-	-	-	-	-	21
Charges for current services	56	-	1,634	-	-	-	-	-	-	-	-
Miscellaneous	265	-	-	-	-	12	-	-	-	-	-
Total revenues	29,545	6,069	1,638	60,573	-	12	-	-	8	-	30
EXPENDITURES											
Current:											
General government	-	8,266	-	68,611	-	-	-	-	-	-	-
Judicial	-	2,390	1,085	112	-	50	-	-	-	-	-
Public safety	-	1,889	-	589	-	-	-	-	-	-	-
Highways and streets	17,920	-	-	-	-	-	-	-	-	-	-
Health	-	606	-	152	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	-	1,338	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	137	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Capital outlay - Leases	-	-	-	-	-	-	-	-	-	-	-
Capital outlay - IT subscriptions	-	-	-	9,539	-	-	-	-	-	-	-
Total Expenditures	17,920	13,151	1,085	80,478	-	50	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	11,625	(7,082)	553	(19,905)	-	(38)	-	-	8	-	30
OTHER FINANCING SOURCES (USES)											
Transfers in	-	5,000	-	3,000	-	-	-	-	-	-	-
Transfers (out)	(8,212)	-	(134)	-	-	-	-	-	-	-	-
Debt issuance - leases	-	-	-	-	-	-	-	-	-	-	-
Debt issuance - IT subscriptions	-	-	-	9,539	-	-	-	-	-	-	-
Total other finance sources (uses)	(8,212)	5,000	(134)	12,539	-	-	-	-	-	-	-
Net change in fund balances	3,413	(2,082)	419	(7,366)	-	(38)	-	-	8	-	30
Fund balance - beginning	37,649	9,801	823	11,197	1	218	1	-	145	16	76
Fund balance - ending	\$ 41,062	\$ 7,719	\$ 1,242	\$ 3,831	\$ 1	\$ 180	\$ 1	\$ -	\$ 153	\$ 16	\$ 106

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023
(in thousands of dollars)

	Special Revenue									Total	
	Alternative Dispute Resolution	Appellate Judicial System	HUD Section 8 Grants	Academy for Academic Excellence	Judicial	Technology	Local Government	Local Official	Record Management		
REVENUES											
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,780
Highway license fees	-	-	-	-	-	-	-	-	-	-	22,990
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	4,213
Investment income (loss)	265	38	365	123	109	10	1,102	788	1,231	7,762	
Intergovernmental revenues	-	-	49,762	6,654	-	-	1,127	12,664	-	-	70,379
Rental revenues	-	-	-	-	-	-	-	-	-	-	22
Charges for current services	1,052	339	50	-	526	105	1,185	6,596	6,980	18,523	
Miscellaneous	1	-	-	-	6	-	466	184	-	-	934
Total revenues	1,318	377	50,177	6,777	641	115	3,880	20,232	8,211	189,603	
EXPENDITURES											
Current:											
General government	-	-	-	-	-	-	-	257	-	-	77,134
Judicial	305	160	-	-	310	92	218	1,197	8,550	-	14,469
Public safety	-	-	-	-	-	-	-	5,037	-	-	7,515
Highways and streets	-	-	-	-	-	-	-	-	-	-	17,920
Health	-	-	-	-	-	-	6	-	-	-	764
Education	-	-	-	8,115	-	-	-	-	-	-	8,115
Public welfare	-	-	51,305	-	-	-	2,845	-	-	-	54,150
Debt service:											
Principal	-	-	97	-	-	-	110	-	173	-	1,718
Interest and fiscal charges	-	-	3	-	-	-	140	-	5	-	285
Capital outlay - IT subscriptions	-	-	535	-	-	-	472	-	-	-	10,546
Total Expenditures	305	160	51,940	8,115	310	92	3,791	6,491	8,728	192,616	
Excess (deficiency) of revenues over (under) expenditures	1,013	217	(1,763)	(1,338)	331	23	89	13,741	(517)	(3,013)	
OTHER FINANCING SOURCES (USES)											
Transfers in	-	-	-	1,317	-	-	-	2,989	-	-	12,306
Transfers (out)	(139)	-	(659)	-	(286)	-	(1,195)	-	(496)	-	(11,121)
Debt issuance - IT subscriptions	-	-	535	-	-	-	472	-	-	-	10,546
Total other finance sources (uses)	(139)	-	(124)	1,317	(286)	-	(723)	2,989	(496)	11,731	
Net change in fund balances	874	217	(1,887)	(21)	45	23	(634)	16,730	(1,013)	8,718	
Fund balance - beginning	5,452	1,204	8,951	1,869	2,030	265	20,212	8,946	22,630	131,486	
Fund balance - ending	\$ 6,326	\$ 1,421	\$ 7,064	\$ 1,848	\$ 2,075	\$ 288	\$ 19,578	\$ 25,676	\$ 21,617	\$ 140,204	

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023
(in thousands of dollars)

	Capital Projects		Total Nonmajor Governmental Funds
	Road and Bridge	Total	
REVENUES			
Property taxes	\$ -	\$ -	\$ 64,780
Highway license fees	-	-	22,990
Fines and forfeitures	-	-	4,213
Investment Income (loss)	-	-	7,762
Intergovernmental revenues	-	-	70,379
Rental revenues	-	-	22
Charges for current services	-	-	18,523
Miscellaneous	-	-	934
Total revenues	-	-	189,603
EXPENDITURES			
Current:			
General government	-	-	77,134
Judicial	-	-	14,469
Public safety	-	-	7,515
Highways and streets	41	41	17,961
Health	-	-	764
Education	-	-	8,115
Public welfare	-	-	54,150
Debt service:			
Principal	-	-	1,718
Interest and fiscal charges	-	-	285
Capital outlay - IT subscriptions	-	-	10,546
Total Expenditures	41	41	192,657
Excess (deficiency) of revenues over (under) expenditures	(41)	(41)	(3,054)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	12,306
Transfers (out)	-	-	(11,121)
Debt issuance - IT subscriptions	-	-	10,546
Total other finance sources (uses)	-	-	11,731
Net change in fund balances	(41)	(41)	8,677
Fund balance - beginning	3,043	3,043	134,529
Fund balance - ending	\$ 3,002	\$ 3,002	\$ 143,206

(Concluded)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Debt Service - County Wide - Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 27,802	\$ 27,802	\$ 28,684	\$ 882
Investment income (loss)	100	100	7,590	7,490
Total revenues	<u>27,902</u>	<u>27,902</u>	<u>36,274</u>	<u>8,372</u>
EXPENDITURES				
Debt Service:				
Principal	18,930	18,930	18,930	-
Interest and fiscal charges	11,221	11,221	11,221	-
Total expenditures	<u>30,151</u>	<u>30,151</u>	<u>30,151</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,249)</u>	<u>(2,249)</u>	<u>6,123</u>	<u>8,372</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	(2,249)	(2,249)	6,123	8,372
Fund balances - beginning	8,617	8,617	8,617	-
Fund balances - ending	<u>\$ 6,368</u>	<u>\$ 6,368</u>	<u>\$ 14,740</u>	<u>\$ 8,372</u>

(Continued)

DALLAS COUNTY, TEXAS
Required Supplementary Information
Road and Bridge Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Licenses and permits	\$ 22,721	\$ 22,721	\$ 22,990	\$ 269
Fines and forfeitures	3,950	3,950	4,213	263
Investment income (loss)	117	117	1,885	1,768
Intergovernmental revenues	44	44	136	92
Charges for current services	2,170	2,170	56	(2,114)
Miscellaneous	10	10	265	255
Total revenues	<u>29,012</u>	<u>29,012</u>	<u>29,545</u>	<u>533</u>
EXPENDITURES				
Current:				
Highways and streets	44,323	44,323	17,920	26,403
Total expenditures	<u>44,323</u>	<u>44,323</u>	<u>17,920</u>	<u>26,403</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,311)</u>	<u>(15,311)</u>	<u>11,625</u>	<u>26,936</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(16,000)	(16,000)	(8,212)	7,788
Total other financing sources (uses)	<u>(16,000)</u>	<u>(16,000)</u>	<u>(8,212)</u>	<u>7,788</u>
Net change in fund balances	(31,311)	(31,311)	3,413	34,724
Fund balances - beginning	37,649	37,649	37,649	-
Fund balances - ending	<u>\$ 6,338</u>	<u>\$ 6,338</u>	<u>\$ 41,062</u>	<u>\$ 34,724</u>

(Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Permanent Improvement Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 5,270	\$ 5,270	\$ 5,421	\$ 151
Investment income (loss)	36	36	648	612
Total revenues	<u>5,306</u>	<u>5,306</u>	<u>6,069</u>	<u>763</u>
EXPENDITURES				
Current:				
General government	19,905	13,081	8,266	4,815
Judicial	-	2,901	2,390	511
Public safety	202	3,510	1,889	1,621
Health	-	615	606	9
Total expenditures	<u>20,107</u>	<u>20,107</u>	<u>13,151</u>	<u>6,956</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,801)</u>	<u>(14,801)</u>	<u>(7,082)</u>	<u>7,719</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	5,000	-
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balances	(9,801)	(9,801)	(2,082)	7,719
Fund balances - beginning	9,801	9,801	9,801	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,719</u>	<u>\$ 7,719</u>

(Continued)

DALLAS COUNTY, TEXAS
Required Supplementary Information
Law Library Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 1	\$ 1	\$ 3	\$ 2
Rental revenues	-	-	1	1
Charges for current services	1,210	1,210	1,634	424
Total revenues	<u>1,211</u>	<u>1,211</u>	<u>1,638</u>	<u>427</u>
EXPENDITURES				
Current:				
General government	586	572	-	572
Judicial	1,109	1,123	1,085	38
Total expenditures	<u>1,695</u>	<u>1,695</u>	<u>1,085</u>	<u>610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(484)</u>	<u>(484)</u>	<u>553</u>	<u>1,037</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(175)	(175)	(134)	41
Total other financing sources (uses)	<u>(175)</u>	<u>(175)</u>	<u>(134)</u>	<u>41</u>
Net change in fund balances	(659)	(659)	419	1,078
Fund balances - beginning	823	823	823	-
Fund balances - ending	<u>\$ 164</u>	<u>\$ 164</u>	<u>\$ 1,242</u>	<u>\$ 1,078</u>

(Continued)

DALLAS COUNTY, TEXAS
Required Supplementary Information
Major Technology Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 57,746	\$ 57,746	\$ 59,359	\$ 1,613
Investment income (loss)	104	104	1,178	1,074
Intergovernmental revenues	-	-	36	36
Total revenues	<u>57,850</u>	<u>57,850</u>	<u>60,573</u>	<u>2,723</u>
EXPENDITURES				
Current:				
General government	72,047	70,844	68,611	2,233
Judicial	-	505	112	393
Public safety	-	535	589	(54)
Health	-	163	152	11
Debt Service:				
Principal	-	-	1,338	(1,338)
Interest and fiscal charges	-	-	137	(137)
Capital outlay - IT subscriptions	-	-	9,539	(9,539)
Total expenditures	<u>72,047</u>	<u>72,047</u>	<u>80,478</u>	<u>(8,431)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,197)</u>	<u>(14,197)</u>	<u>(19,905)</u>	<u>(5,708)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,000	3,000	3,000	-
Debt issuance - IT subscriptions	-	-	9,539	9,539
Total other financing sources (uses)	<u>3,000</u>	<u>3,000</u>	<u>12,539</u>	<u>9,539</u>
Net change in fund balances	(11,197)	(11,197)	(7,366)	3,831
Fund balances - beginning	11,197	11,197	11,197	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,831</u>	<u>\$ 3,831</u>

(Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Historical Commission Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Fund balances - beginning	16	16	16	-
Fund balances - ending	\$ 16	\$ 16	\$ 16	\$ -

(Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Alternate Dispute Resolution Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 15	\$ 15	\$ 265	\$ 250
Charges for current services	850	850	1,052	202
Miscellaneous	-	-	1	1
Total revenues	<u>865</u>	<u>865</u>	<u>1,318</u>	<u>453</u>
EXPENDITURES				
Current:				
General government	5,313	5,310	-	5,310
Judicial	309	312	305	7
Total expenditures	<u>5,622</u>	<u>5,622</u>	<u>305</u>	<u>5,317</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,757)</u>	<u>(4,757)</u>	<u>1,013</u>	<u>5,770</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(399)	(399)	(139)	260
Total other financing sources (uses)	<u>(399)</u>	<u>(399)</u>	<u>(139)</u>	<u>260</u>
Net change in fund balances	(5,156)	(5,156)	874	6,030
Fund balances - beginning	5,452	5,452	5,452	-
Fund balances - ending	<u>\$ 296</u>	<u>\$ 296</u>	<u>\$ 6,326</u>	<u>\$ 6,030</u>

(Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Appellate Judicial System Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 2	\$ 2	\$ 38	\$ 36
Charges for current services	300	300	339	39
Total revenues	<u>302</u>	<u>302</u>	<u>377</u>	<u>75</u>
EXPENDITURES				
Current:				
General government	882	882	-	882
Judicial	547	547	160	387
Total expenditures	<u>1,429</u>	<u>1,429</u>	<u>160</u>	<u>1,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,127)</u>	<u>(1,127)</u>	<u>217</u>	<u>1,344</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	(1,127)	(1,127)	217	1,344
Fund balances - beginning	<u>1,204</u>	<u>1,204</u>	<u>1,204</u>	<u>-</u>
Fund balances - ending	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ 1,421</u>	<u>\$ 1,344</u>

(Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 Housing Finance Corporation Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended September 30, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ -	\$ -	\$ 9	\$ 9
Rental revenues	-	-	21	21
Total revenues	<u>-</u>	<u>-</u>	<u>30</u>	<u>30</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>30</u>	<u>30</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	-	-	30	30
Fund balances - beginning	<u>76</u>	<u>76</u>	<u>76</u>	<u>-</u>
Fund balances - ending	<u>\$ 76</u>	<u>\$ 76</u>	<u>\$ 106</u>	<u>\$ 30</u>

(Continued)

DALLAS COUNTY, TEXAS
Required Supplementary Information
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, 2023
(in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 2	\$ 2	\$ -	\$ (2)
Investment income (loss)	4	4	365	361
Intergovernmental revenues	54,092	54,092	49,762	(4,330)
Charges for current services	72	72	50	(22)
Total revenues	<u>54,170</u>	<u>54,170</u>	<u>50,177</u>	<u>(3,993)</u>
EXPENDITURES				
Current:				
Public welfare	54,710	54,170	51,305	2,865
Debt Service:				
Principal	-	-	97	(97)
Interest and fiscal charges	-	-	3	(3)
Capital outlay - IT subscriptions	-	-	535	(535)
Total expenditures	<u>54,710</u>	<u>54,170</u>	<u>51,940</u>	<u>2,230</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(540)</u>	<u>-</u>	<u>(1,763)</u>	<u>(1,763)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	540	-	(659)	(659)
Debt issuance - IT subscriptions	-	-	535	535
Total other financing sources (uses)	<u>540</u>	<u>-</u>	<u>(124)</u>	<u>(124)</u>
Net change in fund balances	-	-	(1,887)	(1,887)
Fund balances - beginning	8,951	8,951	8,951	-
Fund balances - ending	<u>\$ 8,951</u>	<u>\$ 8,951</u>	<u>\$ 7,064</u>	<u>\$ (1,887)</u>

(Continued)

DALLAS COUNTY, TEXAS
 Required Supplementary Information
 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, 2023
 (in thousands of dollars)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Investment income (loss)	\$ 9	\$ 9	\$ 123	\$ 114
Intergovernmental revenues	8,691	8,691	6,654	(2,037)
Total revenues	<u>8,700</u>	<u>8,700</u>	<u>6,777</u>	<u>(1,923)</u>
EXPENDITURES				
Current:				
Education	8,700	8,700	8,115	585
Total expenditures	<u>8,700</u>	<u>8,700</u>	<u>8,115</u>	<u>585</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(1,338)</u>	<u>(1,338)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,317	1,317
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,317</u>	<u>1,317</u>
Net change in fund balances	-	-	(21)	(21)
Fund balances - beginning	1,869	1,869	1,869	-
Fund balances - ending	<u>\$ 1,869</u>	<u>\$ 1,869</u>	<u>\$ 1,848</u>	<u>\$ (21)</u>

(Concluded)



FIDUCIARY SECTION

DALLAS COUNTY

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 532) - used to account for miscellaneous amounts temporarily held for other individuals or entities outside control of Commissioners Court.

Sheriff Inmate Funds (Fund 515) - used to account for monies held in trust for individuals in County custody.

State Reports (Fund 166) - 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 501-506, 580-587) - used to account for monies received with ultimate disposition of receipts to be determined at a future date.

Community Supervision and Corrections (Fund 128) - used to account for the activities of a State agency with funds in the County depository.

Housing Finance Corporation - 1993 Refunding (Fund 570) - used to account for monies received as a result of refunding of 1983 Mortgage Revenue bonds issued by HFC.

Juvenile Department Child Support (Funds 802-808) - used to account for money held for other parties in the child support program in accordance with court orders.

DCS - Administration (Fund 600) - 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 571) - used to account for monies received as a result of refunding 1984 Mortgage Revenue Bonds issued by HFC.

Community Supervision and Corrections Special (Fund 543) - used to account for the receipt and distribution of restitution payments made by probationers.

District Attorney Restitution Funds (Fund 534) - used to account for the receipt and distribution of restitution payments made by the defendants

Youth Village (Fund 537) - used to account for donated money to be used for the benefit of youths temporarily housed in the facility.

Tax Assessor-Collector (Fund 704) - 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 542) - used to account for seized monies awaiting judicial determination for local police agencies.

Attorney General Seized Funds (Fund 544) - used to account for seized monies awaiting judicial determination for the Texas Attorney General.

Gambling Seized Funds (Fund 545) - used to account for seized monies for gambling awaiting judicial determination for the Texas Department of Public Safety.

Narcotics Seized Funds (Fund 546) - 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, 2023
 (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 Peaces</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	\$ 14,769	\$ 588	\$ 1,699	\$ 55,282	\$ 47,060	\$ 548	\$ 1,875	\$ 156	\$ 7,929	\$ 77	\$ 538
Accrued interest	289	-	11	-	-	-	-	-	233	1	-
Accounts receivable	3,983	-	-	-	-	-	-	-	242	-	-
Prepayments and advances	-	-	-	-	-	-	-	-	100	-	-
Assets held in escrow	7,464	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 26,505</u>	<u>\$ 588</u>	<u>\$ 1,710</u>	<u>\$ 55,282</u>	<u>\$ 47,060</u>	<u>\$ 548</u>	<u>\$ 1,875</u>	<u>\$ 156</u>	<u>\$ 8,504</u>	<u>\$ 78</u>	<u>\$ 538</u>
Liabilities:											
Accounts payable and other liabilities	\$ 494	\$ 704	\$ -	\$ 60	\$ 2,200	\$ 280	\$ -	\$ 91	\$ 1,628	\$ -	\$ -
Unearned revenue other	142	-	-	-	-	-	-	-	-	-	-
Due to other governmental units	25,869	-	1,653	1	-	-	-	-	403	-	-
Total liabilities	<u>26,505</u>	<u>704</u>	<u>1,653</u>	<u>61</u>	<u>2,200</u>	<u>280</u>	<u>-</u>	<u>91</u>	<u>2,031</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:											
Net Position:											
Restricted for: Individuals, Organizations or Other Governments	-	(116)	57	55,221	44,860	268	1,875	65	6,473	78	538
Total Net Position	<u>-</u>	<u>(116)</u>	<u>57</u>	<u>55,221</u>	<u>44,860</u>	<u>268</u>	<u>1,875</u>	<u>65</u>	<u>6,473</u>	<u>78</u>	<u>538</u>
Total liabilities, deferred inflows and net position	<u>\$ 26,505</u>	<u>\$ 588</u>	<u>\$ 1,710</u>	<u>\$ 55,282</u>	<u>\$ 47,060</u>	<u>\$ 548</u>	<u>\$ 1,875</u>	<u>\$ 156</u>	<u>\$ 8,504</u>	<u>\$ 78</u>	<u>\$ 538</u>

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Fiduciary Assets and Liabilities-Custodial Funds
September 30, 2023
(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	\$ 26,310	\$ 1,067	\$ 4,651	\$ 175	\$ 1	\$ 63,454	\$ 40	\$ 29	\$ 64	\$ 263	\$ 226,575
Accrued interest	-	18	-	-	-	-	1	-	1	5	559
Accounts receivable	-	-	-	-	-	-	-	-	-	-	4,225
Prepayments and advances	-	-	-	-	-	-	-	-	-	-	100
Assets held in escrow	-	-	-	-	-	-	-	-	-	-	7,464
Total assets	<u>\$ 26,310</u>	<u>\$ 1,085</u>	<u>\$ 4,651</u>	<u>\$ 175</u>	<u>\$ 1</u>	<u>\$ 63,454</u>	<u>\$ 41</u>	<u>\$ 29</u>	<u>\$ 65</u>	<u>\$ 268</u>	<u>\$ 238,923</u>
Liabilities:											
Accounts payable and other liabilities	-	-	-	-	-	-	-	-	-	-	5,457
Unearned revenue other	-	-	-	-	-	-	-	-	-	-	142
Due to other governmental units	26,310	-	-	-	-	63,454	-	-	-	-	117,690
Total liabilities	<u>26,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,289</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	-	1,085	4,651	175	1	-	41	29	65	268	115,634
Total Net Position	<u>-</u>	<u>1,085</u>	<u>4,651</u>	<u>175</u>	<u>1</u>	<u>-</u>	<u>41</u>	<u>29</u>	<u>65</u>	<u>268</u>	<u>115,634</u>
Total liabilities, deferred inflows and net position	<u>\$ 26,310</u>	<u>\$ 1,085</u>	<u>\$ 4,651</u>	<u>\$ 175</u>	<u>\$ 1</u>	<u>\$ 63,454</u>	<u>\$ 41</u>	<u>\$ 29</u>	<u>\$ 65</u>	<u>\$ 268</u>	<u>\$ 238,923</u>

(Concluded)

DALLAS COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2023
(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	Juvenile Department Child Support
ADDITIONS:											
Ad valorem tax collections - local government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues - Fiduciary	680	-	-	-	-	-	-	-	27,697	-	-
CSCD participants	-	-	-	-	-	-	-	-	10,061	-	-
Trust/Escrow contributions	10,763	-	-	57,070	62,223	18,532	1,046	697	(2)	-	451
Inmate accounts	-	13,284	-	-	-	-	-	-	-	-	-
Investment interest/(loss)	4	-	128	-	-	-	-	-	634	4	-
Miscellaneous	-	-	-	92	80	-	-	-	3	-	-
Total Additions	<u>11,447</u>	<u>13,284</u>	<u>128</u>	<u>57,162</u>	<u>62,303</u>	<u>18,532</u>	<u>1,046</u>	<u>697</u>	<u>38,393</u>	<u>4</u>	<u>451</u>
DEDUCTIONS:											
Ad valorem tax payments - local government	-	-	-	-	-	-	-	-	-	-	-
Administrative Costs	-	-	-	-	-	-	-	-	-	-	-
CSCD program costs	-	-	-	-	-	-	-	-	42,911	-	-
Election Costs	5,833	-	-	-	-	-	-	-	-	-	-
Inmate accounts	-	13,278	-	-	-	-	-	-	-	-	-
Trust/Escrow disbursements	5,614	-	-	51,372	64,674	18,432	867	766	-	-	453
Total Deductions	<u>11,447</u>	<u>13,278</u>	<u>-</u>	<u>51,372</u>	<u>64,674</u>	<u>18,432</u>	<u>867</u>	<u>766</u>	<u>42,911</u>	<u>-</u>	<u>453</u>
Increase in Fiduciary Net Position	-	6	128	5,790	(2,371)	100	179	(69)	(4,518)	4	(2)
Net Position - beginning	-	(122)	(71)	49,431	47,231	168	1,696	134	10,991	74	540
Net Position - ending	<u>\$ -</u>	<u>\$ (116)</u>	<u>\$ 57</u>	<u>\$ 55,221</u>	<u>\$ 44,860</u>	<u>\$ 268</u>	<u>\$ 1,875</u>	<u>\$ 65</u>	<u>\$ 6,473</u>	<u>\$ 78</u>	<u>\$ 538</u>

(Continued)

DALLAS COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2023
(in thousands of dollars)

	<u>Fee Office Funds</u>										<u>Total</u>
	<u>Dallas County School Funds - Administration</u>	<u>Housing Finance Corporation - 1994 Refunding</u>	<u>Community Supervision and Corrections Special</u>	<u>DA Restitution Funds</u>	<u>Youth Village</u>	<u>Tax Assessor - Collector</u>	<u>Police Agencies</u>	<u>Attorney General</u>	<u>Gambling</u>	<u>Narcotics</u>	
ADDITIONS:											
Ad valorem tax collections - local government	\$ 32,420	\$ -	\$ -	\$ -	\$ -	\$ 730,004	\$ -	\$ -	\$ -	\$ -	\$ 762,424
Intergovernmental revenues - Fiduciary	-	-	-	-	-	-	-	-	-	-	28,377
CSCD participants	-	-	-	-	-	-	-	-	-	-	10,061
Trust/Escrow contributions	-	-	2,131	1,034	-	-	-	-	-	44	153,989
Inmate accounts	-	-	-	-	-	-	-	-	-	-	13,284
Investment interest/(loss)	-	54	-	-	-	11	2	1	3	12	853
Miscellaneous	-	-	-	-	-	-	-	-	-	-	175
Total Additions	<u>32,420</u>	<u>54</u>	<u>2,131</u>	<u>1,034</u>	<u>-</u>	<u>730,015</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>56</u>	<u>969,163</u>
DEDUCTIONS:											
Ad valorem tax payments - local government	32,365	-	-	-	-	730,181	-	-	-	-	762,546
Administrative Costs	55	-	-	-	-	-	-	-	-	-	55
CSCD program costs	-	-	-	-	-	-	-	-	-	-	42,911
Election Costs	-	-	-	-	-	-	-	-	-	-	5,833
Inmate accounts	-	-	-	-	-	-	-	-	-	-	13,278
Trust/Escrow disbursements	-	-	1,484	859	-	(166)	-	-	-	16	144,371
Total Deductions	<u>32,420</u>	<u>-</u>	<u>1,484</u>	<u>859</u>	<u>-</u>	<u>730,015</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>	<u>968,994</u>
Increase in Fiduciary Net Position	-	54	647	175	-	-	2	1	3	40	169
Net Position - beginning	-	1,031	4,004	-	1	-	39	28	62	228	115,465
Net Position - ending	<u>\$ -</u>	<u>\$ 1,085</u>	<u>\$ 4,651</u>	<u>\$ 175</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 41</u>	<u>\$ 29</u>	<u>\$ 65</u>	<u>\$ 268</u>	<u>\$ 115,634</u>

(Concluded)

STATISTICAL SECTION
(Unaudited)

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	157
These schedules contain trend information to aid in understanding how the County’s financial performance and wellbeing have changed over time.	
Revenue Capacity	162
These schedules contain information to aid in assessing the County’s most significant local revenue source – property tax.	
Debt Capacity	167
These schedules present information to aid in assessing the County’s ability to issue additional debt in the future.	
Demographic and Economic Information	172
These schedules offer demographic and economic indicators to aid in understanding the environment within which the County’s financial activities take place.	
Operating Information	174
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)

Table 1

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 511,162	\$ 536,199	\$ 559,389	\$ 581,267	\$ 607,806	\$ 654,323	\$ 683,253	\$ 724,157	\$ 770,484	\$ 837,028
Restricted	76,172	78,822	87,072	87,893	107,194	112,738	115,265	136,876	120,154	135,102
Unrestricted	(50,551)	(93,878)	(126,204)	(190,639)	(105,235)	(135,953)	(123,646)	(83,858)	(30,619)	18,675
Total governmental activities net position	\$ 536,783	\$ 521,143	\$ 520,257	\$ 478,521	\$ 609,765	\$ 631,108	\$ 674,872	\$ 777,175	\$ 860,019	\$ 990,805

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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
General government	\$ 152,854	\$ 144,978	\$ 168,648	\$ 192,894	\$ 121,734	\$ 149,704	\$ 151,512	\$ 147,096	\$ 170,106	\$ 206,094
Judicial	156,170	153,781	179,924	193,293	203,030	215,018	199,758	202,170	187,212	211,565
Public Safety	238,937	240,701	275,315	305,656	314,959	346,225	345,599	341,027	336,123	371,943
Highways and Streets	25,894	25,404	25,378	24,927	44,619	35,959	35,268	39,531	23,087	44,187
Health	49,190	54,826	55,674	63,496	60,760	71,518	105,794	183,168	124,535	130,660
Education	8,158	7,618	6,879	7,819	8,086	8,725	8,591	8,065	7,859	10,089
Public Welfare	68,769	73,541	72,374	76,760	66,980	73,438	164,493	121,810	159,508	202,751
Libraries	-	-	-	-	-	-	-	-	-	-
Interest on long term debt	3,400	2,459	2,757	4,476	5,026	7,166	7,653	7,972	9,541	12,389
Total primary government expenses	\$ 703,372	\$ 703,308	\$ 786,949	\$ 869,321	\$ 825,194	\$ 907,753	\$ 1,018,668	\$ 1,050,839	\$ 1,017,971	\$ 1,189,678
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 50,306	\$ 53,390	\$ 44,338	\$ 57,254	\$ 48,066	\$ 53,561	\$ 46,362	\$ 47,749	\$ 48,120	\$ 48,953
Judicial	42,780	39,802	53,533	53,506	54,042	50,389	45,268	47,737	44,636	36,023
Public Safety	24,267	22,822	24,869	30,363	24,991	29,336	28,787	24,387	24,185	34,397
Highways and Streets (1)	26,494	26,619	25,425	26,200	25,630	27,684	23,120	25,319	23,227	35,228
Health	6,585	7,396	7,028	7,899	8,262	8,684	9,204	10,064	19,897	6,498
Public Welfare	1,122	1,079	7,626	6,625	9,738	6,954	6,151	9,085	5,630	14,210
Operating grants and contributions										
General government	-	387	-	-	-	-	-	-	-	-
Judicial	13,595	14,162	2,732	2,817	4,987	5,187	5,825	5,420	5,737	6,384
Public Safety	11,841	12,594	20,754	20,807	17,894	19,642	18,860	21,353	20,566	20,620
Health	29,716	33,613	37,985	28,412	34,470	39,734	87,417	150,612	100,257	69,621
Education	7,938	7,718	6,920	6,907	8,108	7,771	7,600	8,339	8,082	6,654
Public Welfare	58,330	71,255	61,037	60,932	55,364	59,328	152,156	115,209	107,750	94,957
Capital grants and contributions:										
Judicial	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-
Public Welfare	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	\$ 272,974	\$ 290,837	\$ 292,247	\$ 301,722	\$ 291,552	\$ 308,270	\$ 430,750	\$ 465,274	\$ 408,087	\$ 373,545
Total net (expense) revenue	\$ (430,398)	\$ (412,471)	\$ (494,702)	\$ (567,599)	\$ (533,642)	\$ (599,483)	\$ (587,918)	\$ (585,565)	\$ (609,884)	\$ (816,133)
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 384,097	\$ 407,431	\$ 436,426	\$ 476,351	\$ 509,444	\$ 552,091	\$ 596,936	\$ 640,512	\$ 633,034	\$ 698,375
Alcoholic beverage taxes (1)	32,943	37,708	40,062	41,873	42,226	43,565	39,287	39,583	52,709	54,032
Unrestricted grants and contributions	1,622	2,092	7,430	2,388	2,252	2,494	3,598	4,452	66,508	155,934
Investment earnings	2,036	2,973	2,945	5,251	10,159	22,676	7,677	559	(27,066)	38,578
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	\$ 420,698	\$ 450,204	\$ 493,816	\$ 525,863	\$ 566,262	\$ 620,826	\$ 631,682	\$ 687,868	\$ 716,893	\$ 946,919
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	\$ (9,700)	\$ 37,733	\$ (886)	\$ (41,736)	\$ 32,620	\$ 21,343	\$ 43,764	\$ 102,303	\$ 107,009	\$ 121,236
Total primary government	\$ (9,700)	\$ 37,733	\$ (886)	\$ (41,736)	\$ 32,620	\$ 21,343	\$ 43,764	\$ 102,303	\$ 107,009	\$ 121,236

Source: Dallas County Financial Records

DALLAS COUNTY, TEXAS
Governmental Activities Tax Revenue by Source
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands of dollars)
(unaudited)

Table 3

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Property Taxes	\$ 384,097	\$ 407,431	\$ 436,426	\$ 476,351	\$ 509,444	\$ 552,091	\$ 596,936	\$ 640,512	\$ 633,034	\$ 698,375
Alcoholic beverage / other taxes	<u>32,943</u>	<u>37,708</u>	<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>
Total Taxes	<u>\$ 417,040</u>	<u>\$ 445,139</u>	<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>

Source: Dallas County Financial Records

DALLAS COUNTY, TEXAS

Fund Balances of Governmental Funds

Table 4

Last Ten Fiscal Years

(modified accrual basis of accounting)

(in thousands of dollars)

(unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund (GASB 54)										
Nonspendable	\$ 3,120	\$ 3,160	\$ 3,995	\$ 5,126	\$ 4,064	\$ 4,020	\$ 5,266	\$ 5,741	\$ 8,613	\$ 8,690
Assigned	6,537	6,237	12,255	10,061	10,432	14,835	13,600	13,600	19,565	31,475
Unassigned	75,533	73,023	57,522	33,826	35,563	30,180	43,560	58,639	70,107	52,811
Total General Fund	\$ 85,190	\$ 82,420	\$ 73,772	\$ 49,013	\$ 50,059	\$ 49,035	\$ 62,426	\$ 77,980	\$ 98,285	\$ 92,976
All Other Governmental Funds (GASB 54)										
Nonspendable	\$ 219	\$ 425	\$ 2,287	\$ 3,389	\$ 7,436	\$ 11,575	\$ 16,304	\$ 17,755	\$ 17,942	\$ 17,234
Restricted (1)	91,947	90,010	293,504	276,287	269,703	217,749	164,790	134,511	278,113	251,744
Committed	186,661	215,245	245,943	279,075	285,134	298,984	299,214	293,919	253,234	258,057
Unassigned (1)	-	-	-	-	-	-	-	(20,568)	(27,823)	(30,942)
Total all other governmental funds	\$ 278,827	\$ 305,680	\$ 541,734	\$ 558,751	\$ 562,273	\$ 528,308	\$ 480,308	\$ 425,617	\$ 521,466	\$ 496,093

(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. See Note XIII for additional details.
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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property taxes	\$ 383,772	\$ 407,712	\$ 436,192	\$ 475,867	\$ 509,422	\$ 555,198	\$ 597,853	\$ 637,610	\$ 637,317	\$ 695,631
Licenses and permits	42,191	43,716	46,558	47,200	46,661	47,474	46,078	45,583	50,592	53,819
Fines and forfeitures	13,061	11,106	9,473	10,280	8,659	7,320	5,752	5,224	4,851	4,425
Investment income and rental revenues	5,947	7,788	7,558	9,569	14,774	27,486	11,801	5,130	(27,073)	56,717
Intergovernmental revenues	114,511	125,783	133,226	137,222	138,637	142,332	282,173	274,598	306,661	368,609
Charges for current services	125,497	131,988	128,935	124,854	133,565	132,157	125,082	123,075	141,869	132,256
Miscellaneous revenues	10,350	13,352	17,521	16,199	20,120	19,995	12,405	29,855	13,176	8,599
Total revenues	695,329	741,445	779,463	821,191	871,838	931,962	1,081,144	1,121,075	1,127,393	1,320,056
Expenditures										
General government and judicial	249,064	255,361	272,284	295,662	298,659	318,179	332,882	340,732	376,104	418,718
Public safety	233,675	239,729	262,171	284,174	295,887	308,740	328,686	337,508	362,994	386,556
Highways and streets	24,646	25,963	25,267	24,914	43,709	35,434	35,394	40,071	24,899	46,213
Health	49,058	54,964	54,927	62,247	59,524	68,883	104,871	185,196	128,556	132,320
Public welfare	67,898	73,128	71,024	75,417	65,874	71,850	163,742	121,526	167,535	211,921
Libraries	-	-	-	-	-	-	-	-	-	-
Education	8,021	7,628	6,523	7,381	7,698	8,049	8,436	8,079	7,975	9,860
Capital outlay	64,788	29,985	31,670	41,119	108,663	150,542	110,171	152,311	56,156	89,166
Capital outlay - leases	-	-	-	-	-	-	-	-	-	1,603
Capital outlay SBITA's	-	-	-	-	-	-	-	-	-	11,909
Debt service									107	-
Principal	25,080	25,840	24,645	28,435	28,751	26,423	28,854	25,033	29,670	39,368
Interest	5,886	4,937	4,724	9,582	10,220	11,657	11,549	11,337	12,146	16,616
Total expenditures (a)	728,116	717,535	753,235	828,931	918,985	999,757	1,124,585	1,221,793	1,166,142	1,364,250
Excess of revenues over (under) expenditures	(32,787)	23,910	26,228	(7,740)	(47,147)	(67,795)	(43,441)	(100,718)	(38,749)	(44,194)
Other financing sources (uses)										
Transfers in	42,101	38,941	32,777	36,259	28,185	40,213	58,784	50,690	57,810	41,431
Transfers (out)	(42,101)	(38,941)	(32,777)	(36,259)	(28,185)	(40,213)	(58,784)	(50,690)	(57,810)	(41,431)
Debt issuance - advance refunding bonds	-	11,115	-	-	-	-	-	-	3,930	-
Debt issuance - limited tax notes	-	-	-	-	-	-	-	-	-	-
Debt issuance - Costs	-	-	-	-	-	-	-	-	-	-
Debt issuance - leases	-	-	-	-	-	-	-	-	-	1,603
Debt issuance - IT subscriptions	-	-	-	-	-	-	-	-	-	11,909
Debt issuance - Principal	-	-	167,900	-	-	-	-	-	-	-
Debt issuance - Premium	-	-	33,278	-	-	-	-	-	132,190	-
Capital Leases	-	-	-	-	51,715	32,805	8,832	61,581	18,783	-
Premium on advance refunding bonds	-	958	-	-	-	-	-	-	-	-
Premium on limited tax notes	-	-	-	-	-	-	-	-	-	-
Interest on advance refunding bonds	-	-	-	-	-	-	-	-	-	-
Interest on limited tax notes	-	-	-	-	-	-	-	-	-	-
Payment to advance refunded bond escrow agent	-	(11,900)	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	173	201,178	-	51,715	32,805	8,832	61,581	154,903	13,512
Net change in fund balance	\$ (32,787)	\$ 24,083	\$ 227,406	\$ (7,740)	\$ 4,568	\$ (34,990)	\$ (34,609)	\$ (39,137)	\$ 116,154	\$ (30,682)
Restatement (2)	-	-	-	-	-	-	-	(23,631)	(7,636)	-
Sum of expenditures (a)	728,116	717,535	753,235	828,931	918,985	999,757	1,124,585	1,221,793	1,166,142	1,364,250
Less: Expenditures capitalized for government-wide statement of net position. (1)	(62,464)	(33,716)	(53,312)	(38,210)	(102,747)	(133,357)	(96,442)	(155,375)	(81,375)	(144,088)
Non-capital expenditures	\$ 665,652	\$ 683,819	\$ 699,923	\$ 790,721	\$ 816,238	\$ 866,400	\$ 1,028,143	\$ 1,066,418	\$ 1,084,767	\$ 1,220,162
Debt service as a percentage of non-capital expenditures	4.7%	4.5%	4.2%	4.8%	4.8%	4.4%	3.9%	3.4%	3.9%	4.6%

Source: Dallas County Financial Records

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.

Expenditures capitalized for governmentwide financials are less than amounts included in Capital Outlay because some amounts do not meet the County's capitalization threshold.

(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. See Note XIII for additional details.

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)		
2014	\$ 196,639,097	\$ 197,090,173	\$ 32,644,515	\$ 32,644,515	\$ 229,283,612	\$ 229,734,688	0.24310	99.80%
2015	212,019,082	212,646,789	34,815,379	34,815,379	246,834,461	247,462,168	0.24310	99.75%
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%

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	General	Major	Permanent	Major Capital	Debt	Total	Component	Total
Year	Fund	Technology	Improvement	Development	Service	Primary	Unit	Reporting
		Fund	Fund	Fund	Funds	Government		Entity
Rates (1)								
2014	0.17615	0.01360	0.00180	0.03405	0.01750	0.24310	0.28600	0.52910
2015	0.17415	0.01560	0.00180	0.03625	0.01530	0.24310	0.28600	0.52910
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
Tax levies (1)								
(in thousands of dollars)								
2014	306,407	23,657	3,131	59,229	30,441	422,865 (a)	502,058	924,923
2015	324,639	29,081	3,355	67,575	28,521	453,171 (b)	541,282	994,453
2016	353,896	35,420	3,679	62,767	41,102	496,864 (c)	582,178	1,079,042
2017	377,435	37,776	3,924	73,503	37,275	529,913 (d)	623,342	1,153,255
2018	408,197	46,103	4,293	94,113	27,094	579,800 (e)	683,317	1,263,117
2019	437,130	49,370	4,597	105,126	24,672	620,895 (f)	708,080	1,328,975
2020	432,806	49,463	4,606	105,323	21,264	613,461 (g)	702,644	1,316,106
2021	477,602	51,123	5,104	94,024	18,479	646,332 (h)	747,292	1,393,624
2022	519,424	60,828	5,551	97,030	29,286	712,118 (i)	796,689	1,508,806
2023	577,851	67,672	6,173	107,946	32,096	791,738 (j)	826,582	1,618,320

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:

- (a) \$ 4.6 million
- (b) \$ 5.5 million
- (c) \$ 7.1 million
- (d) \$ 9.6 million
- (e) \$ 12.2 million
- (f) \$ 13.9 million
- (g) \$ 14.26 million
- (h) \$ 11.38 million
- (i) \$ 11.51 million
- (j) \$ 12.43 million

Note (2) Legal Limitation

Original - Texas Constitution, Article 8, Section 9	\$	0.80000	(d) \$ 9.6 million
Additional authorized by voters - Texas Constitution		0.15000	(e) \$ 12.2 million
Additional authorized by Texas Constitution Article 9, Section 9		<u>0.75000</u>	(f) \$ 13.9 million
Legal limitation includes provision for debt service	\$	<u><u>1.70000</u></u>	(g) \$ 14.26 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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Dallas County	\$ 0.24310	\$ 0.24310	\$ 0.24310	\$ 0.24310	\$ 0.24310	\$ 0.24310	\$ 0.23974	\$ 0.22795	\$ 0.22795	\$ 0.21572
Dallas County Schools	0.01000	0.01000	0.00927	0.01	0.01	0.01	0.01	0.01	0.01	0.00
Dallas County Hospital Dist.	0.28600	0.28600	0.27940	0.27940	0.27940	0.27940	0.26610	0.25500	0.25500	0.21950
Dallas County Community College District	0.12478	0.12365	0.12293	0.12423	0.12400	0.12400	0.12400	0.12351	0.12351	0.11003
School Districts										
Carrollton-Farmers Branch	1.30330	1.28170	1.39170	1.38100	1.37000	1.37000	1.25470	1.20125	1.20125	0.98360
Cedar Hill	1.52500	1.52500	1.51600	1.51600	1.37600	1.37600	1.28330	1.23840	1.23840	1.13260
Coppell	1.44900	1.43900	1.49270	1.47770	1.46050	1.46050	1.31000	1.29200	1.29200	1.05350
Dallas	1.28209	1.28209	1.28209	1.28209	1.41204	1.41204	1.29674	1.24824	1.24824	1.01384
DeSoto	1.47000	1.46000	1.46000	1.49000	1.49000	1.49000	1.52909	1.38860	1.38860	1.07280
Duncanville	1.41000	1.52950	1.52148	1.52148	1.52000	1.52000	1.36760	1.31590	1.31590	1.08280
Ferris	1.32500	1.35500	1.35500	1.38730	1.51730	1.51730	1.31380	1.27430	1.27430	1.14310
Garland	1.25330	1.35330	1.46000	1.46000	1.46000	1.46000	1.25630	1.25630	1.25630	1.05320
Grand Prairie	1.46500	1.59500	1.59500	1.59500	1.59500	1.59500	1.50970	1.37630	1.37630	1.09505
Grapevine-Colleyville	1.32010	1.32010	1.39670	1.39670	1.39670	1.39670	1.30310	1.27510	1.27510	0.92470
Highland Park	1.11810	1.11190	1.15270	1.20320	1.23550	1.23550	1.15190	1.13100	1.13100	0.89270
Irving	1.43500	1.44500	1.44500	1.43140	1.40110	1.40110	1.27510	1.20770	1.20770	1.02810
Lancaster	1.37012	1.54000	1.54000	1.54000	1.53000	1.53000	1.49990	1.47040	1.47040	1.22670
Mesquite	1.41000	1.41000	1.46000	1.46000	1.52000	1.52000	1.44640	1.31200	1.31200	1.09920
Richardson	1.34005	1.34005	1.39005	1.39005	1.52000	1.52000	1.40470	1.39090	1.39090	1.14310
Sunnyvale	1.41000	1.41000	1.42600	1.52000	1.52000	1.52000	1.38920	1.34200	1.34200	1.18920
Special Districts										
Dallas County FCD #1	2.75000	2.65000	2.25000	2.00000	1.80000	1.80000	1.40000	1.30000	1.30000	1.00000
Dallas County MUD #4	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
Dallas County URD	1.98300	1.59000	1.29500	1.24900	1.11130	1.11130	0.93700	0.81670	0.81670	0.75510
Denton County LID #1	0.18500	0.18500	0.18400	0.18300	0.18200	0.18200	0.18200	0.17000	0.17000	0.16900
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	0.60000	0.60000
Irving FCD, Section I	0.50470	0.52000	0.45300	0.44600	0.45500	0.45500	0.50600	0.52700	0.52700	0.42830
Irving FCD, Section III	0.14410	0.12800	0.12500	0.12500	0.12500	0.12500	0.12360	0.12360	0.12360	0.10350
Lancaster MUD #1	1.06000	1.06000	1.06000	1.00000	1.00000	1.00000	0.95000	0.92000	0.92000	0.92000
Northwest Dallas Co FCD	0.30000	0.30000	0.30000	0.30000	0.30000	0.30000	0.30000	0.30000	0.30000	0.27565
Valwood Improvement Auth	0.27000	0.27000	0.25000	0.22000	0.20000	0.20000	0.18000	0.01700	0.01700	0.10000
Cities and Towns										
Addison	0.56180	0.57915	0.56047	0.55000	0.55000	0.55000	0.60868	0.61466	0.61466	0.60982
Balch Springs	0.80300	0.80300	0.80300	0.80300	0.80300	0.80300	0.79463	0.79463	0.79463	0.79463
Carrollton	0.61538	0.61288	0.60370	0.59970	0.59497	0.59497	0.58750	0.58250	0.58250	0.55375
Cedar Hill	0.69876	0.69876	0.69876	0.69876	0.69703	0.69703	0.68810	0.69703	0.69703	0.64653
Cockrell Hill	0.81166	1.13244	1.11941	1.05883	0.98895	0.98895	0.85057	0.82302	0.82302	0.77260
Combine	0.29000	0.31000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
Coppell	0.60649	0.58400	0.57950	0.57950	0.56950	0.56950	0.58000	0.58000	0.58000	0.49182
Dallas	0.79700	0.79700	0.78250	0.78040	0.77670	0.77670	0.77630	0.77330	0.77330	0.73570
Desoto	0.75740	0.74990	0.74490	0.73990	0.72139	0.72139	0.70155	0.70155	0.70155	0.68509
Duncanville	0.75845	0.75845	0.75845	0.75845	0.74845	0.74845	0.71685	0.70000	0.70000	0.64603
Farmers Branch	0.60227	0.60227	0.60227	0.60227	0.59951	0.59951	0.58900	0.58900	0.58900	0.56900
Ferris	0.68713	0.68713	0.68713	0.68713	0.68713	0.68713	0.60860	0.84730	0.84730	0.49470
Garland	0.70460	0.70460	0.70460	0.70460	0.70460	0.70460	0.76960	0.75697	0.75697	0.68975
Glenn Heights	0.79500	0.79340	0.93553	0.88543	0.87918	0.87918	0.80443	0.76915	0.76915	0.56473
Grand Prairie	0.67000	0.67000	0.67000	0.67000	0.67000	0.67000	0.66500	0.66500	0.66500	0.66000
Grapevine	0.33244	0.32844	0.28927	0.28927	0.28927	0.28927	0.28260	0.27181	0.27181	0.25056
Highland Park	0.22000	0.22000	0.22000	0.22000	0.22000	0.22000	0.23000	0.23000	0.23000	0.22053
Hutchins	0.71091	0.68246	0.68246	0.68246	0.68246	0.68246	0.68246	0.68246	0.68246	0.63008
Irving	0.59410	0.59410	0.59410	0.59410	0.59410	0.59410	0.59410	0.59410	0.59410	0.58910
Lancaster	0.86750	0.86750	0.86750	0.86750	0.86750	0.86750	0.81974	0.76929	0.76929	0.63900
Lewisville	0.43609	0.43609	0.43609	0.43609	0.43609	0.43609	0.44330	0.44330	0.44330	0.41908
Mesquite	0.64000	0.64000	0.68700	0.68700	0.73400	0.73400	0.70862	0.70862	0.70862	0.69000
Ovilla	0.67190	0.70000	0.70000	0.68040	0.66000	0.66000	0.66000	0.66000	0.66000	0.62621
Richardson	0.63516	0.63516	0.62516	0.62516	0.62516	0.62516	0.62516	0.61516	0.61516	0.56095
Rowlett	0.78717	0.78717	0.78173	0.77717	0.75717	0.75717	0.74500	0.74500	0.74500	0.71040
Sachse	0.77082	0.75728	0.75728	0.74728	0.72000	0.72000	0.72000	0.70073	0.70073	0.65042
Seagoville	0.71380	0.71380	0.74380	0.74380	0.74380	0.74380	0.78880	0.78880	0.78880	0.72800
Sunnyvale	0.40796	0.40796	0.40796	0.41309	0.41290	0.41290	0.45670	0.45300	0.45300	0.45300
University Park	0.26979	0.25893	0.24876	0.24876	0.24538	0.24538	0.26475	0.26439	0.26439	0.23623
Wilmer	0.43660	0.47660	0.50300	0.50300	0.51290	0.51290	0.56290	0.56190	0.56190	0.43913
Wylie	0.87890	0.86890	0.84890	0.78100	0.72585	0.72585	0.67198	0.64375	0.64375	0.53888

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, 2023

Table 9

(in thousands of dollars)

(unaudited)

Name of Taxpayer	Nature of Business	2023		Percent of Dallas County Assessed		2014		Percent of Dallas County Assessed	
		Total Assessed Valuation	Rank	Valuation (1)	%	Total Assessed Valuation	Rank	Valuation (1)	%
Oncor Electric Delivery	Electric Utility	\$ 2,193,493	1	0.57 %	\$ 1,422,920	1	0.72 %		
Amazon Com KYDC LLC	Retail	1,116,652	2	0.29	—	—	—		
Atmos Energy	Electric	1,030,264	3	0.27	—	—	—		
AT&T Mobility LLC	Telephone Utility	1,016,354	4	0.27	953,083	2	0.48		
Texas Instruments	Electronics	987,396	5	0.26	601,569	6	0.31		
Billingsley Arts	Retail	946,938	6	0.25	—	—	—		
Wal-Mart Stores Inc.	Retail	910,693	7	0.24	760,546	3	0.39		
Southwest Airlines Co.	Airline	820,012	8	0.21	577,401	7	0.29		
FM Village Fixed Rate LLC	Real Estate	772,277	9	0.20	—	—	—		
NorthPark Land Partners	Real Estate	764,866	10	0.20	624,382	5	0.32		
Post Properties Inc	Real Estate	—		—	574,955	8	0.29		
PC Village Apartments	Real Estate	—		—	422,520	10	0.21		
Verizon	Telephone Utility	—		—	448,101	9	0.23		
Crescent Real Estate Group	Real Estate	—		—	756,101	4	0.38		
Total		\$ 10,558,946		2.76 %	\$ 7,141,578		3.62 %		

Notes:

(1). Appraisal roll excludes property under protest.

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 (c)</u>	<u>Percentage of Total Collections to Tax Levies</u>
2014	914,827 (c)	905,875	99.02	4,569	910,444	99.52
2015	985,722 (c)	975,742	98.99	4,882	980,624	99.48
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	1,618,320 (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 2023 tax roll are incomplete until the end of the fiscal year, September 30, 2024

(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

Records of uncollected taxes are provided to the County's law firm under a contract authorized by the Commissioners Court in accordance with Sections 6.30, 33.11 and 33.07 of the Property Tax Code of the State of Texas. A delinquent tax notice is mailed to the taxpayer not less than 30 or more than 60 days prior to the date (either April 1, for personal property or July 1, for real property) at which unpaid accounts are placed with the law firm for collection. The taxpayer is notified by the law firm that the delinquent tax account has been placed for collection with the law firm. If payment is not received within a reasonable period of time, the law firm will file suit for collection.

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>Capital Leases</u>	<u>Total Debt</u>	<u>Bonded Debt and Capital Leases Percentage of Assessed Value</u>	<u>Bonded Debt and Capital Leases Percentage of Personal Income</u>	<u>Bonded Debt and Capital Leases Per Capita</u>
2014	2,480	229,734,688	118,781	-	118,781	0.05170	0.1016	48
2015	2,519	247,462,168	90,517	-	90,517	0.03658	0.0778	36
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	456,226,719	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

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>). 2023 Census Bureau population estimate not available, 2022 U.S. Census Bureau population used. (<http://quickfacts.census.gov>).

DALLAS COUNTY, TEXAS

Computation of Direct and Overlapping Bonded Debt

Table 12

September 30, 2023

(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	9/30/2023	\$ 354,710	100.00%	\$ 354,710
Total direct		\$ 354,710		\$ 354,710
Overlapping Debt:				
Independent school districts:				
Carrollton-Farmers Branch	9/30/2023	677,115	80.02%	541,827
Cedar Hill	9/30/2023	86,887	100.00%	86,887
Coppell	9/30/2023	390,765	100.00%	390,765
Dallas	9/30/2023	3,794,285	100.00%	3,794,285
Desoto	9/30/2023	106,220	100.00%	106,220
Duncanville	9/30/2023	180,145	100.00%	180,145
Ferris	9/30/2023	25,108	5.77%	1,449
Garland	9/30/2023	490,885	100.00%	490,885
Grand Prairie	9/30/2023	375,870	100.00%	375,870
Grapevine-Colleyville	9/30/2023	289,241	2.20%	6,363
Highland Park	9/30/2023	321,655	100.00%	321,655
Irving	9/30/2023	594,030	100.00%	594,030
Lancaster	9/30/2023	172,992	100.00%	172,992
Mesquite	9/30/2023	684,841	100.00%	684,841
Richardson	9/30/2023	952,430	100.00%	952,430
Sunnyvale	9/30/2023	82,823	100.00%	82,823
Total intermediate educational agency & independent school districts		\$ 9,225,291		\$ 8,783,467
Special districts:				
Dallas County FCD #1	9/30/2023	17,710	100.00%	17,710
Dallas College	9/30/2023	375,515	100.00%	375,515
Dallas County Hospital District	9/30/2023	543,495	100.00%	543,495
Dallas County Utility & Reclamation Dist.	9/30/2023	118,265	100.00%	118,265
Denton County LID #1	9/30/2023	5,215	5.18%	270
Irving FCD, Section I	9/30/2023	2,650	100.00%	2,650
Lancaster MUD #1	9/30/2023	14,245	99.32%	14,148
Northwest Dallas Co FCD	9/30/2023	10,285	100.00%	10,285
Valwood Improvement Authority	9/30/2023	4,725	100.00%	4,725
Water Control and Imp. District No. 6	9/30/2023	4,265	100.00%	4,265
Total special districts		\$ 1,096,370		\$ 1,091,328

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 was not provided by the Municipal Advisory Council of Texas for the Water Control and Improvement District No. 6; entity provided information to the Dallas County Auditor's Office.
 - Direct debt includes bonds, notes, loans and capital leases. Bonds total \$243,886 and capital leases total \$110,824.

DALLAS COUNTY, TEXAS
Direct and Overlapping Bonded Debt
September 30, 2023
(in thousands of dollars)
(unaudited)

Table 12-2

<u>Name</u>	<u>Indebtedness as of</u>	<u>Gross Debt Less Sinking Funds</u>	<u>Percentage of Debt Applicable to Dallas County</u>	<u>Dallas County's Share of Debt</u>
Overlapping Debt (Continued):				
Cities and towns:				
Addison	9/30/2023	\$ 142,445	100.00%	\$ 142,445
Balch Springs	9/30/2023	10,465	100.00%	10,465
Carrollton	9/30/2023	190,470	43.55%	82,950
Cedar Hill	9/30/2023	117,535	92.25%	108,426
Cockrell Hill	9/30/2023	5,790	100.00%	5,790
Combine	9/30/2023	959	12.19%	117
Coppell	9/30/2023	102,030	97.79%	99,775
Dallas	9/30/2023	2,160,855	93.21%	2,014,133
Desoto	9/30/2023	94,655	100.00%	94,655
Duncanville	9/30/2023	19,170	100.00%	19,170
Farmers Branch	9/30/2023	67,715	100.00%	67,715
Ferris	9/30/2023	12,160	9.76%	1,187
Garland	9/30/2023	431,575	99.84%	430,884
Glenn Heights	9/30/2023	15,173	55.33%	8,395
Grand Prairie	9/30/2023	474,759	52.46%	249,059
Grapevine	9/30/2023	140,190	2.94%	4,122
Hutchins	9/30/2023	43,643	100.00%	43,643
Irving	9/30/2023	735,790	100.00%	735,790
Lancaster	9/30/2023	58,485	100.00%	58,485
Lewisville	9/30/2023	329,230	0.71%	2,338
Mesquite	9/30/2023	259,305	99.10%	256,971
Ovilla	9/30/2023	2,570	7.48%	192
Richardson	9/30/2023	374,490	56.25%	210,651
Rowlett	9/30/2023	119,540	86.87%	103,844
Sachse	9/30/2023	58,730	60.80%	35,708
Seagoville	9/30/2023	19,155	99.29%	19,019
Sunnyvale	9/30/2023	26,595	100.00%	26,595
University Park	9/30/2023	13,010	100.00%	13,010
Wilmer	9/30/2023	34,516	100.00%	34,516
Wylie	9/30/2023	79,545	2.13%	1,694
Total cities and towns		\$ <u>6,140,550</u>		\$ <u>4,881,744</u>
Total Overlapping		\$ <u>16,462,211</u>		\$ <u>14,756,539</u>
Total Direct and Overlapping		\$ <u><u>16,816,921</u></u>		\$ <u><u>15,111,249</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
 Last Ten Fiscal Years
 (in thousands of dollars)

Table 13

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit (Article 3, Section 52 of the Texas Constitution)	\$ 49,152,098	\$ 52,996,003	\$ 58,715,672	\$ 63,024,754	\$ 70,200,955	\$ 76,003,985	\$ 77,114,475	\$ 95,598,339	\$ 111,790,433	\$ 111,968,126 ⁽¹⁾
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 49,152,098	\$ 52,996,003	\$ 58,715,672	\$ 63,024,754	\$ 70,200,955	\$ 76,003,985	\$ 77,114,475	\$ 95,598,339	\$ 111,790,433	\$ 111,968,126
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)	\$ 11,462,645	\$ 12,339,970	\$ 13,580,611	\$ 14,476,973	\$ 15,962,929	\$ 17,298,995	\$ 17,517,753	\$ 19,463,716	\$ 22,808,543	\$ 25,162,842 ⁽²⁾
Total net debt applicable to limit	107,451	82,039	225,927	194,457	191,100	164,902	143,342	123,989	258,586	229,146
Legal debt margin	\$ 11,355,194	\$ 12,257,931	\$ 13,354,684	\$ 14,282,516	\$ 15,771,829	\$ 17,134,093	\$ 17,374,411	\$ 19,339,727	\$ 22,549,957	\$ 24,933,696
Total net debt applicable to the limit as a percentage of debt limit	0.94%	0.66%	1.66%	1.34%	1.20%	0.95%	0.82%	0.64%	1.13%	0.91%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed valuation of real property*	\$ 447,872,505
Assessed valuation of all taxable property*	503,256,839
Bonds issued under Article 3, Section 52b of the Texas Constitution:	
Debt limit, one-fourth of real property assessed valuation	111,968,126 ⁽¹⁾
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	\$ 111,968,126
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	(243,886)
Less debt service funds - appropriation for future debt payments	14,740
Total amount of debt applicable to debt limit	(229,146)
Legal debt margin, bonds issued under Texas General Laws	\$ 24,933,696

(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."

*Assessed values
 Rolling Stock
 Adjusted Assessed Values

	Real Property	Real and Personal
	447,933,898	\$ 503,318,232
	(61,393)	(61,393)
	<u>447,872,505</u>	<u>\$ 503,256,839</u>

DALLAS COUNTY, TEXAS

Pledged Revenue Coverage

Table 14

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>
2014 (3)	864	133	731	650	26	676	1.08
2015 (4)	-	-	-	-	-	-	-
2016 (5)	-	-	-	-	-	-	-
2017 (5)	1,444	228	1,216	11,190	6,977	18,167	0.07
2018 (5)	1,568	262	1,306	11,195	7,500	18,695	0.07
2019 (5)	1,556	302	1,254	11,195	6,940	18,135	0.07
2020 (5)	1,099	257	842	11,190	6,380	17,570	0.05
2021 (5)	730	264	466	11,195	5,821	17,016	0.03
2022 (5)	1,324	296	1,028	11,190	5,261	16,451	0.06
2023 (5)	1,133	485	1,036	11,190	4,701	15,891	0.07

(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) Debt service is net of amounts attributable to advance refunded debt.

(4) Total resources decreased due to parking garage debt paid in full FY 2014.

(5) On September 15, 2016, the County issued debt for which net revenues of \$1 from certain parking operations are pledged.

Demographic and Economic Statistics

Last Ten Years

(unaudited)

Year	Population (1)	Personal Income (in millions of dollars) (2)	Wage Mean (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
2014	2,480,331	116,890	49,682	33.1	160,253	5.3
2015	2,518,638	116,412	50,690	32.9	158,604	4.2
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

Source:

- 1) The 2023 U.S. Census Bureau population figure is not available, 2022 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, 2023
(unaudited)

Table 16

2023

2014

Company	Product	Employees	Rank	Percentage of Total County Employment	Company	Product	Employees	Rank	Percentage of Total County Employment
Texas Health Resources	Non-Profit HealthCare	27,000	1	1.03 %	AMR Corporation (American Airlines)	Airline, Technology and Management	24,700	1	1.04 %
Lockheed Martin	Military Aircraft Design & Production	22,000	2	0.84	Bank of America	Financial Services	20,000	2	0.84
UT Southwestern Medical Center	Health Care Provider	21,539	3	0.82	Texas Health Resources	Non-profit HealthCare	19,230	3	0.81
Medical City Healthcare	HealthCare Provider Financial Institution	17,000	4	0.65	Dallas Public Schools	Public Independent School District	18,314	4	0.77
Bank of America		13,850	5	0.53	Baylor HealthCare Systems	HealthCare Provider	17,097	5	0.72
University of North Texas Systems	Higher Education	13,275	6	0.51	AT&T	Telecommunications	15,800	6	0.66
Parkland Health & Hospital Systems	HealthCare Provider	12,966	7	0.50	Lockhead Martin Aeronautics	Military Aircraft Design & Production	14,126	7	0.59
General Motors	Car Manufacturer	10,512	8	0.40	JP Morgan Chase	Financial Services	13,500	8	0.57
University of Texas at Arlington	Higher Education	7,938	9	0.31	UT Southwestern Medical Center	HealthCare Provider	13,122	9	0.55
JPS Health Network	HealthCare Provider	7,010	10	0.27	City of Dallas	Municipality	12,836	10	0.54
Wells Fargo Bank	Financial Institution	5,300	11	0.20	HCA North Texas Division	Health Care Provider	12,000	11	0.50
Deloitte	Financial Services	3,985	12	0.15	U.S. Postal Service	Package Distribution Company	10,439	12	0.44
KPMG	Financial Services	2,425	13	0.09	Kroger I.P.I	Retail Grocery	10,097	13	0.42
Ben E. Keith Co.	Food & Beverage	2,366	14	0.09	Texas Instruments Incorporated	Electronics and Semi-Conductors	9,100	14	0.38
Lincoln Property Company	Real Estate	1,905	15	0.07	Raytheon Co.	Defense Systems & Electronics	8,700	15	0.36
Staff Force Personnel Services	Employment Agency	1,745	16	0.07	Target	Retail	8,674	16	0.36
Austin Industries	Construction	1,686	17	0.06	United Parcel Service Inc	Package Distribution Company	8,555	17	0.36
A+ Staffing	Employment Agency	1,680	18	0.06	Parkland Health & Hospital	HealthCare Provider	8,134	18	0.34
TDI Industries	Construction	1,500	19	0.06	J.C. Penney	Retail	7,964	19	0.33
Andrews Distributing Company	Food & Beverage Distribution	1,452	20	0.06	Dallas County	Government	7,411	20	0.31

Source: 2022 Dallas Business Journal Book of Lists - Dallas / Ft. Worth Principal Employers.

Note: 2023 information is unavailable; 2022 information used.

DALLAS COUNTY, TEXAS

Full-time Equivalent County Government Employees by Function

Table 17

Last Ten Fiscal Years

(unaudited)

Function	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government	681	695	722	738	732	757	784	784	800	821
Judicial										
Truancy	36	35	33	29	20	18	17	17	16	15
Courts	1,419	1,428	1,452	1,479	1,477	1,521	1,519	1,519	1,465	1,508
Public Safety										
Constable	111	109	114	121	113	112	111	111	111	108
Sheriff	2,210	2,144	2,231	2,188	1,915	1,859	2,044	2,044	1,960	2,152
Juvenile	661	659	640	674	640	667	639	639	573	553
Other	261	258	277	277	435	471	454	481	461	497
Highways and streets										
Road and Bridge	63	72	70	67	72	76	76	76	75	83
Public Works	53	57	60	63	64	59	59	59	59	63
Health	273	266	258	255	263	260	272	272	276	421
Education	107	101	109	115	115	115	114	114	102	107
Public Welfare	215	212	206	206	190	174	182	182	310	180
Total	<u>6,090</u>	<u>6,036</u>	<u>6,172</u>	<u>6,212</u>	<u>6,036</u>	<u>6,089</u>	<u>6,271</u>	<u>6,298</u>	<u>6,208</u>	<u>6,508</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.
- Truancy classification includes full-time equivalent County employees in addition to 7 Truancy Judges.
- In 2017, 40 positions were added.
- In 2018, 263 positions were deleted. The reduction in Truancy is due to the HB 2398 rule change.
- In 2019, 53 positions were added, and 43 positions deleted.
- In 2020 budget approved 48 positions and 12 positions deleted.
- In 2021 budget approved 9 positions.
- In 2022 budget approved 38 positions.
- In 2023 budget approved 51 positions and deleted 4 positions.

DALLAS COUNTY, TEXAS
Operating Indicators by Function
Last Ten Fiscal Years
(unaudited)

Table 18

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessor-Collector of Taxes:										
Budgeted employees	222	215	253	228	226	226	231	227	227	250
Ad valorem assessment notices issued	804,627	806,081	811,123	804,151	809,913	803,986	779,425	812,792	798,178	816,703
Motor vehicle registrations	2,155,088	2,147,841	2,180,294	2,224,525	2,202,744	2,230,741	2,033,904	2,203,620	2,194,040	2,248,738
Number of entity collection contracts	78	77	78	80	84	85	86	89	90	93
Constables:										
Budgeted employees	120	109	114	121	113	112	111	112	111	108
Civil process papers served	70,771	74,840	87,768	88,247	88,794	93,533	64,440	65,880	88,647	95,160
County Clerk										
Budgeted employees	199	194	198	184	200	203	193	189	182	180
Marriage licenses	16,024	17,683	19,067	20,989	17,809	16,358	11,658	13,244	10,004	10,912
Civil suits	8,482	8,170	7,911	7,820	7,776	9,866	6,385	6,268	7,541	9,006
Probate cases	12,741	13,266	12,419	12,570	11,189	11,719	11,778	11,900	10,985	10,481
Criminal cases	43,853	46,369	42,974	45,440	41,501	44,265	23,683	27,077	24,422	26,363
District Clerk:										
Budgeted employees	260	241	243	243	230	211	207	192	181	190
Civil process cases	47,502	47,884	49,211	50,360	50,971	52,880	45,450	45,645	43,404	44,562
Criminal cases	23,214	25,262	22,994	23,326	17,814	23,486	19,638	19,797	29,032	27,234
Jurors	106,714	101,417	103,660	105,151	99,501	97,523	47,239	21,356	44,405	24,778
Justice of the Peace Courts:										
Budgeted employees	110	107	109	106	97	101	101	96	93	97
Cases	165,626	149,337	142,156	173,729	172,232	176,611	123,891	104,137	118,532	117,621
Sheriff:										
Budgeted employees	1,878	2,091	2,269	2,134	2,012	1,955	2,157	2,105	2,066	2,178
Daily average in county jail	6,127	5,808	5,334	5,277	5,010	4,921	5,339	5,570	5,795	6,169
Persons booked	74,337	69,988	67,822	82,972	64,847	62,639	47,738	48,261	49,069	51,772
Civil process papers served (4)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Truancy Courts (1) :										
Budgeted employees	41	23	31	20	18	16	15	15	16	15
Cases Filed	30,604	30,216	30,216	15,708	14,502	24,602	16,977	10,308	5,997	4,629
County Treasurer										
Budgeted employees	14	14	15	15	15	15	15	16	15	15
Total Receipts (2) (3) (5)	\$ 23,512,483	\$ 3,533,943	\$ 3,133,254	\$ 3,274,700	\$ 3,972,430	\$ 3,980,280	\$ 4,282,578	\$ 4,415,645	\$ 5,019,987,659	\$ 5,070,544,489
Total Disbursements (2) (3) (5)	\$ 23,550,432	\$ 3,529,020	\$ 3,142,155	\$ 3,337,904	\$ 3,896,625	\$ 4,078,920	\$ 4,197,565	\$ 4,551,944	\$ 4,765,355,780	\$ 5,250,646,175
Investment Earnings (2)	\$ 2,603	\$ 3,478	\$ 4,093	\$ 7,232	\$ 13,163	\$ 18,847	\$ 9,543	\$ 1,956	\$ 8,920	\$ 43,231

Sources: Dallas County Financial Records

Note (1): Dallas County currently operates four Truancy courts.

(2): In thousands of dollars.

(3): Dallas County switched most short term investments to TexPool in FY 2009. The method resulted in a dramatic decrease in overall transactions as investments are not matured and reinvested daily.

(4): Civil Process served by Sheriff cannot be determined at this time.

(5): 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 19

Last Ten Fiscal Years

(unaudited)

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Number of buildings	23	22	22	23 (c)	23	23	22(f)	21(g)	22(i)	25(l)
Public Safety										
Number of buildings	9	6	6	6	6	5(d)	5	5	6(j)	6
Number of jails	4	4	4	4	4	4	4	4	4	4
Number of vehicles	691	688	687	683	681	730	728	710	715	714
Highways and streets										
Number of buildings	4	3 (b)	3	3	3	3	3	3	3	3
Streets (lane miles)	120 (a)	120	112	108	108	108	108	108	108	108
Number of bridges	26 (a)	26	26	26	26	26	26	26	26	26
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	2	2	3(k)	3
Judicial										
Number of buildings	7	7	7	7	7	5(e)	5	5	5	5
Number of Juvenile beds	618	714	714	714	714	702	702	702	702	776
Number of courts	71	70	71	71	71	71	71	73(h)	73	73

Source: Operating Indicators were provided by the various operating departments.

Notes:

- (a) See infrastructure assets for more information.
- (b) Building purchased for Auto Service Center.
- (c) Reduction due to the sale of Road & Bridge #1 building - 11/4/2014.
- (d) Reduction due to the sale of 2627 Zelrich Lane - 7/2/19.
- (e) Reduction due to the sale Oak Cliff Sub-Courthouse 5/7/19 and Irving Sub-Courthouse 3/19/19.
- (f) Reduction due to the sale of the North Dallas Government Center 1/24/20.
- (g) Reduction due to the sale of the Lancaster Sub-Courthouse - 5/6/21.
- (h) Auxiliary Courts 1 and 8 were added.
- (i) Purchase of housing complex.
- (j) Building new Sheriffs' Academy.
- (k) Purchase of 1300 Mockingbird.
- (l) Purchase of 4243 Singleton Blvd, 658th SW 3rd St, and 7141 Envoy Ct.

