

FILED FOR RECORD  
IN MY OFFICE

AT 10:00 O'CLOCK A.M.

MAY 10 2001

SUE GRAFTON  
COUNTY CLERK, PANOLA COUNTY, TEXAS  
BY Melby D. Danner DEPUTY**MEETING OF COMMISSIONERS' COURT  
OF PANOLA COUNTY****TO WHOM IT MAY CONCERN:**

PURSUANT TO THE TEXAS OPEN MEETINGS ACT, NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE COMMISSIONERS' COURT OF PANOLA COUNTY, TEXAS WILL BE HELD ON THE 14<sup>TH</sup> DAY OF MAY, 2001, IN THE COMMISSIONERS' COURTROOM IN THE PANOLA COUNTY COURTHOUSE IN CARTHAGE, TEXAS AT 9:00 O'CLOCK A.M. AT WHICH MEETING THE FOLLOWING SUBJECTS WILL BE DISCUSSED AND THE FOLLOWING MATTERS ACTED UPON:

**OPEN MEETING:**

1. **CITIZEN COMMENTS:** This is for citizens to comment on any subject not on the current agenda concerning county business. Members of the Court may answer direct questions, but any action from this item must be scheduled on a future agenda.
2. **COMMISSIONERS' REPORT:** These are for informational purposes only. Any action that needs to be taken on the basis of these reports will be placed on a future agenda for action.
3. **COUNTY JUDGE'S REPORT:** This is for informational purposes only. Any action that needs to be taken on the basis of this report will be placed on a future agenda for action.
4. **CONSENT ITEMS:**

**PERSONNEL**

- a. To record an increase in salary to \$8.00 per hour for Vernanda Williams, a Secretary in the Criminal District Attorney's Office, effective May 14, 2001.
- b. To record the employment of Carrie Henderson as a Seasonal Communications Officer with the Panola County Sheriff's Department effective April 21, 2001 at the rate of \$8.00 per hour.

- c. To record the employment of John T. Brady as a Truck Driver with the Panola County Road and Bridge Department effective April 30, 2001 at the rate of \$8.53 per hour.
- d. To record the employment of Denis Simonson as a Truck Driver with the Panola County Road and Bridge Department effective April 30, 2001 at the rate of \$8.53 per hour.
- e. To record the employment of Charles Williams as a Truck Driver with the Panola County Road and Bridge Department effective April 30, 2001 at the rate of \$8.53 per hour.
- f. To record the employment of Joe Dell Twomey as a Truck Driver with the Panola County Road and Bridge Department effective May 1, 2001 at the rate of \$8.53 per hour.
- g. To record the employment of Lori Shrell as a Deputy Clerk in the County Clerk's Office effective April 30, 2001 at the rate of \$8.50 per hour.
- h. To record the resignation of Kenny Maines, an Operator with the Panola County Road and Bridge Department, effective May 3, 2001.

#### ROAD & BRIDGE

- a. To approve and record a request by GTE Southwest Incorporation to cross under Panola County Road #269 with a buried cable.
- b. To approve and record a request by Eastex Telephone Co-op, Inc. to cross under Panola County Roads #188 and #189 with a buried cable.

#### MISCELLANEOUS

- a. To approve minutes of Commissioners' Court meetings held during the month of April, 2001.
- b. To record letter from Texas Department of Health certifying that Panola County's 2001 payment from tobacco settlement proceeds will be \$57,837.33.
- c. To approve and record the County Treasurer's Panola County Investments Report for the 1<sup>st</sup> Quarter 2001.
- d. To record the resignation of Commissioner Doug Cotton from the Board of Directors of East Texas Human Development Corporation effective May 3, 2001.

**REQUESTS FOR CONFERENCE ATTENDANCE**

- a. To approve and record a Request for Attendance at a Conference form(s) for the following Panola County elected official(s)/employee(s): Constable Precincts #2 & #3 Mitch Norton; County Judge John Cordray; Voter Registrar Betty Atkerson; Deputy Helen Lloyd; County Extension Agent Agriculture Doug McKinney; 123<sup>rd</sup> District Court Administrator Karma Roberts-Ragster; and Chief Deputy J. B. Jones.
5. To approve Road & Bridge requisitions and to approve payment of current Panola County bills as presented on vouchers prepared and submitted by the County Auditor.
6. To discuss, execute and deliver Certification of Disclosure of financial information for Fiscal Year 2000 to independent auditors.
7. To receive County Auditor Annual Financial Report and approve Financial Audit of Panola County by independent auditors for Fiscal Year 2000.
8. To discuss and authorize the County Judge to publish notice of the acceptance of the 2000 Annual Financial and Compliance Audit Report for Fiscal Year 2000 as required by federal regulations and applicable law.
9. To discuss and approve engagement letter and Order #2001-04 granting applicable exemption on independent audit for Panola County financial matters for Fiscal Year 2001.
10. To open and act upon sealed bids for County Depository.
11. To discuss and act upon adopting Order #2001-05 regarding Malpractice Account Fund.
12. To discuss and act upon the disposition of Panola County's portion of the 2000 tobacco settlement distribution, and to adopt Order #2001-06 if applicable.
13. To discuss and act upon adopting Order #2001-07 regarding annual lease payment for Panola General Hospital.
14. To discuss and act upon renewal of County Health Insurance through Texas Association of Counties.
15. To discuss and act upon rates for ground leases and county owned hangars located at Panola County Airport - Sharpe Field beginning January 1, 2002.
16. To discuss and act upon a request by Oscar Leo Hunt, an Operator with the Panola County Road and Bridge Department, to carry over his unused 2000 vacation to the year 2001; and to hear recommendation of Panola County Road Superintendent John DePresca regarding same.

17. To appoint five (5) members to the Panola County - Sharpe Field Airport Hazard Zoning Board of Adjustment for a two-year period beginning May 15, 2001 and ending May 14, 2003. ( Jerry Hanszen, Scott Thomas, Kay Garrett, C.G. Bowie, and Bill Landers)
18. To discuss and act upon revisions to Retiree Group Medical coverage and to adopt selection forms for same.
19. To discuss and act upon increasing the Panola County Airport - Sharpe Field project by \$181,300, with the County's match being \$18,130 to add a 2" asphalt overlay for portions of the parallel taxiway.
20. To approve and record the Report of Audit of Proceeds of Criminal Asset Forfeitures for the Panola County Sheriff's Department for the fiscal year ending December 31, 2000.
21. To approve an engagement letter employing Robinson & Williams, C.P.A.s, to prepare the annual audits required for Proceeds of Criminal Asset Forfeitures for fiscal year ending 2001 under Article 59.06(g) Code of Criminal Procedures; and to adopt Order #2001-08 claiming an exemption from competitive bidding for said professional services.
22. To receive, examine, and record the Panola County Road Superintendent's Monthly Report for April, 2001.

**CLOSED MEETING:**

23. Executive Session in accordance with V.T.C.A. Government Code Sections 551.072 and 551.074 to discuss real property and personnel matters.

**OPEN MEETING:**

24. To discuss and act on matters discussed in Closed Meeting.
25. To recess until 1:30 o'clock p.m.

**RECESS**

26. To reconvene at 1:30 o'clock p.m. to conduct a Panola County Commissioners' Court Workshop. No action will be taken.

**ADJOURNMENT**

WITNESS THE HAND OF THE UNDERSIGNED CLERK ON THIS THE 10<sup>TH</sup> DAY OF MAY, 2001 AT 10:00 O'CLOCK A.M.

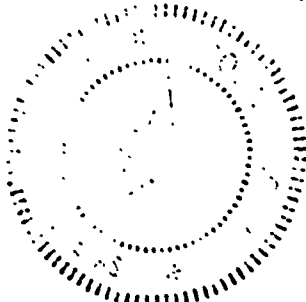


Sue Grafton

SUE GRAFTON, COUNTY CLERK  
PANOLA COUNTY, TEXAS

By: Heuley Dorman, Deputy

I, SUE GRAFTON, CLERK OF THE COMMISSIONERS' COURT OF PANOLA COUNTY, TEXAS DO HEREBY CERTIFY THAT THE ABOVE NOTICE WAS POSTED ON THE OFFICIAL BULLETIN BOARD IN THE PANOLA COUNTY COURTHOUSE IN THE CITY OF CARTHAGE, TEXAS AND IN A PUBLIC PLACE VISIBLE AT ALL TIMES ON THE 10<sup>TH</sup> DAY OF MAY, 2001 AT 10:00 O'CLOCK A.M.



Sue Grafton

SUE GRAFTON, COUNTY CLERK  
PANOLA COUNTY, TEXAS

By: Heuley Dorman, Deputy

RECORDED \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2001

SUE GRAFTON, COUNTY CLERK, P. C. T.

Sue Grafton



JUN 11 2001

The State of Texas  
County of PanolaSUE GRAFTON  
COUNTY CLERK, PANOLA COUNTY, TEXAS  
BY *Sue Grafton* DEPUTY

On this the 14th day of May A.D. 2001, the Commissioners' Court of Panola County, Texas met in a Regular Meeting of the Court at 9 00 o'clock a.m. in the Commissioners' Courtroom of said County with the following members of the Court present.

John Cordray  
Ronnie LaGrone  
Douglas M. Cotton  
Hermon E. Reed, Jr.  
Jimmy Davis

County Judge  
Commissioner, Precinct No. 1  
Commissioner, Precinct No. 2  
Commissioner, Precinct No. 3  
Commissioner, Precinct No. 4

with none absent, constituting a quorum of the Court. Also attending were Sue Grafton, County Clerk and Lee Ann Jones, Administrative Assistant to the County Judge. Attached to and made a part of these Minutes is a list of other attendees and the office or organization that each represents. The following proceedings were held at this meeting:

#### OPEN MEETING.

Because Road Superintendent John DePresca had pressing business for the County, the order of the proceedings was altered to allow him to get to other matters.

16. Commissioner LaGrone moved and Commissioner Davis seconded the motion to approve a request by Oscar Lee Hunt, an Operator with the Panola County Road and Bridge Department, to carry over his unused 2000 vacation to the year 2001 since he had been out on a workman's comprehensive injury during the time in which he would have normally been required to take it as recommended by Road Superintendent DePresca. The motion passed unanimously.

22. Commissioner Cotton moved and Commissioner seconded the motion to receive, examine and record the Panola County Road Superintendent's Monthly Report for April, 2001. The motion passed unanimously. SEE COPY OF REPORT ATTACHED.

#### 1. CITIZEN COMMENTS

There were no comments from the citizens in attendance.

#### 2. COMMISSIONERS' REPORT

Commissioner LaGrone reported that the new air conditioning units had been installed at the Exposition Building and are working well. The expense will be split five ways so the cost to the County will be less than previously thought.

Commissioner Davis reported that he had attended a Hurricane Preparedness school at Lamar University in Beaumont last week with Constable LeRoy Cranford and Lt. Byron McMillen of the Panola County Sheriff's Department. He considered it to be a productive trip.

#### 3. COUNTY JUDGE'S REPORT:

Judge Cordray announced that the budget requests for the upcoming budget hearings are due by 10 o'clock a.m. on May 21, 2001. The hearings will be held before the end of the month.

He also reported that there will be another meeting with Mr. Robert T. (Bob) Bass of Allison, Bass & Associates, L.L.P. Attorneys at Law regarding any possible redistricting within the county precincts.

#### 4. CONSENT ITEMS:

**PERSONNEL**

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- b. To record the employment of Carrie Henderson as a Seasonal Communications Officer with the Panola County Sheriff's Department effective April 21, 2001, at the rate of \$8.00 per hour.
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- b. To record letter from Texas Department of Health certifying that Panola County's 2001 payment from tobacco settlement proceeds will be \$57,837.33.
- c. To approve and record the County Treasurer's Panola County Investments Report for the 1st Quarter of 2001.
- d. To record the resignation of Commissioner Doug Cotton from the Board of Directors of East Texas Human Development Corporation effective May 3, 2001.

REQUESTS FOR CONFERENCE ATTENDANCE

- a To approve and record a Request for Attendance at a Conference forms(s) for the following Panola County elected official(s)/employee(s): Constable Precincts #2& #3 Mitch Norton, County Judge John Cordray, Vote Registrar Betty Atkerson, Deputy Helen Lloyd, County Extension Agent Agriculture Doug McKinney, 123rd District Court Administrator Karma Roberts-Ragster, and Chief Deputy J. B. Jones of the Panola County Sheriff's Department .

Commissioner LaGrone moved and Commissioner Reed seconded the motion to approve all the Consent Items. The motion passed unanimously.

A COPY OF EACH AMENDMENT REQUEST AND/OR BOND IS ATTACHED TO AND MADE A PART OF THE MINUTES.

5. Commissioner Davis moved and Commissioner Cotton seconded the motion to approve Road & Bridge requisitions and to approve payment of current Panola County bills as presented on vouchers prepared and submitted by the County Auditor. The motion passed unanimously. SEE LIST OF BILLS ATTACHED.

6. Commissioner LaGrone moved and Commissioner Cotton seconded the motion to execute and deliver Certification of Disclosure of financial information for Fiscal Year 2000 to independent auditors. The motion passed unanimously. SEE COPY OF CERTIFICATION ATTACHED.

7. After a report by Steve Williams, C P A , of Robinson & Williams, Commissioner Davis moved and Commissioner Reed seconded the motion to receive the County Auditor Annual Financial Report and approve financial Audit of Panola County by independent auditors for Fiscal Year 2000. The motion passed unanimously. SEE COPY OF AUDIT ATTACHED.

8. Commissioner Cotton moved and Commissioner Davis seconded the motion to authorize the County Judge to publish notice of the acceptance of the 2000 Annual Financial and Compliance Audit Report for Fiscal Year 2000 as required by federal regulations and applicable law. The motion passed unanimously.

9. Commissioner LaGrone moved and Commissioner Reed seconded the motion to approve engagement letter and Order #2001-04 granting applicable exemption on the independent audit for Panola County financial matters for Fiscal Year 2001. The motion passed unanimously. SEE COPY OF LETTER AND ORDER ATTACHED.

The Court recessed at 9 35 o'clock a.m. for a ten minute break.

The Court reconvened at 9.45 o'clock a.m. to conduct the following business:

11. Commissioner LaGrone moved and Commissioner Cotton seconded the motion to adopt Order 2001-05 to transfer the money currently held in the Malpractice Fund to the County Health Fund in order to dispose of the Malpractice Fund and simplify the accounting system for the County. The motion passed unanimously. SEE COPY ORDER ATTACHED.

12. Commissioner LaGrone moved and Commissioner Cotton seconded the motion to adopt Order #2001-06 regarding the disposition of Panola County's portion of the 2000 tobacco settlement distribution. The motion passed unanimously. SEE COPY OF ORDER ATTACHED.

13. Commissioner Davis moved and Commissioner Reed seconded the motion to adopt Order #2001-07 regarding the annual lease payment for Panola General Hospital. The motion passed unanimously. SEE COPY OF ORDER ATTACHED.

At 10:00 o'clock a.m. the Court returned to the order of business as set forth in the agenda.

10. After the opening of the only County Depository bid received, Mr. J. R. Duke of the First State Bank & Trust Company pointed out to the members of the Court the essential changes in their bid in comparison with the one submitted two years ago. Commissioner LaGrone moved and Commissioner Davis seconded the motion to accept the bid of First State Bank & Trust Company of Carthage, Texas to serve for another two years as the County Depository. The motion passed unanimously. SEE COPY OF BID ATTACHED.

14. Commissioner Cotton moved and Commissioner Davis seconded the motion to renew the County Health Insurance through Texas Association of Counties for the period of June 1 through the end of November at an increase of approximately 14%. At that time it will be extended for another year with a possible rate increase not to exceed 5%. The motion passed unanimously. SEE COPY OF PROPOSAL ATTACHED.

15. Commissioner LaGrone moved and Commissioner Reed seconded the motion to set rates for ground leases and county owned hangars located at Panola County Airport-Sharpe Field beginning January 1, 2002 at the rates recommended by the Airport Advisory Board. The motion passed unanimously. SEE LETTER OF RECOMMENDATION ATTACHED.

17. Commissioner LaGrone moved and Commissioner Davis seconded the motion to appoint Jerry Hanszen, Scott Thomas, Kay Garrett, C G Bowie and Bill Landers to the Panola County-Sharpe Field Airport Hazard Zoning Board of Adjustment for a two-year period beginning May 15, 2001, and ending May 14, 2003. The motion passed unanimously.

18. Commissioner Davis moved and Commissioner Cotton seconded the motion to adopt revisions to retiree group Medical coverage and to adopt selection forms for same. The motion passed unanimously. SEE COPY OF REVISIONS AND SELECTION FORMS ATTACHED.

19. Commissioner Davis moved and Commissioner Reed seconded the motion to approve increasing the Panola County Airport-Sharpe Field project by \$181,300.00, with the County's match being \$18,130 to add a 2" asphalt overlay for portions of the parallel taxiway. The motion passed unanimously.

20. Commissioner Davis moved and Commissioner Cotton seconded the motion to approve and record the report of Audit of Proceeds of Criminal Asset Forfeitures for the Panola County Sheriff's Department for the fiscal year ending December 31, 2000. The motion passed unanimously. SEE COPY OF AUDIT ATTACHED.

21. Commissioner LaGrone moved and Commissioner Cotton seconded the motion to approve an engagement letter employing Robinson & Williams, C.P.A.s, to prepare the annual audits required for Proceeds of Criminal Asset Forfeitures for fiscal year ending 2001 under Article 59.06(g) Code of Criminal Procedures, and to Adopt Order #2001-08 claiming an exemption from competitive bidding for said professional services. The motion passed unanimously. SEE COPY OF ORDER ATTACHED.

CLOSED MEETING:

23. At 10 31 o'clock a m the Court went into Executive Session in accordance with V T C A Government Code Sections 551.072 and 551.074 to discuss real property and personnel matters. The Executive Session ended at 11:22 o'clock a m.

#### OPEN MEETING

24. Commissioner LaGrone moved and Commissioner Reed seconded the motion to employ a seasonal employee at the airport to work Fridays from 8.00 o'clock a m. to 5:00 o'clock p m with a one hour lunch break at a salary equivalent to that of the Airport Manager but with no benefits. The motion passed unanimously.

Commissioner LaGrone moved and Commissioner Davis seconded the motion to set the hours for the current Airport Manager at 8 00 o'clock a m to 5.00 o'clock p.m. from Monday through Thursday with a one hour lunch break each day. The motion passed unanimously

Commissioner Reed moved and Commissioner Davis seconded the motion to authorize the County Judge to submit a bid on the National Guard Armory building at the figure discussed during the Closed Session. The motion passed unanimously

25. The meeting was recessed at 11 30 o'clock a.m. to reconvene at 1:30 o'clock p.m.

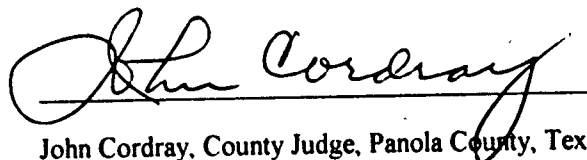
#### RECESS

26. The Court reconvened at 1 30 o'clock p m with all members present. Also in attendance were County Clerk Sue Grafton and Lee Ann Jones, Administrative Assistant to the County Judge. A list of all others in attendance is attached to and made a part of the minutes

A Workshop for the Panola County Commissioners' Court was held. No action was taken as a result of this workshop

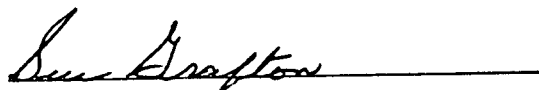
The meeting was then adjourned.

Dated this the 14th day of May, 2001.



John Cordray, County Judge, Panola County, Texas

ATTEST



Sue Grafton, County Clerk, Panola County, Texas



9:00 A.M.

5-14-01

John D. ...  
B. Brown  
John E. ...  
Steve ...  
Bill ...  
Stephen ...  
Sidney ...  
By ...  
Haining ...  
H. J. ...  
J. R. ...  
Ken ...  
Jim ...

1211 E. SABINE  
CARTHAGE, TX 75633  
(903) 693-3763  
FAX: (903) 693-5368  
E-mail: panolarb@sat.net



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JOHN DePRESCA  
SUPERINTENDENT

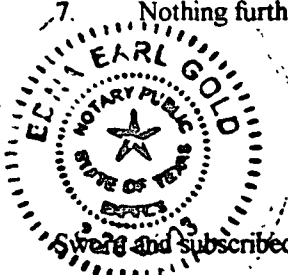
## Panola County Road & Bridge Department

### REPORT OF ROAD SUPERINTENDENT

APRIL, 2001

May 7, 2001

1. No money has been taken into the road fund by the undersigned.
2. During the month the department received 17 calls for service, with 14 requests completed. The remainder will be completed as time and weather permits.
3. Limited mowing operations began on roads where the ditches were dry enough to operate a tractor. As conditions improve, full operations will begin.
4. Newly hired Road and Bridge personnel were assigned to various duties after a period of training and familiarization with the County and Road and Bridge policies.
5. Weather conditions and delays in deliveries and services resulted in delay in start up of the recycled asphalt batching plant. However, asphalt lay down operations began in Precincts 1 and 4.
6. The majority of Panola County roads remain in good condition with precinct crews conducting maintenance, clean up, drainage and overlay preparation operations.
7. Nothing further to report.



Signed and subscribed to this 7th day of May, 2001

John DePresca  
Panola County Road and Bridge

Notary Public, State of Texas  
My Commission expires 8-26-03

# CONSENT

# ITEMS

**C. PATRICE SAVAGE**  
Assistant District Attorney

**KEVIN JONES**  
Court Coordinator



*May 14 Agenda*

123rd JUDICIAL DISTRICT  
PANOLA COUNTY, TEXAS  
COUNTY COURT AT LAW  
PANOLA COUNTY, TEXAS

**DANNY BUCK DAVIDSON**  
Criminal District Attorney

February 8, 2001

Judge John Cordray  
County Judge  
Panola County Courthouse  
Carthage, Texas 75633

RE: Vernada Williams

Dear Judge Cordray:

Please be advised that the vacancy created when Ella Bell left January 5, 2001 has been filled by Vernada Williams. Ms. Williams will begin February 14, 2001 at which time her salary will be \$7.50 per hour. After Ms. Williams has successfully completed a 90 day probationary period, her salary shall be increased to \$8.00 per hour. This salary is included in the approved county budget for our office.

Please present this item at the next commissioner's court meeting for approval.

Should you have any questions, please contact me.

Sincerely,

  
Danny Buck Davidson

DBD:je



314 W. WELLINGTON  
CARTHAGE, TX 75633  
(803) 693-0333  
FAX (803) 693-6333



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JACK ELLETT  
SHERIFF

## PANOLA COUNTY SHERIFF'S DEPARTMENT

April 20, 2001

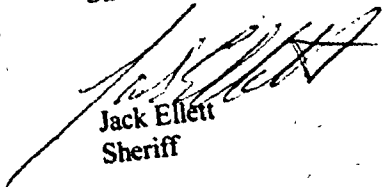
The Honorable John Cordray  
Panola County Judge  
110 S. Sycamore  
Carthage, Texas 75633

Judge Cordray:

Please add the following request to the next scheduled Commissioner's meeting:

- 1) Carrie Henderson will begin work as a seasonal dispatcher as of April 21, 2001 at the rate of \$8.00 per hour.

Sincerely,

  
Jack Ellett  
Sheriff

JE/hc

CC: Sidney Burns  
Gloria Portman

HONESTY - INTEGRITY - DEDICATION

1211 E. SABINE  
CARTHAGE, TX 75633  
(903) 693-3763  
FAX: (903) 693-5368  
E-mail: panolarb@sat.net

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JOHN DePRESCA  
SUPERINTENDENT

## Panola County Road & Bridge Department

May 1, 2001

Gloria Portman, County Treasurer  
Rm. 212, Courthouse  
Carthage, Texas 75633

Dear Mrs. Portman:

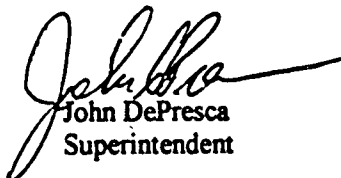
Please be advised that the following employees have been added to the Road & Bridge payroll:

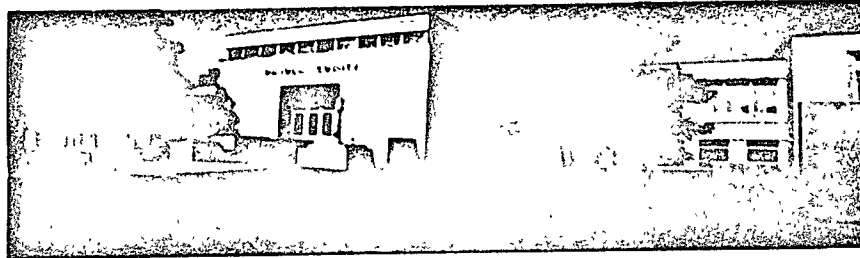
*Truck Drivers, per Edna*

EMPLOYEE	EFFECTIVE DATE	PAY RATE
<i>John</i> Tommy Brady	4-30-01	\$8.53 Hr.
Denis Simonson	4-30-01	\$8.53 Hr.
Charles Williams	4-30-01	\$8.53 Hr.
Joe Dell Twomey	5-1-01	\$8.53 Hr.

If further information is needed, please advise.

Sincerely,

  
John DePresca  
Superintendent



## County of Panola

Carthage, Texas  
75633

SUE GRAFTON  
COUNTY CLERK

May 2, 2001

Mr. John Cordray  
County Judge  
Panola County  
Carthage, Texas 75633

Dear Sir,

I respectfully request the following be added to the Agenda to be presented at the next Commissioners' Court meeting.

I would like for Lori Shrell to be employed in the County Clerk's Office at the rate of \$8.50 per hr.

This is to be effective April 30, 2001.

Thank you very much for your attention to this matter.

*Sue Grafton*

Yours truly,

cc: Sidney Burns  
County Auditor  
Gloria Portman  
County Treasurer

1211 E. SABINE VOL  
CARTHAGE, TX 75633  
(903) 693-3763  
FAX: (903) 693-5368  
E-mail: panolarb@sat.net

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JOHN DePRESCA  
SUPERINTENDENT

## Panola County Road & Bridge Department

May 3, 2001

Gloria Portman  
Panola County Treasurer  
Rm. 212, Courthouse  
Carthage, Texas 75633

**COPY**

Dear Mrs. Portman:

At 12:30 p.m., I was notified that Kenny Maines had voluntarily terminated his employment as an operator with the Panola County Road and Bridge Department. Please allow the following payroll changes: from April 21 through May 4, Kenny had seventy-five hours instead of eighty hours. He is also entitled to payment for one-half hour comp time and ten hours vacation.

Your cooperation in this matter is appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "John DePresca".

John DePresca



**GTE Southwest  
Incorporated**

VOL 37 PAGE 81

**NOTICE OF COMMUNICATION  
LINE INSTALLATION**

DATE 4/23/01

TO THE COMMISSIONER'S COURT OF PANOLA COUNTY

ATTENTION COUNTY JUDGE:

Formal notice is hereby given that GTE SOUTHWEST INCORPORATED will construct a communication line within the right-of-way of a County Road in PANOLA County, TEXAS as follows: TO BEGIN PLACING COMMUNICATION LINE WITHIN THREE TO FIVE FEET OF RIGHT OFWAY CLEARING RIGHT OF WAY ON CR 269, 8/10 mile FROM FM 1799, PLACING IN A NORTH EASTERLY TO NORTH DIRECTION FOR APPROX 3000 FEET

The location and description of this line and associated appurtenances is more fully shown by 3 copies of drawings attached to this notice. The line will be constructed and maintained on the County Road right-of-way in accordance with governing laws.

Notwithstanding any other provision contained herein, it is expressly understood that tender of this notice by the GTE Southwest Incorporated does not constitute a waiver, surrender, abandonment or impairment of any property rights, franchise, easement, license, authority, permission, privilege or right now granted by law or may be granted in the future and any provision or provisions so construed shall be null and void.

Construction of this line will begin on or after April 30, 2001

GTE SOUTHWEST INCORPORATED

By DORA HOLLOW OPT TECH

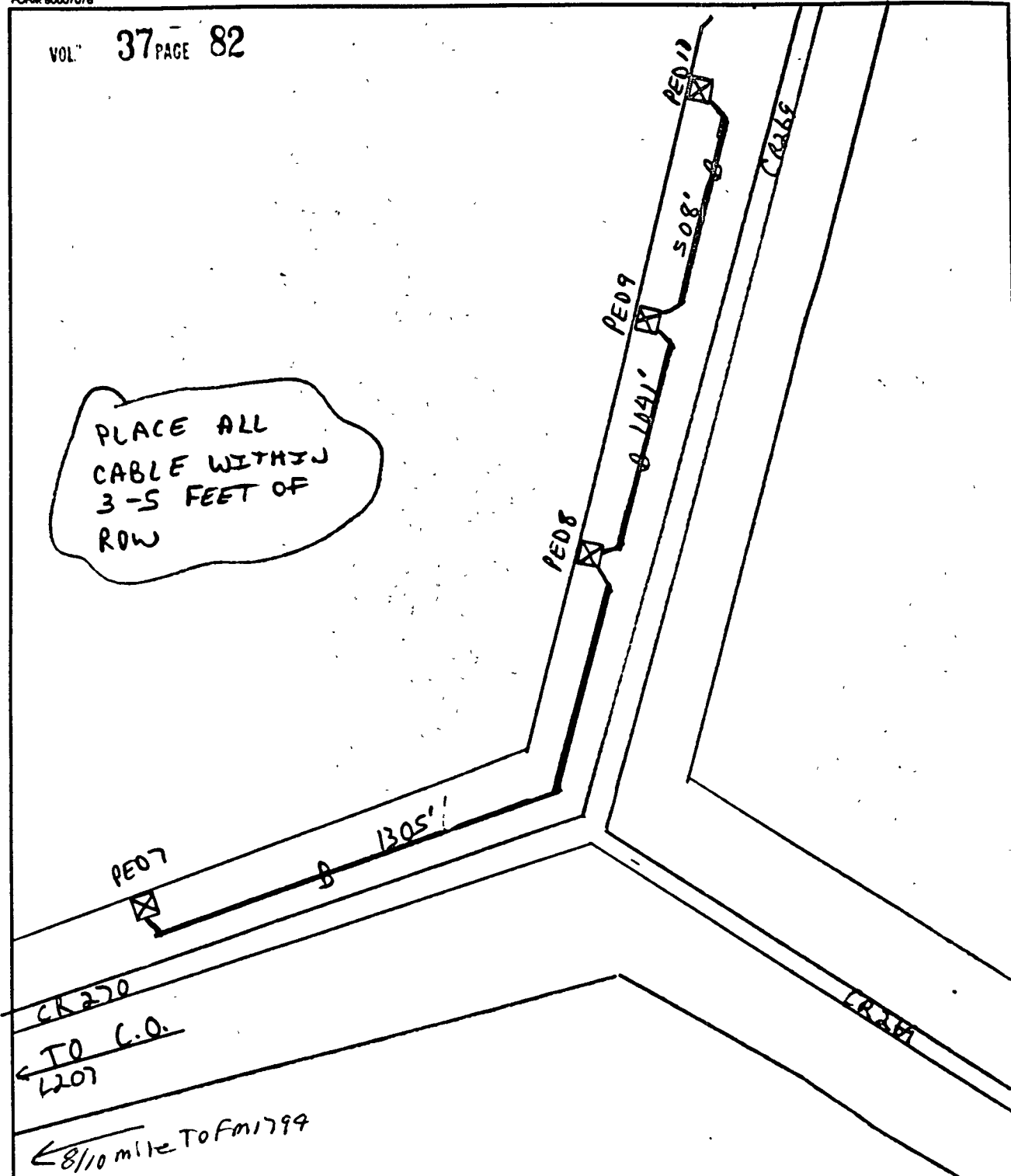
VALOR TELCOM

Address P.O. Box 308

FAIRFIELD, TEXAS 78040

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PLACE ALL  
CABLE WITHIN  
3-5 FEET OF  
ROW



AREA TX	
TAX DIST WOODS	
ENGINEERED BY DMH	DATE 4/01
DRAWN BY DMH	DATE 4/01
APPROVED BY	DATE
REVISED BY	DATE

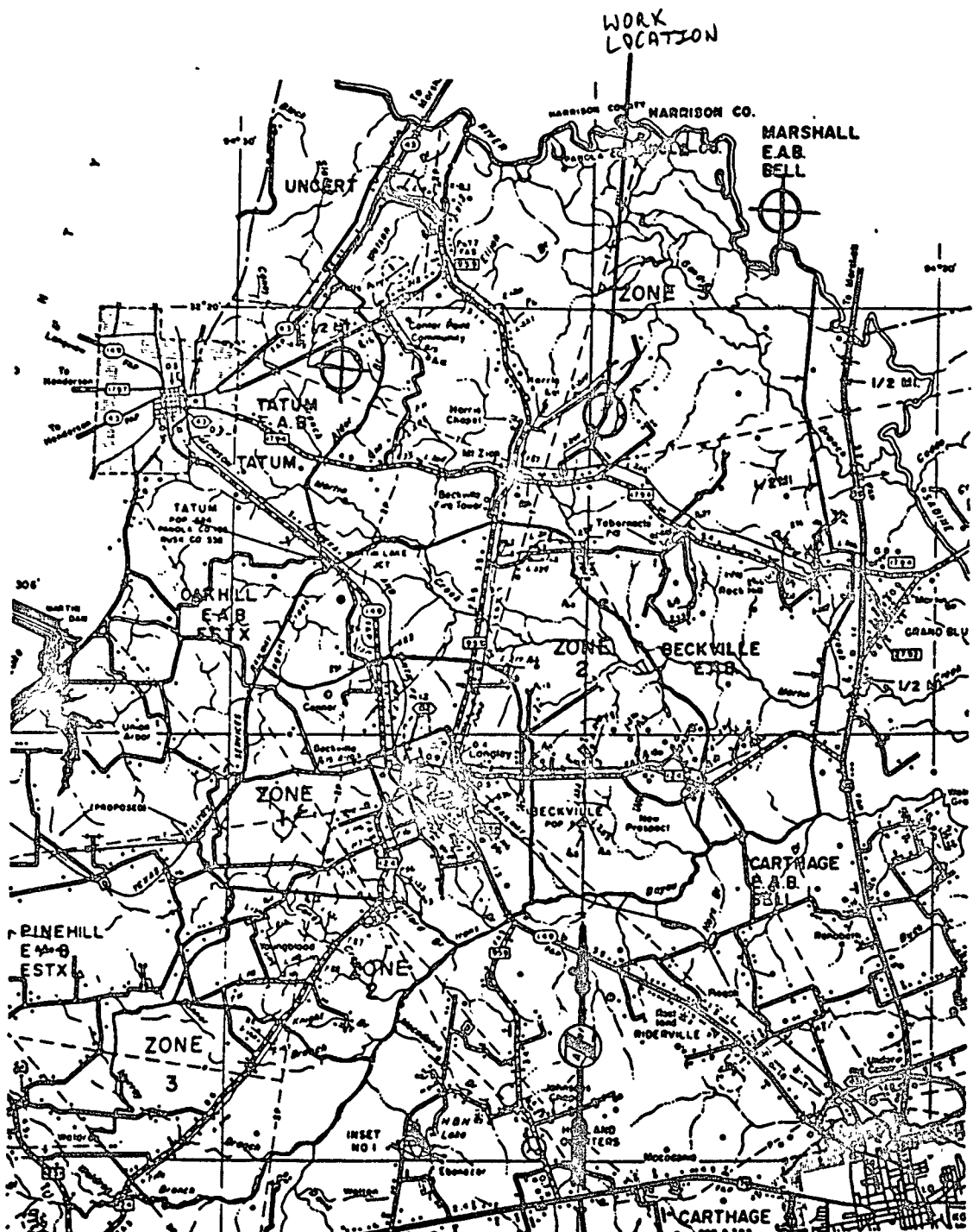


GTE Telephone Operations	
LOCATION BECKVILLE	520500P
DESCRIPTION Extend Cable From CR 270 To CR 269 To SERVE Wm Axelsson	
SHEET 1 OF 1	WO NO 3P11001

ISSUED 12-02-77 EFFECTIVE 10-7-76 DOCKET 11	<div data-bbox="777 215 903 268" data-label="Image"> </div> GENERAL TELEPHONE COMPANY OF THE SOUTHWEST	TEXAS GENERAL EXCHANGE TARIFF MAP SUPPLEMENT SECTION 6 BECKVILLE, TEXAS Exchange Area Boundary	
SCALE 1 inch = 2 Mi.		FIRST REVISED CANCELLING ORIGINAL	SHEET NO. 21A SHEET NO. 21A

ALL BOUNDARIES ARE 600 FEET FROM  
ROADS UNLESS OTHERWISE NOTED

R. REX BAILEY  
VICE PRESIDENT--REVENUE REQUIREMENTS



RECORDER'S MEMORANDUM: ALL OR  
PARTS OF THE TEXT ON THIS INSTRUMENT  
WAS NOT CLEARLY LEGIBLE FOR  
SATISFACTORY RECORDATION.

May 14, 2001

TO: GTE Southwest Incorporated  
c/o Valor Telcom  
P. O. Box 308  
Fairfield, Texas 78040

RE: CR #269

The Panola County Commissioners' Court offers no objection to the location on the right-of-way of your proposed buried cable line as shown by accompanying drawings and notice except as noted below:

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.
5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.

Approved: \_\_\_\_\_

COUNTY JUDGE

COMMISSIONERS:

Precinct #1 Ronnie LaGrone  
Precinct #2 Doug Cotton  
Precinct #3 Hermon E. Reed, Jr.  
Precinct #4 Jimmy E. Davis



NOTICE OF PROPOSED INSTALLATION  
OF TELEPHONE CABLE

TO: PANOLA CO COMMISSIONERS' COURT  
C/O COUNTY ENGINEER  
PANOLA CO ROAD & BRIDGE DEPARTMENT  
1211 E. SABINE  
CARTHAGE, TEXAS 75633

Formal notice is hereby given that EASTEX TELEPHONE CO-OP. INC.  
proposes to place a telephone cable within the right-of-way of County Road Number:  
182 + 189, as shown on attached map, in Panola County, Texas.

The telephone cable will be constructed and maintained on the County right-of-way as directed by the County Engineer and in accordance with specifications of Panola County Commissioners' Court.

Construction under this proposal will begin on or after the 1<sup>ST</sup> day of  
March, 2001

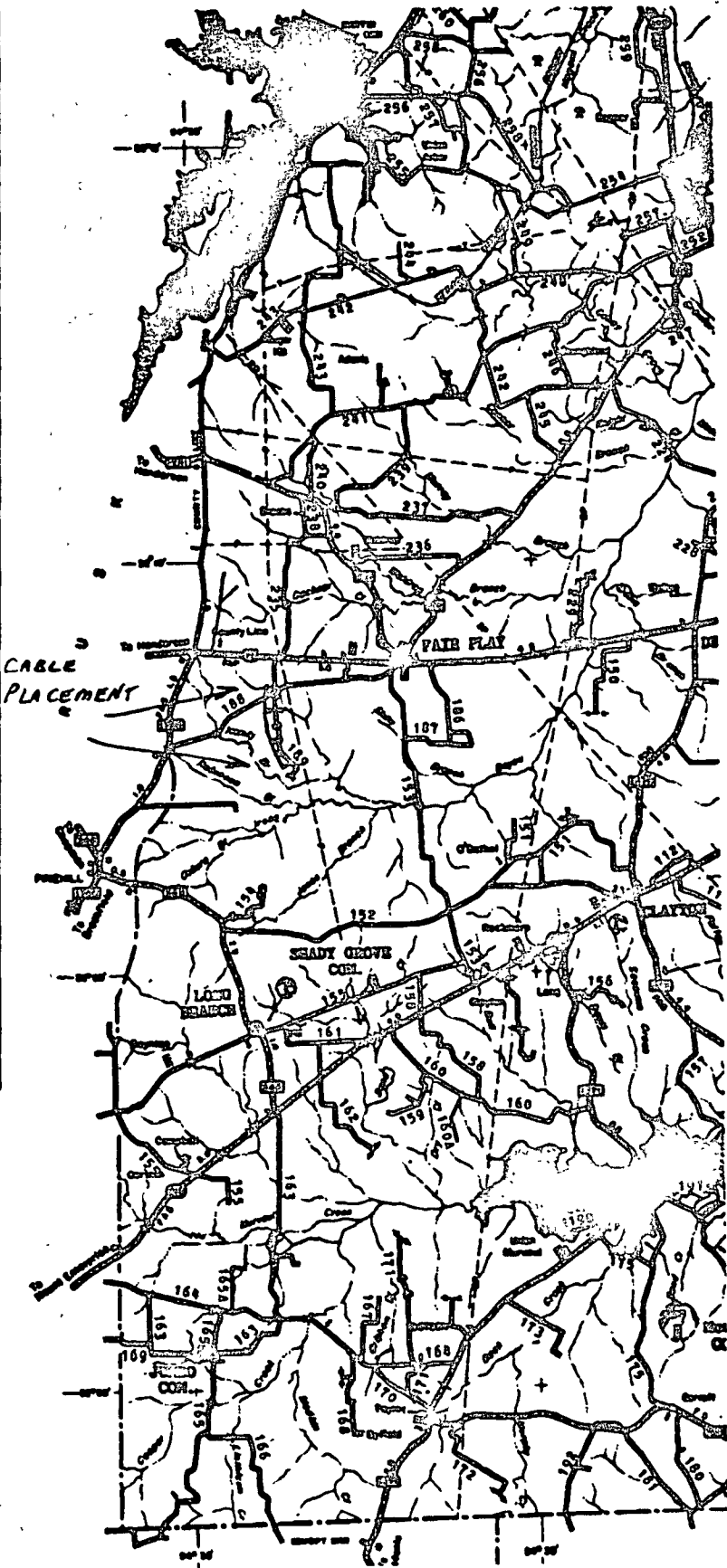
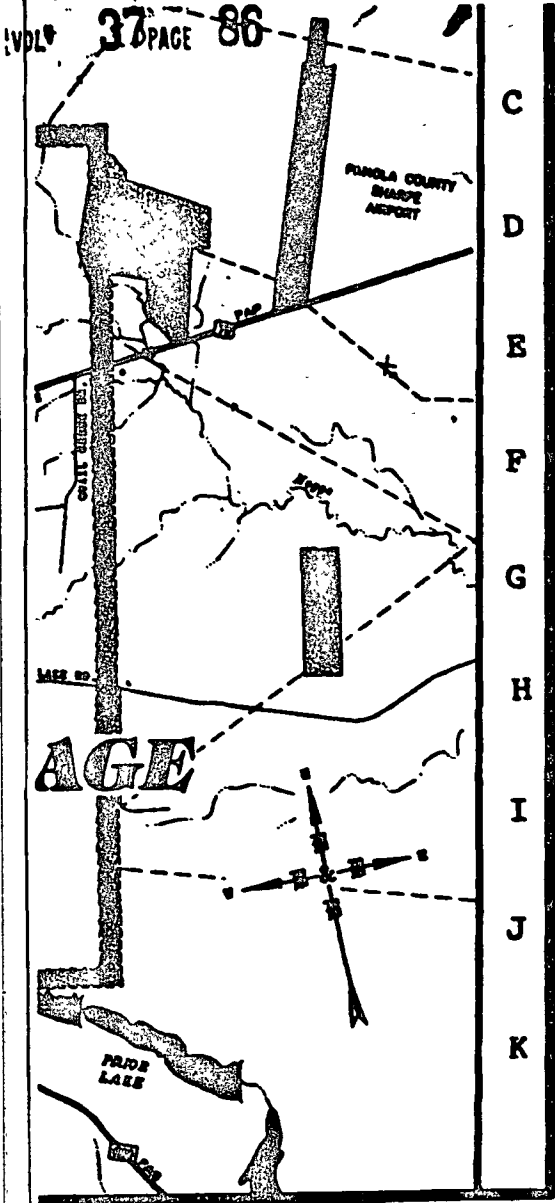
FIRM: EASTEX TELEPHONE CO-OP. INC.

BY: Lloyd Brooks

TITLE: Engineer

ADDRESS: P. O. BOX 150

HENDERSON, TEXAS 75653-0150



**B & B ENTERPRISES ASSOCIATES**  
 2818 S.E. LOOP 820  
 FORT WORTH, TEXAS 76140  
 PH. (817) 293-4282  
 Copyright 1990

RECORDER'S MEMORANDUM: ALL OR PARTS OF THE TEXT ON THIS INSTRUMENT WAS NOT CLEARLY LEGIBLE FOR SATISFACTORY RECORDATION.

VOL 37 PAGE 87

fax

To:

*Arnell County Commissioner's Court*

Fax:

*693-0342*

From:

*Lloyd Brooks*

Date:

*5-8-01*

Pages:

*3*, including cover sheet.

## APPROVAL

May 14, 2001

TO: Eastex Telephone Co-op, Inc.  
P. O. Box 150  
Henderson, Texas 75653-0150

RE: CR #188 & CR #189

The Panola County Commissioners' Court offers no objection to the location on the right-of-way of your proposed buried cables as shown by accompanying drawings and notice except as noted below:

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.
5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.

Approved: 

COUNTY JUDGE

## COMMISSIONERS:

Precinct #1 Ronnie LaGrone  
Precinct #2 Doug Cotton  
Precinct #3 Hermon E. Reed, Jr.  
Precinct #4 Jimmy E. Davis



# Texas Department of Health

Charles E. Bell, M.D.  
Executive Deputy Commissioner

1100 West 49th Street  
Austin, Texas 78756-3199  
512/458-7111

April 16, 2001

Panola County  
Panola County Judge  
Courthouse, Room 216-A  
Carthage, TX 75633

Dear Panola County Judge:

This is to notify you that the department has certified to the State Comptroller of Public Accounts that your 2001 payment from the tobacco settlement proceeds will be \$ 57,837.33. The Comptroller intends to transmit the payment by April 30, 2001.

Thank you for the timely submission of your expenditure statement and please feel free to call me at (512) 458-7261 with any questions concerning this distribution.

Sincerely,

*Joe Walton*

Joe Walton  
Office of Policy and Planning

PANOLA COUNTY INVESTMENTS REPORT  
MARCH 31, 2001

## INVESTMENTS AS OF DECEMBER 31, 2000

24,722,000 00

	Investments	Maturity Date	Interest Rate
Beginning Balance 12-31-2000	24,722,000 00		
Maturing 01-02-01 (Purchased 12-12-00)	(3,500,000 00)		5.65%
Purchase of CD No 43408 on 01-02-01	3,000,000 00	2/13/01	5.46%
General - 2,100,000 00			
Special Fees - 26,000 00			
Special Fees - 5,000 00			
Road & Bridge - 340,000 00			
Road Bond 1971 - 56,191 85			
Payroll Taxes & Benefits - 159,324.03			
Old Probation - 1,000 00			
Certificates of Obligation I & S - 8,452 70			
Permanent Improvement - 38,567.96			
Panola County Airport - 2,000 00			
Health Interest - 30,000 00			
Mal Practice - 233,463 46			
Maturing 01-09-01 (Purchased 10-10-00)	(3,700,000 00)		6.05%
Maturing 01-09-01 (Purchased 11-03-00)	(3,690,000 00)		6.10%
Purchase of CD No 43447 on 01-09-01	7,000,000 00	4/10/01	5.01%
General Fund - 3,050,000 00			
Special Fees - 19,000 00			
Road & Bridge - 1,050,000 00			
F M & Lateral Road - 120,000 00			
Road Bond 1971 - 74,360 07			
Payroll Taxes & Benefits - 146,302 90			
Old Probation - 2,000 00			
Certificates of Obligation I & S - 4,235.97			
Permanent Improvement - 25,971 65			
Panola County Airport - 5,000 00			
Health Interest - 15,000 00			
Health Fund - 2,488,129 41			
Maturing 01-24-01 (Purchased 09-26-00)	(4,600,000 00)		5.96%
Maturing 01-24-01 (Purchased 11-09-00)	(2,360,000 00)		6.17%
Purchase of CD No 43487 on 01-24-01	7,000,000 00	5/24/01	4.94%
General - 4,841,000 00			
Special Fees - 17,000 00			
Special Fees - 32,000 00			
Road & Bridge - 1,593,000 00			
F M & Lateral Road - 260,000 00			
Road Bond 1971 - 39,821 20			
Payroll Taxes & Benefits - 111,969 86			
Juvenile Probation - 10,000 00			
Juvenile Probation - 11,000 00			
Old Probation - 2,000 00			
Certificates of Obligation I & S - 10,706.16			
Permanent Improvement - 36,502 78			
Panola County Airport - 15,000 00			
Health Interest - 20,000 00			
Maturing 01-30-01 (Purchased 12-28-00)	(6,100,000 00)		5.39%
Purchase of CD No 43504 on 01-30-01	5,500,000 00	3/13/01	4.95%
General - 3,376,000 00			
Special - 29,000 00			
Special - 15,000 00			
Road & Bridge - 1,201,000 00			
FM & Lateral Road - 296,000 00			
Road Bond 1971 - 50,085 62			
Payroll Taxes & Benefits - 390,846.49			
Juvenile Probation - 15,000 00			
Juvenile Probation - 5,000 00			
Old Probation - 3,000 00			
Certificates of Obligation I & S - 11,969 98			
Permanent Improvement - 54,097 91			
Panola County Airport - 30,000 00			
Health Interest - 23,000 00			
Maturing 2-13-01 (Purchased 01-02-01)	(3,000,000 00)		5.46%
Purchase of CD 43537 on 2-13-01	2,500,000 00	5/8/01	4.92%
General - 1,500,000 00			
Special Fees - 26,000 00			
Special Fees - 5,000 00			
Road & Bridge - 300,000 00			
FM & Lateral Road - 50,000 00			
Road Bond 1971 - 52,312 90			
Payroll Taxes & Benefits - 247,440.77			
Old Probation - 1,000 00			
Certificates of Obligation I & S - 8,505 81			
Permanent Improvement - 38,810 27			
Panola County Airport - 15,000 00			
Health Interest - 21,000 00			
Mal Practice - 234,930 25			
Maturing 3-13-01 (Purchased 12-05-00)	(615,000 00)		5.95%
Maturing 3-13-01 (Purchased 12-27-00)	(157,000 00)		5.56%
Maturing 3-13-01 (Purchased 01-30-01)	(5,500,000 00)		4.95%
Purchase of CD 43628 on 03-13-01	5,500,000 00	6/12/01	4.52%
General - 3,600,000 00			
Special Fees - 30,000 00			
Special Fees - 14,000 00			
Road & Bridge - 1,085,000 00			
FM & Lateral Road - 300,000 00			
Road Bond 1971 - 50,370 89			
Payroll Taxes & Benefits - 261,184.91			
Adult Probation - 15,000 00			
Juvenile Probation - 5,000 00			
Juvenile Probation - 21,000 00			
Old Probation - 3,000 00			
Certificates of Obligation I & S - 12,038.15			
Permanent Improvement - 54,406 05			
Panola County Airport - 29,000 00			
Health Interest - 20,000 00			
INVESTMENTS AS OF MARCH 31, 2001	22,000,000 00		

THE MARKET VALUE OF ALL INVESTMENTS IS THE SAME AS CARRYING VALUE.

To the best of our knowledge and belief, the transactions reflected in this investment report are in compliance with the investment policy of PANOLA COUNTY and conform to the requirements of the PUBLIC FUNDS INVESTMENT ACT.

Panola County Judge

5-14-01

Date

Panola County Auditor

5-15-01

Date

Panola County Treasurer

5-15-01

Date

FILED FOR RECORD  
IN MY OFFICE

AT \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M \_\_\_\_\_

MAY 15 2001

SUE GRAFTON  
COUNTY CLERK, PANOLA COUNTY, TEXASBy Debra J. Doman DEPUTY



## Panola County Commissioners

County Courthouse  
110 S. Sycamore Street, Room 102-A  
Carthage, Texas 75633  
(903) 693-0385  
Fax: (903) 693-0342

May 3, 2001

Ms. Merita Trammell, Interim Director  
East Texas Human Development Corporation  
P.O. Box 1343  
Marshall, Texas 75671

Dear Ms. Trammell:

I am resigning from the Board of Directors of East Texas Human Development Corporation as of this date, May 3, 2001. At present I represent Panola County on this Board of Directors.

Sincerely,

A handwritten signature in cursive script, appearing to read "D. M. Cotton", is written over a horizontal line.

Doug Cotton  
Commissioner Pct. #2

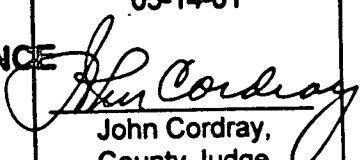
DC:kb

cc. Ms. Marion Brown Williamson  
Ms. Daisy Stiner  
Judge John Cordray  
Commissioners

PANOLA COUNTY OFFICIAL/EMPLOYEE  
REQUEST FOR ATTENDANCE AT A CONFERENCE

APPROVED

05-14-01

  
John Cordray,  
County Judge

NAME:

Mitch Norton

POSITION:

Constable

DEPARTMENT:

DATE:

February 14, 2001

CONFERENCE:

2000-2001 Twenty Hour Civil Process Seminar

LOCATION:

Galveston TX

DATES:

May 22 to May 25th

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE:

4Does the conference meet your educational requirements for the year? YESIf not, how much of your requirements will be met by this conference? all civil

How much of your requirements have been met already, not counting this conference?

N/A


How many days have you been away from your job this year for conferences, not counting this conference?

Do you have sufficient funds in your budget for this conference? YES

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

This will meet all my civil process hours.



PANOLA COUNTY OFFICIAL/EMPLOYEE  
REQUEST FOR ATTENDANCE AT A CONFERENCEAPPROVED  
05-14-01  
John Cordray,  
County Judge

NAME: John Cordray  
POSITION: County Judge  
DEPARTMENT: County Judge  
DATE: May 02, 2001

CONFERENCE: NE ET County Judges & Commissioners Assn.LOCATION: Del Lago Resort, Montgomery, Tx.DATES: 6-04 to 6-07 to \_\_\_\_\_NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 4Does the conference meet your educational requirements for the year? yes

If not, how much of your requirements will be met by this conference? \_\_\_\_\_

How much of your requirements have been met already, not counting this conference?

-0-How many days have you been away from your job this year for conferences, not counting this conference? -0-Do you have sufficient funds in your budget for this conference? yes

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

To get necessary hours of judicial education  
for the period 9-01-00 to 8-31-01, I still  
need 1 hour credit, and this is the last  
opportunity.

PANOLA COUNTY OFFICIAL/EMPLOYEE  
REQUEST FOR ATTENDANCE AT A CONFERENCEAPPROVED  
05-14-01John Cordray,  
County Judge

NAME:

Betty Peterson & Helen Lloyd

POSITION:

DEPARTMENT:

Voter Office

DATE:

05-01-01

CONFERENCE:

Nineteenth Election Law Seminar

LOCATION:

Austin

DATES:

July 31st to August 3rd

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE:

4Does the conference meet your educational requirements for the year? yes

If not, how much of your requirements will be met by this conference? \_\_\_\_\_

How much of your requirements have been met already, not counting this conference?  
\_\_\_\_\_How many days have you been away from your job this year for conferences, not  
counting this conference? 0Do you have sufficient funds in your budget for this conference? Chapter 19 pays for oursWrite a short statement explaining the public purpose that will be met by your  
attendance at this conference: (continue on the back if necessary.)We need to stay current with the  
laws and changes affecting our  
office in order to serve the people.

PANOLA COUNTY OFFICIAL/EMPLOYEE  
REQUEST FOR ATTENDANCE AT A CONFERENCEAPPROVED  
05-14-01John Cordray  
County JudgeNAME: Douglas L. McKinneyPOSITION: County Extension Agent-Ag.DEPARTMENT: Extension ServiceDATE: 5-7-01CONFERENCE: Be A Champ Show Cattle CampLOCATION: Warner, OKDATES: June 6, 2001 to June 9, 2001NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 3Does the conference meet your educational requirements for the year? If not, how much of your requirements will be met by this conference? 

How much of your requirements have been met already, not counting this conference?

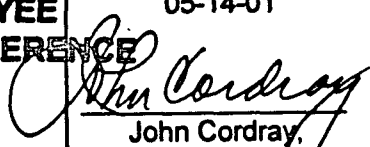
How many days have you been away from your job this year for conferences, not counting this conference? 14Do you have sufficient funds in your budget for this conference? 

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

To chaperone 4-H members and their calves at the Be A Champ Show Cattle Camp  
to learn grooming and showing techniques.

**PANOLA COUNTY OFFICIAL/EMPLOYEE  
REQUEST FOR ATTENDANCE AT A CONFERENCE****APPROVED**

05-14-01

  
John Cordray  
County Judge

**NAME:** Karma Roberts-Ragster

**POSITION:** Court Administrator/Secretary

**DEPARTMENT:** District Judge

**DATE:** May 3, 2001

**CONFERENCE:** Best Practices in Overcoming Unequal Treatment in the Justice  
System

**LOCATION:** Hilton New Orleans Riverside, New Orleans, LA

**DATES:** July 15-20, 2001 to                     

**NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE:** 5

**Does the conference meet your educational requirements for the year?** Yes

**If not, how much of your requirements will be met by this conference?**                     

**How much of your requirements have been met already, not counting this conference?**

**How many days have you been away from your job this year for conferences, not counting this conference?** None

**Do you have sufficient funds in your budget for this conference?** Yes

**Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)**

This information will enable me to recognize and deal with unequal treatment  
in the Court system; to gain information from other court personnel regarding  
methods they use to ensure that all people who use the Court system will be  
treated equally.

PANOLA COUNTY OFFICIAL/EMPLOYEE  
REQUEST FOR ATTENDANCE AT A CONFERENCE

APPROVED

05-14-01

*John Cordray*  
John Cordray,  
County Judge

NAME: J.B. JONES

POSITION: CHIEF DEPUTY

DEPARTMENT: SHERIFF

DATE: 5/7/01

CONFERENCE: ROCIC SUMMER TRAINING & INFORMATION SHARING CONFERENCE

LOCATION: MEMPHIS , TN.

DATES: 6/24/01 to 6/27/01

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 4

Does the conference meet your educational requirements for the year? YES

If not, how much of your requirements will be met by this conference? \_\_\_\_\_

How much of your requirements have been met already, not counting this conference?

How many days have you been away from your job this year for conferences, not counting this conference? NONE

Do you have sufficient funds in your budget for this conference? YES

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

ATTENDANCE AT THIS CONFERENCE IS REQUIRED TO REMAIN A MEMBER OF ROCIC.

# ACTION

# ITEMS

Panola County  
11 May 2001  
THE SOFTWARE GROUP, INC.

## ACCOUNTS PAYABLE SYSTEM

02:46:43pm

Open Invoices thru 05/10/01

PAGE 1

Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

• Due 2681-A T & T DRAMA	\$849.01		\$0.00		\$ 849.01
• Due 1940-A.V. STORDIVANT MD	\$55.00		\$0.00		\$ 55.00
• Due 605-ABC AUTO PARTS	\$2.50		\$0.00		\$ 2.50
• Due 1301-ADAMS OIL COMPANY	\$8337.26		\$0.00		\$ 8337.26
• Due 1444-AMERICAN FIDELITY ASSUR	\$396.12		\$0.00		\$ 396.12
• Due 910-AMERICAN INSTITUTIONAL SU	\$896.95		\$0.00		\$ 896.95
• Due 1762-ANDY FAVORS	\$7.63		\$0.00		\$ 7.63
• Due 1361-ANTI PEST CO INC	\$445.00		\$0.00		\$ 445.00
• Due 32-ARCH	\$11.63		\$0.00		\$ 11.63
• Due 2451-ART BARNETT	\$120.00		\$0.00		\$ 120.00
• Due 2033-AUTO EXPRESS LUBE 1112 ME	\$35.45		\$0.00		\$ 35.45
• Due 1491-AUTOMATED RECORDS SERVICE	\$27.53		\$0.00		\$ 27.53
• Due 423-B & B LOCKSMITH	\$152.00		\$0.00		\$ 152.00

Panela County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
Open Invoices thru 05/14/01

11 May 2001

PAGE 2

	Gross Amount.	Req.	Req.	Discount	Req.	Req.	Net Amt.....
Due 499-BASKIN'S HENDERSON	\$24.95			\$0.00			\$ 24.95
Due 562-BAXTER SALES CO INC.	\$362.25			\$0.00			\$ 362.25
Due 2947-BEHAVIORAL INTERVENTION	\$510.00	0		\$0.00			\$ 510.00
Due 534-BILL DUKE	\$33.60			\$0.00			\$ 33.60
Due 51-BISHOP AUTO ELECTRIC	\$35.50			\$0.00			\$ 35.50
Due 230-BOB BARKER COMPANY INC	\$49.24			\$0.00			\$ 49.24
Due 21-BOGEL SALES, INC.	\$252.30			\$0.00			\$ 252.30
Due 157-BROOKSHIRE BROTHERS, INC.	\$42.15			\$0.00			\$ 42.15
Due 1541-BYRON MCILLEN	\$26.26			\$0.00			\$ 26.26
Due 2679-C & S TECHNICAL SERVICES	\$25.00			\$0.00			\$ 25.00
Due 6-CAIN HARDWARE AND LUMBER C	\$1098.66			\$0.00			\$ 1098.66
Due 3005-CANON FINANCIAL SERVICES	\$184.00			\$0.00			\$ 184.00
Due 209-CAR-TEX TRAILER COMPAN, I	\$164.95			\$0.00			\$ 164.95

Penola County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
Open Invoices thru 05/14/01

11 May 2001

PAGE 3

Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

Due 124-CARTHAGE AG & VET SUPPLY	\$62.55		\$0.00		\$ 62.55
Due 8-CARTHAGE MACHINE AND WELDING	\$114.00		\$0.00		\$ 114.00
Due 95-CARTHAGE OFFICE SUPPLY, I	\$2137.83		\$0.00		\$ 2137.83
Due 150-CASSITY JONES HARDWARE	\$166.40		\$0.00		\$ 166.40
Due 232-CENTRAL UNITED LIFE INSUR	\$755.26		\$0.00		\$ 755.26
Due 753-CHEM-SERV INC.	\$245.35		\$0.00		\$ 245.35
Due 128-CHEVRON USA, INC.	\$202.20		\$0.00		\$ 202.20
Due 37-CITY OF CARTHAGE	\$34213.88		\$0.00		\$ 34213.88
Due 3066-CLERK, SUPREME COURT	\$400.00		\$0.00		\$ 400.00
Due 2916-COLORADO COUNTY JUVENIL	\$2581.84		\$0.00		\$ 2581.84
Due 1143-COMPLETE PRINTING & PUB	\$1378.50		\$0.00		\$ 1378.50
Due 256-CONLEY LOTT NICHOLS	\$1345.64		\$0.00		\$ 1345.64
Due 195-COREY BAKHEAD	\$700.00		\$0.00		\$ 700.00
Due 2570-CORNERSTONE PEST CONTROL	\$240.00		\$0.00		\$ 240.00



Panola County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
Open Invoices thru 05/14/01

11 May 2001

PAGE 4

Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

• Due 2769-COX COMMUNICATIONS INC	\$277.00		\$0.00		\$ 277.00
• Due 28-CRAIG MILAN ELECTRIC	\$4087.05		\$0.00		\$ 4087.05
• Due 513-CREATIVE SWITCHING DESIG	\$9097.50		\$0.00		\$ 9097.50
• Due 3058-CRISIS NEGOTIATION ASSOC	\$900.00		\$0.00		\$ 900.00
• Due 192-DANKA OFFICE IMAGING CO	\$292.49		\$0.00		\$ 292.49
• Due 2798-DARLTON CALCOTE	\$300.00		\$0.00		\$ 300.00
• Due 4-DARR EQUIPMENT CO.	\$839.19		\$0.00		\$ 839.19
• Due 775-DAVID BROOKS	\$200.00		\$0.00		\$ 200.00
• Due 526-DAVID JETER	\$750.00		\$0.00		\$ 750.00
• Due 1906-DECISIONONE CORPORATION	\$17.84		\$0.00		\$ 17.84
• Due 94-DIXIE PAPER CO.	\$72.00		\$0.00		\$ 72.00
• Due 1376-DUANE PARKER	\$250.00		\$0.00		\$ 250.00
• Due 2791-EARTHGRAINS BAKING COS	\$207.58		\$0.00		\$ 207.58

Panola County  
THE SOFTWARE GROUP, INC.ACCOUNTS PAYABLE SYSTEM  
Open Invoices thru 05/14/01

11 May 2001

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Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

• Due 3019-EAST TEXAS AUTO AIR & GLA	\$42.00		\$0.00		\$ 42.00
• Due 1475-EAST TEXAS POULTRY SUPPLY	\$15.00		\$0.00		\$ 15.00
• Due 100-ECKERDS DRUG	\$6.11		\$0.00		\$ 6.11
• Due 422-ED BLAND	\$87.66		\$0.00		\$ 87.66
• Due 2845-ELDER RANDALL AUTOPLEX	\$290.93		\$0.00		\$ 290.93
• Due 2870-ENER RESOURCE PA ETHC CA	\$588.00		\$0.00		\$ 588.00
• Due 2066-ETHC CARTHAGE	\$2869.11		\$0.00		\$ 2869.11
• Due 3026-ETOX	\$33.60		\$0.00		\$ 33.60
• Due 93-EXCEL FORD LINCOLN MERCURY	\$3.72		\$0.00		\$ 3.72
• Due 3053-EXTRADITIONS INTERNATIONAL	\$1171.50		\$0.00		\$ 1171.50
• Due 2847-EXXON/GECC-CSZ	\$52.05		\$0.00		\$ 52.05
• Due 127-EXXONMOBIL	\$64.06		\$0.00		\$ 64.06
• Due 2566-FAMILY CONCEPTS LTD	\$369.25		\$0.00		\$ 369.25

Panola County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
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11 May 2001

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Due 1627-FAMILY DOLLAR STORES	\$166.50			\$0.00			\$ 166.50
Due 1681-FIRE & SAFETY EQUIPMENT	\$62.00			\$0.00			\$ 62.00
Due 14-FININ'S OFFICE CITY	\$460.84			\$0.00			\$ 460.84
Due 320-GALL'S INC	\$1055.91			\$0.00			\$ 1055.91
Due 169-GENERAL SERVICES COMMISSI	\$385.00			\$0.00			\$ 385.00
Due 654-GLORIA R. PORTMAN	\$422.20			\$0.00			\$ 422.20
Due 298-GOVERNMENT FINANCE OFFICE	\$185.00	A		\$0.00			\$ 185.00
Due 87-GOVERNMENT RECORDS SERVICE	\$3460.75			\$0.00			\$ 3460.75
Due 3024-GRAYSON COUNTY DEPT OF	\$2728.61	E	E	\$0.00			\$ 2728.61
Due 672-HANDI-CLEAN PRODUCTS	\$84.00			\$0.00			\$ 84.00
Due 370-HIGH POINT COMMUNICATIONS	\$127.47			\$0.00			\$ 127.47
Due 1000-IXON OFFICE SOLUTIONS	\$131.42			\$0.00			\$ 131.42
Due 1605-INDUSTRIAL OILS UNLIMITE	\$508.98			\$0.00			\$ 508.98
Due 2866-IBS CAPITAL	\$233.00			\$0.00			\$ 233.00

Panola County  
THE SOFTWARE GROUP, INC.ACCOUNTS PAYABLE SYSTEM  
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11 May 2001

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Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

Due 96-J & M PLUMBING	\$68.50		\$0.00		\$ 68.50
Due 3063-J. SCOTT HOYT	\$250.00		\$0.00		\$ 250.00
Due 575-JACK ELLETT	\$250.00		\$0.00		\$ 250.00
Due 1665-JAHAR TECHNOLOGIES INC	\$152.00		\$0.00		\$ 152.00
Due 2003-JAN HAXEY	\$216.43		\$0.00		\$ 216.43
Due 2644-JEAN WHITESIDE	\$69.67		\$0.00		\$ 69.67
Due 3032-JODEE PLANT FARM	\$194.50		\$0.00		\$ 194.50
Due 3052-JOE HENDERSON	\$300.00		\$0.00		\$ 300.00
Due 906-JOE HINS	\$0.00		\$0.00		\$ 0.00
Due 1200-KEITH KEELING M.D.	\$110.00		\$0.00		\$ 110.00
Due 3023-KEN BURMAN	\$13.01		\$0.00		\$ 13.01
Due 5-KEN TURNER PHARMACY	\$1456.43		\$0.00		\$ 1456.43
Due 713-KGAS RADIO-VISION	\$60.00		\$0.00		\$ 60.00

Panola County  
THE SOFTWARE GROUP, INC.ACCOUNTS PAYABLE SYSTEM  
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	Gross Amount.	Req.	Req.	Discount	Req.	Req.	Net Amt.....
Due 217-KILGORE COLLEGE	\$35.00			\$0.00			\$ 35.00
Due 04-KIRBY RESTAURANT SUPPLY	\$219.25			\$0.00			\$ 219.25
Due 3060-KIRBY SERVICE COMPANY	\$270.78			\$0.00			\$ 270.78
Due 241-KYLE ANXIAL CLINIC	\$139.00			\$0.00			\$ 139.00
Due 1659-LAW OFFICES OF MIKE PARKE	\$16.50			\$0.00			\$ 16.50
Due 3064-LINDSEY ANDERS	\$64.95			\$0.00			\$ 64.95
Due 1240-M. G. CLEANERS	\$150.00			\$0.00			\$ 150.00
Due 2638-M. LEE SMITH PUBLISHERS	\$97.00			\$0.00			\$ 97.00
Due 1945-MID-AMERICAN RESEARCH CH	\$106.56			\$0.00			\$ 106.56
Due 425-MORRIS SANFORD JR.	\$1000.00			\$0.00			\$ 1000.00
Due 2140-MORRISON SUPPLY COMPANY	\$7020.40			\$0.00			\$ 7020.40
Due 3057-MUNICIPAL EQUIPMENT & SU	\$241.00			\$0.00			\$ 241.00
Due 2013-MUSIC MOUNTAIN WATER CON	\$189.00			\$0.00			\$ 189.00

Panola County  
THE SOFTWARE GROUP, INC.ACCOUNTS PAYABLE SYSTEM  
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Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

Due 3056-MACOGDOCHES HEART CLINIC	\$96.00		\$0.00		\$ 96.00
Due 103-NORMEL EQUIPMENT CO.	\$175.30		\$0.00		\$ 175.30
Due 3030-O'REILLY AUTO PARTS	\$421.53		\$0.00		\$ 421.53
Due 1606-DEC CORPORATION	\$364.44		\$0.00		\$ 364.44
Due 047-OFFICE DEPOT INC.	\$331.91		\$0.00		\$ 331.91
Due 3003-PANOLA COUNTY CLERK	\$22.00		\$0.00		\$ 22.00
Due 512-PANOLA COUNTY GENERAL FUR	\$185.40		\$0.00		\$ 185.40
Due 1926-PANOLA FEED & SUPPLY	\$16.95		\$0.00		\$ 16.95
Due 737-PANOLA POST/WATCHMAN	\$317.60		\$0.00		\$ 317.60
Due 1342-PANOLA SOIL & WATER CON	\$1000.00	0	\$0.00		\$ 1000.00
Due 2019-PATTERSON BARBER SUPPLY	\$93.95		\$0.00		\$ 93.95
Due 103-PEGUES-HURST MOTOR CO.	\$120.95		\$0.00		\$ 120.95
Due 2471-PETTY'S LAWN SPRINKLERS	\$326.60		\$0.00		\$ 326.60
Due 71-POWERPLAN	\$286.16		\$0.00		\$ 286.16

Panola County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
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Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

• Due 1319-PUMP MASTERS INC	\$177.55		\$0.00		\$ 177.55
• Due 412-QUILL CORPORATION	\$219.36		\$0.00		\$ 219.36
• Due 60-R & J'S CUSTOM EXHAUST & NU\$12.50	0		\$0.00		\$ 12.50
• Due 310-RADIO SHACK	\$19.98		\$0.00		\$ 19.98
• Due 1002-RAY ALLEN MANUFACTURING C\$62.85			\$0.00		\$ 62.85
• Due 41-RAYMOND C. SCHIEFFER CPA	\$375.00		\$0.00		\$ 375.00
• Due 3065-RDJ SPECIALTIES INC	\$385.00		\$0.00		\$ 385.00
• Due 9059-RELIABLE OFFICE SUPPLIES\$552.02			\$0.00		\$ 552.02
• Due 63-RELIANT ENERGY(ENTEX)	\$480.48		\$0.00		\$ 480.48
• Due 625-RICK MCPHERSON	\$2226.00		\$0.00		\$ 2226.00
• Due 111-ROBINSON & WILLIAMS	\$25680.00		\$0.00		\$ 25680.00
• Due 9-ROSS (CARTHAGE) CIT60	\$701.45		\$0.00		\$ 701.45
• Due 160-SABINE VALLEY CENTER	\$6050.00		\$0.00		\$ 6050.00

Panela County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
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Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

Due 121-SAMMY BROWN LIBRARY	\$2000.00		\$0.00		\$ 2000.00
Due 506-SARAH FIELDS	\$750.00		\$0.00		\$ 750.00
Due 1467-SECRETARY OF STATE	\$170.00		\$0.00		\$ 170.00
Due 2143-SHARE CORP	\$7.00		\$0.00		\$ 7.00
Due 136-SHELBY LP GAS COMPANY	\$65.45		\$0.00		\$ 65.45
Due 576-SHERRY JONES	\$300.00		\$0.00		\$ 300.00
Due 2711-STEPHEN C. WAAFFEY	\$1750.00		\$0.00		\$ 1750.00
Due 900-STEVE MOTORS	\$2325.00		\$0.00		\$ 2325.00
Due 930-SUE GRAFTON	\$175.93		\$0.00		\$ 175.93
Due 2959-SUZZANE H. BLAKE MD	\$170.00		\$0.00		\$ 170.00
Due 29-TED'S SAW SHOP	\$263.45		\$0.00		\$ 263.45
Due 106-TEECO SAFETY, INC.	\$7.84		\$0.00		\$ 7.84
Due 3035-TEJAS	\$220.02		\$0.00		\$ 220.02



Panola County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
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	Gross Amount.	Req.	Req.	Discount	Req.	Req.	Net Amt.....
Due 1001-TEK SUPPLY WHOLESALE DIST	\$24.10			\$0.00			\$ 24.10
Due 1119-TEXAS DEPARTMENT OF LICEN	\$25.00	E	T	\$0.00			\$ 25.00
Due 404-TEXAS DISTRICT & COUNTY AT	\$25.00	C	ON	\$0.00			\$ 25.00
Due 1098-TEXAS FILTER SERVICE INC	\$273.00			\$0.00			\$ 273.00
Due 3009-TEXAS PARKS & WILDLIFE D	\$657.29			\$0.00			\$ 657.29
Due 341-TEXAS PROBATION ASSOCIATIO	\$35.00			\$0.00			\$ 35.00
Due 2500-TEXAS WILDLIFE DAMAGE N	\$1800.00			\$0.00			\$ 1800.00
Due 1904-THE COMPUTER SHOP	\$165.45			\$0.00			\$ 165.45
Due 2068-THE NETT.COM	\$42.95			\$0.00			\$ 42.95
Due 33-THYSSENKRUPP ELEVATOR	\$135.00			\$0.00			\$ 135.00
Due 1-TOLEDO AUTONOTIVE	\$1474.81			\$0.00			\$ 1474.81
Due 854-TRACY ANDERSON	\$87.93			\$0.00			\$ 87.93
Due 1570-TYLER ASPHALT & GRAVEL	\$6337.85			\$0.00			\$ 6337.85
Due 123-TYSON FOODS, INC.	\$120.00			\$0.00			\$ 120.00

Penola County  
THE SOFTWARE GROUP, INC.

ACCOUNTS PAYABLE SYSTEM  
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11 May 2001

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Gross Amount. Req. Req. Discount Req. Req. Net Amt.....

Due 1723-U.S.FOOD SERVICE WHITE	\$6115.32	\$0.00	\$	6115.32
Due 1096-UNIFIRST	\$721.50	\$0.00	\$	721.50
Due 3031-UPSHUR COUNTY	\$9400.00	\$0.00	\$	9400.00
Due 2508-VIRTUAL RADIOLOGY PC	\$196.65	\$0.00	\$	196.65
Due 62-WAL MART	\$29.28	\$0.00	\$	29.28
Due 2971-WALMART COMMUNITY BRC	\$514.49	\$0.00	\$	514.49
Due 2424-WELSH ROCK INC	\$2857.68	\$0.00	\$	2857.68
Due 2533-WEST GROUP	\$424.75	\$0.00	\$	424.75
Due 149-WHOLESALE SUPPLY INC	\$355.00	\$0.00	\$	355.00
Due 616-WILLOUGHBY JUVENILE CENTE	\$325.00	\$0.00	\$	325.00
Due 64-XEROX CORPORATION	\$947.54	\$0.00	\$	947.54
<b>Totals</b>	<b>\$186370.83</b>	<b>\$0.00</b>	<b>\$</b>	<b>186370.83</b>

56 records listed.

April 19, 2001

Robinson & Williams, P.L.L.C.  
Certified Public Accountants  
410 W. Panola  
Carthage, Texas 75633

In connection with your audit of the financial statements of Panola County, Carthage, Texas as of December 31, 2000, and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly the financial position, statement of revenues, expenditures and unexpended balances of the various funds of Panola County, Texas, in conformity with generally accepted accounting principles, we confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

1. We are responsible for the fair presentation in the financial statements of revenues, expenditures, and fund balances in conformity with generally accepted accounting principles.
2. We have made available to you all -
  - a. Financial records and related data.
  - b. Minutes of the meetings of the Commissioners' Court or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no -
  - a. Irregularities involving management or employees who have significant roles in the system of internal accounting control.
  - b. Irregularities involving other employees that could have a material effect on the financial statements.
  - c. Communications from regulatory agencies concerning noncompliance with or deficiencies in, financial reporting practices that could have a material effect on the financial statements.
4. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

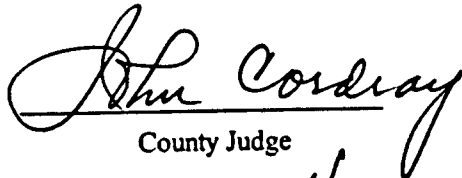
Robinson & Williams, P.L.L.C.  
Certified Public Accountants  
April 19, 2001  
Page 2

5. The following have been properly recorded or disclosed in the financial statements:
  - a. Related party transactions and related amounts receivable.
  - b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements.
  - c. Agreements to repurchase assets previously sold.
6. There are no -
  - a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
  - b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by Statements of Financial Accounting Standards No. 5.
  - c. Reservation or designation of fund equity that were not properly authorized and approved.

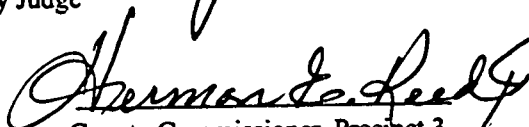
- ✓ 7. There are no unasserted claims or assessments that our attorneys have advised us are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No. 5.
8. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
9. The County has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged other than those disclosed in the financial statements.
10. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Robinson & Williams, P.L.L.C.  
Certified Public Accountants  
April 19, 2001  
Page 3

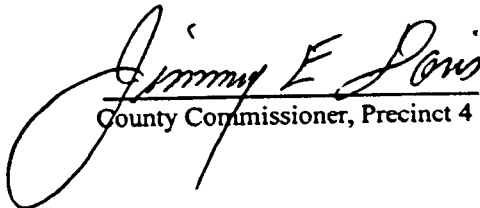
11. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstance.
12. No events have occurred subsequent to December 31, 2000 that would require adjustment to, or disclosure in, the financial statements.

  
County Judge

  
County Commissioner, Precinct 1

  
County Commissioner, Precinct 3

  
County Commissioner, Precinct 2

  
County Commissioner, Precinct 4

FILED FOR RECORD  
IN MY OFFICE

AT \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M \_\_\_\_\_

JUN 11 2001

SUE GRAFTON  
COUNTY CLERK, PANOLA COUNTY, TEXAS  
BY *Sue Grafton* DEPUTY

COUNTY AUDITOR'S  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR  
PANOLA COUNTY, TEXAS

For The Fiscal year Ended December 31, 2000

COMPREHENSIVE ANNUAL FINANCIAL REPORT

PANOLA COUNTY, TEXAS

FOR THE YEAR ENDED DECEMBER 31, 2000

**PANOLA COUNTY, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2000**

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**INTRODUCTORY SECTION**

PANOLA COUNTY, TEXAS  
DIRECTORY OF OFFICIALS

**DISTRICT COURT: 123rd Judicial District**

The Honorable Guy Griffin, District Judge  
The Honorable Danny Buck Davidson, Criminal District Attorney  
Terri Hudson, Court Reporter  
Sandra King, District Clerk  
Rick Wilkinson, CSCD Director  
Ed Bland, Chief Juvenile Probation Officer

**COMMISSIONERS COURT:**

The Honorable John Cordray, County Judge  
The Honorable Ronnie LaGrone, Commissioner Precinct #1  
The Honorable Douglas Cotton, Commissioner Precinct #2  
The Honorable Hermon Reed, Commissioner Precinct #3  
The Honorable Jimmy Davis, Commissioner Precinct #4  
Leann Jones, Administrative Assistant

**COUNTY COURT AT LAW:**

The Honorable Terry Bailey, Judge  
Karen A. Prewitt, Court Reporter

**COUNTY AUDITOR:**

Sidney Burns

**ASSISTANT COUNTY AUDITORS:**

Bill Duke  
Stephanie Johnson

**COUNTY CLERK:**

Sue Grafton

**COUNTY SHERIFF:**

Jack Ellett

**COUNTY SURVEYOR:**

Don Austin

**COUNTY TAX ASSESSOR-COLLECTOR:**

Jean Whiteside

**COUNTY TREASURER:**

Gloria Portman

PANOLA COUNTY, TEXAS  
DIRECTORY OF OFFICIALS

**COUNTY VETERAN SERVICE OFFICER:**

Allan Cain

**JUSTICES OF THE PEACE:**

Lora Taylor, Precincts #2 and #3  
Pat Davis, Precincts #1 and #4

**CONSTABLES:**

Leroy Cranford, Precincts #1 and #4  
Mitch Norton, Precincts #2 and #3

**ELECTIONS ADMINISTRATOR:**

Betty Atkerson



SIDNEY BURNS  
AUDITOR



BILL DUKE  
ASSISTANT AUDITOR  
STEPHANIE JOHNSON  
ASSISTANT AUDITOR

OFFICE OF  
**PANOLA COUNTY AUDITOR**  
COURTHOUSE ANNEX • ROOM 213A  
CARTHAGE, TEXAS 75633  
903-693-0320

April 17, 2001

Honorable District Judge Guy Griffin,  
Honorable County Judge John Cordray,  
Honorable County Commissioners,  
and Taxpayers and Citizens of Panola County  
Carthage, Texas 75633

Conforming to statutory requirements of the duties of the County Auditor, submitted herewith is the Annual Financial Report for Panola County for the fiscal year ended December 31, 2000. The report was prepared by the County Auditor's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included. The report consists of four parts:

- 1) Introductory section,
- 2) Financial section, including financial statements and supplemental data of government accompanied by our independent auditor's opinion,
- 3) Statistical section, including a number of tables of unaudited data depicting the financial history of the government for the past 10 years, information on overlapping governments, and other miscellaneous information.
- 4) Supplemental information, including compliance with laws and regulations, internal accounting controls, supplementary grant revenue and expense schedules.

**ECONOMIC CONDITION AND OUTLOOK**

Panola County continues to rank as one of the leading natural gas producers in East Texas. Continued lignite mining activities along with new natural gas wells contributed greatly to economic activities. Timber, poultry and cattle production also continue to contribute to the local economy. All of these activities have had a positive impact on employment and the county tax base. A great deal of credit should be given to the industrial, civic and governmental leaders for these positive conditions.

## MAJOR INITIATIVES

During the year the County entered into a contract to construct a boat ramp on the Sabine River at the Panola-Harrison county line. This three-way partnership includes grant funds from Texas Parks and Wildlife Department, in kind work match from Harrison County, and match funds from our county. This project will greatly improve the accessibility to the Sabine River for the citizens in this area.

The County continued with a capital improvement program for the County owned airport through a grant from the State. During the year the County named the Texas Department of Transportation to be responsible for the administration of contracts necessary for the implementation of the improvements with the County's contribution amount to equal ten percent of the total cost. This will greatly improve the public aviation operations of the County.

The County's initial rural addressing process was nearing completion at year-end. A routine maintenance program will be ongoing for years to come.

## ACCOUNTING SYSTEM, BUDGETS AND BUDGETARY CONTROLS

The County's accounting records for governmental fund types are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Unmatured interest on long-term debt is not recognized. Property tax revenues, which are the largest source of revenue, are not susceptible to accrual, as they are not considered available until the next budget year.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

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

The County Judge is by statute the Budget Officer of the County and is responsible for determining the Commissioners' Court guidelines for the proposed County budget. After being furnished the budget guidelines by the County Judge, the County Auditor prepares an estimate of revenues and a compilation of expenditures as set out in the guidelines. The proposed budget is filed in the office of the County Clerk as public record.

The Commissioners' Court invites any interested citizen to appear for a budget hearing concerning the County's budget prior to adoption. Before determining the final budget, the Commissioners Court may increase or decrease the amounts as proposed in the budget. Expenditure amounts finally budgeted may not exceed the estimated revenues and available cash. A tax rate is then set which will generate the estimated ad valorem tax revenues in the budget.

When the Budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts.

Each fund is budgeted on an annual basis with no carryovers into the next year. If a fund(s) has or shows a balance at the end of the year, the balance is included in making computation of available cash for next year's budget.

The Agency Funds are not budgeted as they are all custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

#### FINANCIAL ADMINISTRATION

The officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the "Commissioners' Court"), the Tax Assessor-Collector, and the County Treasurer, all of whom are elected for four-year terms, and the County Auditor who is appointed for a two-year term by the State District Judge having jurisdiction within the County. The governing body of the County is the Commissioners' Court. It has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other duties, it proposes and approves the County budget, determines the County tax rates, approves contracts in the name of the County, determines whether a proposition to issue bonds should be submitted to the voters, appoints certain County officials, and makes other decisions concerning the operation of the County.

The County Judge is the presiding officer of the Commissioners' Court and is elected for a four-year term by the voters of the County. Each Commissioner represents one of the four Commissioner precincts into which the County is divided and is elected by the voters of his precinct for a four-year term.

The Tax Assessor-Collector is responsible for collecting ad valorem taxes and collecting certain State and County fees and other taxes for the County. The County Treasurer's duties include depositing monies received by the County into the depository selected by the Commissioners' Court, signing and registering all of the County's checks (except certain agency funds), preparation of payroll, maintenance and compilation of personnel records, preparation of quarterly and monthly state, county and federal reports and other financial functions.

The County Auditor is responsible for the accounting practices and audit control functions of county finances. His responsibilities include those for accounting, auditing, accounting systems design, assisting with financial planning and operations, financial reporting, insurance, budget preparation as instructed by Commissioners' Court, preparation of claims for approval by Commissioners' Court and various other financial related activities. The County Auditor also serves as fiscal officer for the Community Supervision Corrections Departments and the Juvenile Probation Departments.

#### PANOLA COUNTY AND ITS SERVICES

For financial purposes, Panola County includes all funds and account groups, including agencies that are controlled by or dependent upon the County. The Governmental Accounting Standards Board Statement No. 14 was used to determine "the reporting entity." If the primary government, Panola County: A) appoints the voting majority of the potential component units governing board, B) has the ability to impose its will on the potential component unit, or C) has a potential relationship of financial benefit or burden with the potential component unit, then the potential component unit has been included in this report.

The Panola County Children's Services Board has been included for 2000 on the forgoing criteria. A Board of Trustees is composed of volunteers appointed by Commissioners Court. The Commissioners Court has the authority to remove board members, and approves the funding for the budget requested by the Board.

The Panola County Rural Fire Prevention District No. 1 has also been included as a component unit for 2000 on the forgoing criteria. The Panola County Commissioners Court appoints the governing board of the District and has the ability to impose its will on the component unit.

All other funds, account groups and activities are considered to be part of the County's primary government.

The Airport Authority is comprised of board members who are directly appointed by the Commissioners' Court and is considered to be an advisory board to the County. The financial statements for the Airport Authority are included in this report.

The health care fund is also a part of this report. This fund is used only to finance items related to providing health care to county residents including indigent residents.

The sheriff's state forfeiture and federal forfeiture fund and the district attorney's forfeiture fund are a part of this report. These funds are received after forfeiture proceedings from drug cases involving seized cash or the sale of seized property. According to the statutes governing these funds they may be expended by a law enforcement agency or the attorney representing the state depending upon the agency receiving the award. A budget must be submitted to the Commissioners' Court before expenditures are made.

Several funds established through the collection of special fees are also a part of this report. Laws relating to these funds allow the Commissioners Court to approve or record the budgets. These funds must be used for the specific purposes as defined in the various statutes. This includes such things as records preservation, courthouse security, and various other purposes.

This report includes a state grant for the construction of a boat ramp within the County. This grant is rendered in accordance with agreements between the Texas Parks and Wildlife Department and Panola County as funded by the State of Texas. Revenues and expenditures for this project are shown through the Farm to Market and Lateral Road fund.

All other state and federal grants received by the County are also included in this report. This includes such things as Community Corrections Supervision Department Services (Adult Probation), Juvenile Probation Department Services, and various other assistance. All expenditures for these programs are made in accordance with applicable statutes.

The County provides the full range of County services contemplated by statute or character. This includes general administration, judicial, legal, elections, financial administration, public facilities, public safety, environmental protection, conservation, public transportation, health and paupers care, and recreation.

### EMPLOYEES

The following table shows the number and employment categories of the County's employees at December 31, 2000 and 1999. This includes both part-time and full-time employees.

	2000	1999
General Administration	16	16
Judicial	16	16
Elections	2	2
Financial Administration	13	13
Legal	6	6
Public Facilities	4	5
Public Safety	63	64
Public Transportation	49	44
Culture and Recreation	6	6
Conservation-Agriculture	3	2
<b>TOTALS</b>	<b>178</b>	<b>174</b>

### GENERAL GOVERNMENTAL FUNCTIONS

Revenues for general governmental functions and capital projects totaled \$ 12,174,721 in 2000, a decrease of 8.1 percent over 1999. General property taxes produced 62 percent of general revenues, compared to 56 percent in the prior year. The amount of revenues from various sources and the increase/decrease from last year of the general, special revenue, debt service and capital project funds are shown in the following tabulation:

Revenue Source	Amount	Percent Of Total	Increase (Decrease) From 1999
Property taxes and penalties	\$ 7,556,941	62%	\$ 100,518
Licenses	443,902	4%	12,292
Intergovernmental revenues	890,116	7%	(597,804)
Fees of office	853,131	7%	(261,163)
Fines	315,297	3%	29,146
Miscellaneous	2,115,334	17%	(361,476)
<b>Total</b>	<b>\$ 12,174,721</b>	<b>100%</b>	<b>\$ (1,078,487)</b>

The escalation in property taxes and penalties is primarily due to an increase in wages and employee benefits. A decrease in intergovernmental receipts was the result of a decline in tobacco lawsuit and grant funds for rural water supply projects. Miscellaneous revenues decreased primarily due to a decrease in non recurring revenues.

Assessed valuations for tax roll year 2000 of \$2,021,359,150 represented an increase of 9.71 percent compared to the preceding year. The increase in assessed valuation is due primarily to an increase in the natural gas prices.

Tax collections for tax roll year 1999 were 97.19 percent of the tax levy, down slightly from the previous year. This is the seventeenth consecutive year in which property tax collections have exceeded 95 percent. Current collections for the tax roll year 2000 are still in process of collection on December 31, 2000. At the end of the fiscal year, the collections on the current tax roll amounted to 89.11 percent of the levy. The amount of collections is expected to exceed 95 percent by the end of the tax roll year on June 30, 2001. Delinquent tax collections for tax roll year 1999 have continued to be strong as in previous years.



The ratio of total collections and adjustments (current and delinquent) to the current tax levy in tax roll year 1999 was 99.39 percent, an decrease of .91 percent from the previous year. Allocations of property tax rate by purpose for tax roll year 2000 and the preceding three tax roll years are as follows (amounts per \$100/assessed value):

Purpose	2000	1999	1998	1997
General Fund	.2696	.27130	.22234	.24498
Special Revenue Funds	.1253	.12130	.11144	.11707
Debt Service Fund	.0000	.00000	.02012	.02415
Total tax rate	.3949	.39260	.35390	.38620

Expenditures for general governmental purposes and capital projects totaled \$ 11,016,233, an increase of 1.4 percent over 1999. Increases or decreases in levels of expenditures for major functions of the County over the preceding year of the general, special revenue, debt service and capital project funds are shown in the following tabulation:

Function and Activity	Amount	Percent Of Total	Increase (Decrease) From 1999
General Administration	\$ 1,459,955	13%	\$ (94,824)
Judicial	661,894	6%	31,453
Legal	249,147	2%	43,729
Elections	84,654	1%	9,304
Financial Administration	420,695	3%	12,451
Public Facilities	303,098	3%	(178,044)
Public Safety	2,977,321	27%	353,919
Environmental Protection	376,397	3%	(52,607)
Conservation	52,348	1%	4,472
Public Transportation	3,517,180	32%	(2,530)
Health & Paupers Care	321,696	3%	47,567
Recreation	176,848	2%	7,398
Debt Service	415,000	4%	(30,845)
Total	\$ 11,016,233	100%	\$ 151,443

Most of the decrease in general administration was due to reduced computer and outside professional services used during the year. The increase in health and paupers care was due to an escalation in indigent health care and attorney fees. The decrease in public transportation is a result of fewer equipment purchases than in the previous year. A reduction in environmental protection was accomplished due to the closure of the incinerator operation and the initialization of a contract for trash disposal outside of the county. Public facilities declined due to the fact that the rural water system project had been completed in the previous year. All of the other function activity increase was due to rising salary and benefit costs.

Unreserved fund balances and retained earnings in the major operating funds were maintained at adequate levels to meet budget needs of the next fiscal year. The General Fund balance of \$ 9,809,682 was up \$ 1,057,405 from last year; the Debt Service Fund balance of \$ 35,262 was down \$ 412,680 from the preceding year, and the \$6,814,666 balance in the Special Revenue Funds was up \$ 498,002.

### DEBT ADMINISTRATION

The ratio of net bonded and other debt to assessed valuation and the amount of bonded and other debt per capita are useful indicators of the County's debt position to County management, citizens and investors. This information for Panola County at December 31, 2000 follows:

	Total	Ratio of Debt to Assessed & Market Value	Debt Per Capita
Net Certificate of Obligation & Bonded Debt	\$ -0-	-0-	\$ -0-
Overlapping Debt	24,146,295	1.47%	1,061.09
Net Direct and Overlapping Debt	\$ 24,146,295	1.47%	\$ 1,061.09

During the year the County paid off the \$400,000 of Certificate of Obligation debt issued in 1990 used to finance construction of the expansion program at Panola General Hospital. Thus on December 31, 2000, Panola County had no outstanding bonded or Certificates of Obligation indebtedness. Tables 8 through 10 of the Statistical Section of the report present more detailed information about the debt position history of Panola County.

### CASH MANAGEMENT

Cash temporarily idle during the year was invested in Certificates of deposits ranging from 21 to 124 days to maturity. Demand deposit accounts are in super now interest bearing accounts. The average overall yield on demand deposits and certificates of deposit during the year was approximately 5.24 percent. The amount of interest revenues of the governmental funds in 2000 was \$1,140,186. This was \$227,504 more than interest revenues in 1999. The increase is attributable to an increase in deposits and interest rates from 1999.

Panola County has a depository contract with First State Bank & Trust of Carthage, Texas. The contract requires the bank to maintain securities pledged to Panola County at a market value equal to or greater than total deposits exceeding the amount covered by insurance of the Federal Deposit Insurance Corporation (FDIC). At the end of 2000, Panola County's total cash balances and investments exceeded insurance limits by \$27,456,440. Pledged securities exceeded this amount in excess of 10 million dollars. At no time during the year was the market value of pledged securities less than the amounts on deposit not covered by insurance.

### CAPITAL PROJECTS FUNDS

Proceeds of general obligation bond issues and certificates of obligation are accounted for in Capital Projects Funds until improvement projects are completed. Completed projects and uncompleted construction in progress at year end are capitalized in the General Fixed Asset Account Group, except for infrastructure type assets. During 2000, there were capital project expenditures of \$4,900.

The Capital Project Fund balances at December 31, 2000, totaled \$374,669. The Road Bond 1971 fund balance of \$219,958 is to be used solely for right-of-way purchases, fencing and utility adjustments. The Permanent Improvements Fund in the amount of \$154,711 was designated by the Commissioners' Court for airport improvements and match funds required for the airport grants.

### GENERAL FIXED ASSETS

The general fixed assets of the County are those fixed assets used in the performance of general governmental functions. As of December 31, 2000, the general fixed assets of the County amounted to \$13,245,963. This amount represents the original cost of the assets and is considerably more than their present value. Depreciation of general fixed assets is not recognized in the County's accounting system, in accordance with current standards.

### RISK MANAGEMENT

As outlined in the statistical section (table 14, pages 142 - 147), Panola County has developed a complete insurance program to protect against the risk inherent with the operation of county government. This includes various policies protecting public officials, law enforcement officials, auto liability, injuries in building premises and on the job, and various other policies. The County sends officials to seminars regularly regarding safety and the prevention of workers compensation claims. Various literature and training has been made available to county employees. The County presently has a loss control program which was adopted by the Commissioners' Court. The policy was designed to prevent injuries to its employees, to protect its property from damage, and to provide for the safety of the public in connection with county operations.

### INDEPENDENT AUDIT

The County requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the County by independent certified public accountants selected by the Commissioners' Court. This requirement has been complied with and the auditors' opinion has been included in this report.

### GENERAL REVIEW AND OUTLOOK

Over the past few years Panola County has faced the same problems as other smaller rural counties in Texas. Revenue sources have tended to be limited, while demand for services remained constant. Economic growth during the year changed somewhat due to a general increase in natural gas prices.

The position of the County has continued to be sound over the past year. Some of the factors which enabled the County to maintain this constant level were:

1. All departments and agencies operated within budget appropriations.
2. Estimated revenue was achieved or exceeded.
3. Ad Valorem taxes continued to be collected at a high percent.

The County received a reduction in workers compensation premium in 2000. This is a result of discounts allowed because of the loss control program.

Looking ahead, Panola County can expect to have some years of economic growth at the state and local level. Careful financial operation and planning will enable the County to remain financially sound. A spirit of cooperation will help to insure that the future needs of the citizens of Panola County can be met.

### CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to Panola County, Texas, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1999. 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 governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement program requirement, and we are submitting it to the GFOA.

#### ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of all County Departments. We would like to express our appreciation to all members of the County Departments who assisted and contributed to its preparation.

Respectfully submitted,

*Sidney Burns*

Sidney Burns  
County Auditor

*Bill Duke*

Bill Duke  
Assistant County Auditor

*Stephanie Johnson*

Stephanie Johnson  
Assistant County Auditor

## Certificate of Achievement for Excellence in Financial Reporting

Presented to

Panola County,  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1999

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



*Anne Spray Kinney*  
President

*Jeffrey L. Eselle*  
Executive Director

## FINANCIAL SECTION

**ROBINSON & WILLIAMS, P.L.L.C.**  
 CERTIFIED PUBLIC ACCOUNTANTS  
 410 WEST PANOLA  
 CARTHAGE, TEXAS 75633

MEMBERS OF  
 AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
 TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 TELEPHONE  
 (803) 883-8522

To The Honorable Members  
 Of The Commissioners' Court  
 Of Panola County, Texas  
 Carthage, Texas 75633

### INDEPENDENT AUDITORS' REPORT

#### Members of the Commissioners' Court:

We have audited the accompanying general purpose financial statements of Panola County, Texas, and the combining, individual fund and account group financial statements of Panola County, Texas as of and for the year ended December 31, 2000, as listed in the table of contents. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements and the combining, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of Panola County, Texas at December 31, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund, and account group financial statements. The accompanying supplemental financial information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Panola County, Texas. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups, taken as a whole.

To The Honorable Members  
Of The Commissioners Court  
Of Panola County, Texas  
Page 2

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of Panola, County, Texas taken as a whole. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statement taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 9, 2001 on our consideration of Panola County's compliance and internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The additional statistical data, as listed in the table of contents herein, is presented solely for purposes of additional analysis. This data has been summarized from Panola County, Texas records and was not subjected to the audit procedures applied in the audit of the general purpose financial statements. Accordingly, we do not express an opinion on such data.

*Robinson & Williams*

Robinson & Williams, P.L.L.C.  
Certified Public Accountants

April 9, 2001

# COMBINED STATEMENTS – OVERVIEW

## GENERAL PURPOSE FINANCIAL STATEMENTS

Page 6  
EXHIBIT "1"

PANOLA COUNTY, TEXAS  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
AND DISCRETELY PRESENTED COMPONENT UNITS  
DECEMBER 31, 2000

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS</b>				
Cash -Demand Deposits	\$260,604	\$341,830		
Cash -Time Deposits	14,303,869	8,530,378	35,011	371,836
Receivables (net of allowance for doubtful accounts )				
Delinquent Taxes	102,406	47,594		
Miscellaneous	158,951	264,435	251	2,833
Due From Other Funds	140,486	115,765		
Due From Primary Government				
Inventory		9,092		
Resources Available in Debt Service Fund				
Resources to be Provided in Future Years for Retirement of General Long-Term Obligations				
Fixed Assets				
Other Assets	14,151			
<b>Total Assets</b>	<b>\$14,980,467</b>	<b>\$9,309,094</b>	<b>\$35,262</b>	<b>\$374,669</b>

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

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	COMPONENT UNITS	TOTALS (MEMORANDUM ONLY)
		General Fixed Assets	General Long-Term Debt	PRIMARY GOVERNMENT	Governmental	REPORTING ENTITY
Internal Service	Agency					
\$256,256	\$1,610,138			\$2,468,828	\$21,336	\$2,490,164
1,480,905	600,436			25,322,435	540,000	25,862,435
				150,000	5,000	155,000
5,622				432,092	14,994	447,086
62,334	8,208			326,793		326,793
					25,457	25,457
				9,092		9,092
			35,262	35,262		35,262
			212,098	212,098		212,098
		13,245,963		13,245,963	550,891	13,796,854
				14,151		14,151
\$1,805,117	\$2,218,782	\$13,245,963	\$247,360	\$42,216,714	\$1,157,678	\$43,374,392

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



PANOLA COUNTY, TEXAS  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
AND DISCRETELY PRESENTED COMPONENT UNITS  
DECEMBER 31, 2000

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities:</b>				
Accounts Payable-Trade	\$114,542	\$102,499		
Deferred Tax Revenues	4,910,602	2,272,783		
Due to State of Texas				
Due to City of Carthage, Texas				
Due to Carthage Independent School District				
Due to Panola Junior College				
Due to Gary Independent School District				
Due to Other Local Governmental Entities				
Due To Component Units				
Due to Other Funds	36,391	27,022		
Accrued Liabilities		8,580		
Court Cost Deposits and Bonds				
Accrued Salaries and Vacations	108,912	83,544		
Restitution Payable				
Trust Funds Payable				
Other Miscellaneous Payables	338			
Capital Leases Payable				
General Long-Term Obligations Payable				
<b>Total Liabilities</b>	<b>5,170,785</b>	<b>2,494,428</b>	<b>0</b>	<b>0</b>
<b>Equity and Other Credits</b>				
Investment in General Fixed Assets				
Retained Earnings				
Reserved				
Fund Balance:				
Reserved			35,262	
Unreserved				
Designated		2,484,473		374,669
Undesignated	9,809,682	4,330,193		
<b>Total Equity and Other Credits</b>	<b>9,809,682</b>	<b>6,814,666</b>	<b>35,262</b>	<b>374,669</b>
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$14,980,467</b>	<b>\$9,309,094</b>	<b>\$35,262</b>	<b>\$374,669</b>

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

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	COMPONENT UNITS	TOTALS (MEMORANDUM ONLY)
		General Fixed Assets	General Long-Term Debt	PRIMARY GOVERNMENT	Governmental	REPORTING ENTITY
Internal Service	Agency					
				\$217,041	\$5,605	\$222,646
				7,183,385	412,155	7,595,540
	\$260,577			260,577		260,577
	31,204			31,204		31,204
	274,286			274,286		274,286
	143,510			143,510		143,510
	23,893			23,893		23,893
	3,257			3,257		3,257
	25,457			25,457		25,457
	263,380			326,793		326,793
				8,580		8,580
	18,962			18,962		18,962
				192,456		192,456
	16,641			16,641		16,641
	1,089,544			1,089,544		1,089,544
\$97,078	68,071			165,487		165,487
			247,360	247,360		247,360
				0		0
97,078	2,218,782	0	247,360	10,228,433	417,760	10,646,193
		13,245,963		13,245,963	550,891	13,796,854
1,708,039				1,708,039		1,708,039
				35,262		35,262
				2,859,142		2,859,142
				14,139,875	189,027	14,328,902
1,708,039	0	13,245,963	0	31,988,281	739,918	32,728,199
\$1,805,117	\$2,218,782	\$13,245,963	\$247,360	\$42,216,714	\$1,157,678	\$43,374,392

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

**PANOLA COUNTY, TEXAS**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

REVENUES	General	Special Revenue	Debt Service	Capital Projects
Property Taxes	\$5,222,274	\$2,334,667	\$0	
Licenses		443,902		
Intergovernmental Receipts	152,722	737,394		
Fees of Office	421,785	431,346		
Fines		315,297		
Miscellaneous	1,207,196	885,157	2,320	20,661
<b>TOTAL REVENUES</b>	<b>7,003,977</b>	<b>5,147,763</b>	<b>2,320</b>	<b>20,661</b>
<b>EXPENDITURES</b>				
Current				
General Administration	1,456,655	3,300		
Judicial	661,894			
Legal	196,856	52,291		
Elections	84,654			
Financial Administration	420,695			
Public Facilities	303,098	0		
Public Safety	1,895,431	1,081,890		
Environmental Protection	376,397			
Public Transportation		3,512,280		4,900
Health and Paupers Care	321,696			
Recreation	176,848			
Conservation	52,348			
Debt Service			415,000	
<b>TOTAL EXPENDITURES</b>	<b>5,946,572</b>	<b>4,649,761</b>	<b>415,000</b>	<b>4,900</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>1,057,405</b>	<b>498,002</b>	<b>(412,680)</b>	<b>15,761</b>
<b>FUND BALANCE-BEGINNING</b>	<b>8,752,277</b>	<b>6,316,664</b>	<b>447,942</b>	<b>358,908</b>
<b>FUND BALANCE-ENDING</b>	<b>\$9,809,682</b>	<b>\$6,814,666</b>	<b>\$35,262</b>	<b>\$374,669</b>

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

TOTALS (MEMORANDUM ONLY)	COMPONENT UNIT	TOTALS (MEMORANDUM ONLY)
PRIMARY GOVERNMENT	GOVERNMENTAL FUNDS	REPORTING ENTITY
\$7,556,941	\$447,437	\$8,004,378
443,902		443,902
890,116	1,302	891,418
853,131		853,131
315,297		315,297
2,115,334	25,266	2,140,600
12,174,721	474,005	12,648,726
1,459,955		1,459,955
661,894		661,894
249,147		249,147
84,654		84,654
420,695		420,695
303,098		303,098
2,977,321	434,498	3,411,819
376,397		376,397
3,517,180		3,517,180
321,696		321,696
176,848		176,848
52,348		52,348
415,000		415,000
11,016,233	434,498	11,450,731
1,158,488	39,507	1,197,995
15,875,791	149,520	16,025,311
\$17,034,279	\$189,027	\$17,223,306

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

PANOLA COUNTY, TEXAS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (GAAP BASIS) BUDGET AND ACTUAL  
GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND  
CAPITAL PROJECTS FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Property Taxes	\$5,163,725	\$5,222,274	\$58,549
Licenses			0
Intergovernmental Receipts	122,444	152,722	30,278
Fees of Office	246,000	421,785	175,785
Fines			0
Miscellaneous	291,971	1,207,196	915,225
TOTAL REVENUES	5,824,140	7,003,977	1,179,837
EXPENDITURES			
Current			
General Administration	1,743,936	1,456,655	287,281
Judicial	734,572	661,894	72,678
Legal	238,257	196,856	41,401
Elections	97,815	84,654	13,161
Financial Administration	445,437	420,695	24,742
Public Facilities	311,046	303,098	7,948
Public Safety	1,993,616	1,895,431	98,185
Environmental Protection	423,300	376,397	46,903
Public Transportation			0
Health and Paupers Care	372,200	321,696	50,504
Recreation	185,495	176,848	8,647
Conservation	55,866	52,348	3,518
TOTAL EXPENDITURES	6,601,540	5,946,572	654,968
Excess (Deficiency) of Revenues Over Expenditures	(777,400)	1,057,405	1,834,805
FUND BALANCE-BEGINNING	8,752,277	8,752,277	0
FUND BALANCE-ENDING	\$7,974,877	\$9,809,682	\$1,834,805

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

PANOLA COUNTY, TEXAS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (GAAP BASIS) BUDGET AND ACTUAL  
GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND  
CAPITAL PROJECTS FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000

SPECIAL REVENUE FUND

BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$2,307,283	\$2,334,667	\$27,384
415,000	443,902	28,902
682,187	737,394	55,207
365,164	431,346	66,182
170,000	315,297	145,297
368,749	885,157	516,408
4,308,383	5,147,763	839,380
35,650	3,300	32,350
61,625	52,291	9,334
		0
		0
	0	0
111,248	1,081,890	(970,642)
		0
3,736,275	3,512,280	223,995
		0
		0
		0
3,944,798	4,649,761	(704,963)
363,585	498,002	134,417
6,316,664	6,316,664	0
\$6,680,249	\$6,814,666	\$134,417

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

PANOLA COUNTY, TEXAS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (GAAP BASIS) BUDGET AND ACTUAL  
GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND  
CAPITAL PROJECTS FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000

DEBT SERVICE FUND			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Property Taxes	\$0	\$0	\$0
Intergovernmental Receipts			0
Miscellaneous	500	2,320	1,820
TOTAL REVENUES	500	2,320	1,820
EXPENDITURES			
Public Transportation			
Debt Service	415,000	415,000	0
TOTAL EXPENDITURES	415,000	415,000	0
Excess (Deficiency) of Revenues Over Expenditures	(414,500)	(412,680)	1,820
FUND BALANCE-BEGINNING	447,942	447,942	0
FUND BALANCE-ENDING	\$33,442	\$35,262	\$1,820

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

PANOLA COUNTY, TEXAS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (GAAP BASIS) BUDGET AND ACTUAL  
GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND  
CAPITAL PROJECTS FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000

CAPITAL PROJECTS FUNDS		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
0	12,155	12,155
0	12,155	12,155
4,900	4,900	0
4,900	4,900	0
(4,900)	7,255	12,155
212,703	212,703	0
\$207,803	\$219,958	\$12,155

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

PANOLA COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN UNRESERVED RETAINED EARNINGS  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000

REVENUES	PROPRIETARY FUND TYPE
	INTERNAL SERVICE
OPERATING REVENUES	
Refunds From Insurance Carriers	\$1,973
Total Operating Revenues	1,973
NET INCOME FROM OPERATIONS	1,973
NON-OPERATING REVENUES	
Other Non-Operating Revenues	63,043
Total Non-Operating Revenues	63,043
NET INCOME	65,016
RETAINED EARNINGS - BEGINNING	1,643,023
RETAINED EARNINGS - ENDING	\$1,708,039

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



PANOLA COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>PROPRIETARY FUND TYPE</u>
	<u>INTERNAL SERVICE</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from insurance refunds	\$1,973
Receipts for payroll & fringe benefit liabilities	1,790,824
Receipts from payroll & fringe benefit withholdings from employees	796,768
Payments for employer and employee payroll taxes & fringe benefits	<u>(2,587,655)</u>
Net Cash Provided By Operating Activities	<u>1,910</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investments in certificates of deposit	59,060
Interest and royalty earnings	<u>63,349</u>
Net Cash Used For Investing Activities	<u>122,409</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	124,319
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>131,937</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$256,256</u>
<b>Reconciliation of Net Income From Operations to Net Cash Provided By Operating Activities</b>	
Net Income from operations	<u>\$1,973</u>
Adjustments to reconcile net income from operations to net cash provided by Operating Activities	
Increase in due from other funds	(9,293)
Increase in accounts payable	<u>9,230</u>
Total Adjustments	<u>(63)</u>
<b>Net Cash Provided By Operating Activities</b>	<u>\$1,910</u>

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

**PANOLA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
DISCRETELY PRESENTED COMPONENT UNITS  
DECEMBER 31, 2000**

	<u>COMPONENT UNIT</u>		
	<u>PANOLA</u>		
	<u>COUNTY</u>		
	<u>CHILDREN'S</u>	<u>RURAL FIRE</u>	<u>TOTALS</u>
	<u>SERVICES</u>	<u>DISTRICT</u>	<u>COMPONENT</u>
	<u>FUND</u>	<u>FUND</u>	<u>UNITS</u>
<b>ASSETS</b>			
Cash -Demand Deposits	\$8,992	\$12,344	\$21,336
Cash -Time Deposits		540,000	540,000
Receivables (net of allowance for doubtful accounts of \$-0-)			
Delinquent Taxes		5,000	5,000
Miscellaneous		14,994	14,994
Due From Primary Government		25,457	25,457
Fixed Assets		550,891	550,891
<b>Total Assets</b>	<b>\$8,992</b>	<b>\$1,148,686</b>	<b>\$1,157,678</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts Payable-Trade		\$5,605	\$5,605
Deferred Tax Revenues		412,155	412,155
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>417,760</b>	<b>417,760</b>
<b>FUND BALANCE:</b>			
Investment in General Fixed Assets		550,891	550,891
Undesignated Fund Balance	8,992	180,035	189,027
Total Fund Equity	8,992	730,926	739,918
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$8,992</b>	<b>\$1,148,686</b>	<b>\$1,157,678</b>

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

PANOLA COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
AND CHANGES IN FUND BALANCES  
DISCRETELY PRESENTED COMPONENT UNITS  
DECEMBER 31, 2000

	COMPONENT UNITS		
	CHILDREN'S SERVICES FUND	RURAL FIRE DISTRICT FUND	TOTALS COMPONENT UNITS
<b>REVENUES</b>			
Property Taxes		\$447,437	\$447,437
Intergovernmental Receipts	1,302		1,302
Miscellaneous	4,456	20,810	25,266
<b>TOTAL REVENUES</b>	<b>5,758</b>	<b>468,247</b>	<b>474,005</b>
<b>EXPENDITURES</b>			
Current			
Public Safety		431,077	431,077
Hospital, Health and Paupers Care	3,421		3,421
<b>TOTAL EXPENDITURES</b>	<b>3,421</b>	<b>431,077</b>	<b>434,498</b>
Excess of Revenues Over Expenditures	2,337	37,170	39,507
<b>FUND BALANCE-BEGINNING</b>	<b>6,655</b>	<b>142,865</b>	<b>149,520</b>
<b>FUND BALANCE-ENDING</b>	<b>\$8,992</b>	<b>\$180,035</b>	<b>\$189,027</b>

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

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Panola County, Texas was organized in 1846. The County operates under a County Judge - Commissioners' Court type of government and provides the following services throughout the County: public safety, public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services.

The accounting policies of Panola County, Texas, conform to generally accepted accounting principles. The following is a summary of the more significant policies:

**A. The Financial Reporting Entity**

The accompanying financial statements present the County's primary government and component units over which the County exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the County. The component units discussed below are included in the County's reporting entity because of the significance of their operations or financial relationship with the County.

**Blended Component Units**

The Airport Authority is reported as if it were part of the primary government because the board appointed by the County Commissioners' Court is advisory only. The County has complete control of the Airport Authority's activities.

**Discretely Presented Component Units**

The Component units column in the combined financial statements include the financial data of the County's other component units. They are reported in a separate column to emphasize that they are legally separate from the County. The governing bodies of these component units are all appointed by the County Commissioners.

1. The Children's Services Board provides services to meet the needs of dependent and neglected children, children with special needs, and children in danger of being judged delinquent. The Children's Services Board is funded in part by the County and the component unit is dependent on the County for accomplishment of its purpose.
2. The Panola County Rural Fire Prevention District No.1 was established in 1996. The District serves the fire prevention needs of rural communities and their volunteer fire departments within Panola County. The District was created to assist the County in providing fire prevention services to County residents. Exclusion of the District from Panola County's financial statements would result in the financial statements being incomplete.

Complete financial statements can be obtained from the Panola County Auditor's Office at:  
Courthouse Annex Room 213A  
Carthage, Texas 75633

**B. Financial Reporting**

The general purpose financial statements show the basic financial statements of the County by providing a combined overview of financial position and results of operations of the County. The total "Memorandum Only" columns in these statements are presented for overview information purposes only and are not meant to fairly present financial position or results of operations for the County as a whole in conformity with generally accepted accounting principles.

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000

C. Fund Accounting

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate entity.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into five generic fund types and two broad fund categories as follows:

GOVERNMENTAL FUND TYPES

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

INTERNAL SERVICE FUND

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

Employee Benefits Administration Fund - This fund is used to account for the County's residual medical self-insurance fund that existed prior to June 1, 1988; federal income tax withheld, social security, retirement, group insurance premiums, other employee benefits and deductions, and the related payment of the resulting liabilities generated by such activities. Effective June 1, 1988, the County ceased funding its self-insurance program. However, the funds existing prior to cessation are still maintained in anticipation of possibly resuming the self-insurance program at a future date.

Also accounted for in this fund are amounts received from and recognized as expenditures in the appropriate governmental fund representing payroll taxes, retirement, group insurance, workers' compensation insurance, and other employee benefits, and the related liabilities resulting from such transactions. These amounts are flow through monies, having no effect on results of operations. Interest earnings and refunds from insurance carriers are retained in the fund to assist in the financing of future employee benefits.

**Hospital Self Insurance Malpractice Fund** - Prior to cessation of operations of Panola General Hospital in 1997, the Hospital Board of Managers adopted a program of self insurance for professional liability. The purpose of the fund currently is to account for any future malpractice or professional liabilities that might arise from activities of the former Panola General Hospital prior to December 1, 1997.

**D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental and agency funds are accounted for using the modified accrual basis of accounting. The modified accrual basis recognizes revenues that are susceptible to accrual when measurable and available. Property tax revenues, the County's primary revenue source, although measurable, are not available and thus not susceptible to accrual as revenues.

All other significant revenues are accounted for over the modified accrual basis.

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred except for principal and interest on general long-term debt which is recognized when due. Expenditures are recognized when the services or goods are received.

The County does not utilize a formal encumbrance accounting system.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. These funds use the full accrual method of accounting for both revenues and expenses similar to commercial enterprise.

**E. Budgets and Budgetary Accounting**

The County Judge is by statute the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, the County Judge sets forth budget guidelines and recommendations to the Commissioners' Court. The County's budget is prepared annually on a modified accrual basis.

A public hearing is held on the budget by the Commissioners' Court. Department heads and any other interested citizens may appear. Before adopting the final budget, the Commissioners' Court may increase or decrease the amounts requested by the Judge. Amounts finally budgeted may not exceed the estimate of revenues and available cash. Appropriations lapse at fiscal year-end.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is on a line-item basis by department.

Amendments may not be made during the year without approval by the Commissioners' Court. The final amended budget is used in this report. No supplemental budgetary appropriations were necessary during the year.

The following funds had legally adopted budgets:

- A) General
- B) Road and Bridge
- C) Farm to Market and Lateral Road
- D) Community Supervision and Correction Department
- E) Juvenile Probation - 123rd Judicial District
- F) Probation
- G) Hot Check Fee
- H) Airport Fund
- I) Sheriff's State Forfeiture Fund
- J) District Attorney Forfeiture Fund
- K) Federal Forfeiture Fund
- L) County Health Care Fund
- M) Records Preservation Fund
- N) Records Management Fund
- O) Courthouse Security Fund
- P) State Apportionment - District Attorney
- Q) Certificate of Obligation Interest and Sinking Fund
- R) 1971 Road Bond
- S) Permanent Improvement Fund

#### F. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not included. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated property, plant, and equipment are valued at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

The General Long-Term Debt of Panola County, Texas is serviced out of the Debt Service Fund as listed below:

The Certificates of Obligation Fund paid debt service requirements on long-term debt obligations. The certificates matured in increments of \$400,000 per year beginning in 1991 and ending in 2000. The debt was financed by tax revenues and was issued in 1990 for the purpose of financing construction of improvements and additions to Panola General Hospital.

**G. Deposits, Securities, and Investments**

The County invested its funds during the year in demand deposit checking accounts and certificates of deposit. The depository bank deposits for safekeeping and trust with the County's agent bank, approved pledged securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") Insurance.

Panola County is legally authorized to invest in obligations of the United States or its agencies, direct obligations of the State of Texas or its agencies, and other obligations, the principal and interest of which are guaranteed by the State of Texas or the United States. The County may also invest in the obligations of states and the political subdivisions of any state having received a rating of not less than "A" by a nationally recognized investment rating firm, fully collateralized direct repurchase agreements secured by obligations of the United States or its agencies, and highly rated domestic "commercial paper" with a maturity of 90 days or less (as authorized by Public Funds Investment Act of 1987). The County reporting entity considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

The County's cash deposits at December 31, 2000, were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the financial institutions name. In addition, the following is disclosed regarding coverage of combined balances on December 31, 2000:

- a. Name of the banks:
  - First State Bank and Trust, Carthage, Texas
  - Farmers State Bank, Carthage and Center, Texas
  - Panola National Bank, Carthage, Texas
  - Jefferson Heritage Bank, Carthage, Texas
  - Jacksonville Savings Bank, Jacksonville, Texas
- b. The amount of bond and/or the market value of securities pledged as of December 31, 2000 was: \$38,624,199.
- c. The combined balances of cash, savings, and time deposit accounts and certificates of deposits amounted to \$28,495,767 on December 31, 2000.
- d. Total amount of FDIC coverage at December 31, 2000 was \$1,039,327.



**PANOLA COUNTY, TEXAS  
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The cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are:

- Category 1 -** Deposits which are insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 -** Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 -** Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

The cash deposits are secured as follows:

	Category	Book Balance	Bank Balance
Insured by FDIC	1	\$ 1,063,461	\$ 1,039,327
Pledged Securities held in names of the pledging financial institutions	3	27,289,138	27,456,440
		<u>\$ 28,352,599</u>	<u>\$ 28,495,767</u>

**H. Inventories**

**Governmental Funds:**

Inventories of supplies on hand have not been recorded; such supplies are of an expendable nature and are expensed when purchased. As these amounts do not seem to fluctuate a great deal from year to year, the exclusion of inventories does not materially affect either the financial position or results of operations of these funds.

The inventory amount of \$9,092 in the Airport special revenue fund consists of jet fuel held for consumption stated at cost on a first-in, first out basis.

**I. Vacation Pay and Sick Leave**

**Governmental Funds:**

Vacation benefits are accrued by County employees in accordance with guidelines suggested in the County's personnel policy. Since various departments are supervised by elected and appointed officials, departmental policies established within the guidelines vary by department.

Sick pay policies are uniform throughout the departments. Unused sick leave is non-vesting and terminates at cessation of employment. Accordingly, no provision is made for accrued sick leave at year end.

Employees may accumulate a maximum of fifteen days of vacation leave and are paid for any unused leave upon termination of employment. Unused vacation may not be carried over to the next fiscal year. At December 31, 2000, the County's liability for accrued vacation pay was \$192,456. This amount was calculated on a departmental basis in the various funds and is reflected

**PANOLA COUNTY, TEXAS**  
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**DECEMBER 31, 2000**

in the financial statements. All accrued vacation is expected to be liquidated with expendable available financial resources and is reported as a fund liability of a governmental fund.

**J. Delinquent Taxes Receivable**

Based on the County's history of delinquent collections, delinquent taxes have been reported in the financial statements net of the allowance for uncollectible taxes. Tax revenues are recognized as they become available. Accordingly, an amount equal to taxes not yet available has been reported as deferred revenue.

The following is a summary, by fund, of the gross delinquent taxes and the allowance for uncollectible taxes:

	Delinquent Taxes	Allowance for Uncollectible Taxes	Net Delinquent Taxes
General Fund	\$ 358,843	\$ 256,437	\$ 102,406
Special Revenue Fund			
Road & Bridge	149,340	106,722	42,618
Farm to Market & Lateral Road Fund	17,436	12,460	4,976
Totals	<u>\$ 525,619</u>	<u>\$ 375,619</u>	<u>\$ 150,000</u>

**K. Deferred Revenues and Advance Tax Collections**

Delinquent taxes receivable have been reported in the assets section of the various balance sheets where applicable and offset as deferred revenue in the liabilities section. The delinquent taxes receivable are shown net of allowance for uncollectible taxes.

The County begins to collect taxes for the subsequent fiscal year in October. The advanced tax collections are recognized in the liabilities section of the various balance sheets where applicable.

**L. Total Columns on Combined Statements - Overview**

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

**M. Reserved and Designated Fund Balances**

The purpose of the reservation or designation of fund equity in those funds so affected are as follows:

**Special Revenue Funds:**

The County Health Care Fund has a designated fund balance of \$2,484,473. The balance is designated for county health care expenses as authorized by State statutes.

**Debt Service Fund**

The Debt Service Fund balance of \$35,262 is reserved for future payments of bonded or other indebtedness of the County. The residual equity of the present balance arises from

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transactions involving 1990 Certificates of Obligation. Final payment on these obligations occurred in year 2000.

**Capital Project Funds**

Capital project funds have total designated fund balances of \$374,669. Designation of the fund balances is as follows:

The 1971 Road Bond is designated for the purpose of right of way purchases and related expenditures of future road improvements. The total designation amounts to \$219,958.

The Permanent Improvement Fund is designated for use in anticipated expansion and improvements of the County's airport. The total designation amounts to \$154,711.

**Internal Service Funds**

Internal Service Funds have total reserved fund balances of \$1,708,039. Reservations are as follows:

The Employee Benefits Administration is reserved in anticipation of possibly resuming the County's self-insurance programs. The total reservation amounts to \$1,474,647.

The Hospital Self Insurance Malpractice Fund is reserved for possible future liability claims arising from activities of the former Panola General Hospital prior to December 1, 1997. The total reservation amounts to \$233,392.

**N. Cash and Cash Equivalents**

Cash equivalents include demand deposit and certificates of deposit with an original maturity date of less than 90 days.

**NOTE 2 - AD VALOREM TAXES**

The County's ad valorem taxes are levied on October 1, but do not become due until January 1 of the following year. Taxes become past due February 1 and become delinquent June 30. The County's taxes become a lien on real property on the due date of January 1. This lien is effective until the taxes are paid.

Discounts are offered to taxpayers who pay the taxes in advance of the due date of January 1. The discount is available in decreasing amounts in October, November, and December.

Because the taxes are not due and payable until January 1, there are no current taxes receivable as of December 31.

Any advance collections of taxes prior to the due date are intended for use in the following fiscal and budget year. Following the susceptible to accrual criteria, the advance collections are not available and therefore are recorded as deferred revenues.

Since delinquent taxes were due on January 1 of the fiscal and budget year, any unpaid taxes are recorded as a receivable, net of allowance for uncollectibles.

By policy, any taxes, regardless of character (delinquent, advance) collected between October 1 and December 31 are not available for use until January 1, the beginning of the next fiscal year. Therefore, all of these receivable and advance collections are recorded as deferred revenues in the governmental funds.

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**NOTE 3 - PROPERTY, PLANT AND EQUIPMENT**

The following is a summary of changes in general fixed assets.

	Balance 01/01/00	Additions	Deductions	Balance 12/31/00
<b>General Fixes Assets Account Group</b>				
Land	\$ 1,089,479	\$	\$	\$ 1,089,479
Building	6,881,668			6,881,668
Improvements Other Than Buildings	90,033			90,033
Equipment	4,883,475	839,636	538,328	5,184,783
	<u>\$12,944,655</u>	<u>\$ 839,636</u>	<u>\$ 538,328</u>	<u>\$13,245,963</u>
<b>Component Unit - Panola County Rural Fire District</b>				
Equipment	\$ 313,998	\$ 236,893	\$ -0-	\$ 550,891

No depreciation has been provided on General Fixed Assets.

**NOTE 4 - LONG-TERM DEBT**

The following is a summary of transactions involving general long-term debt for the year ended December 31, 2000.

Certificates of Obligation Payable January 1, 2000	\$ 400,000
Certificates of Obligation Retired	(400,000)
Certificates of Obligation Payable December 31, 2000	\$ -0-

**NOTE 5 - LEASE OBLIGATIONS**

Equipment and vehicles under capital leases has been capitalized in accordance with Financial Accounting Standards Board Pronouncement #13.

The Road and Bridge Fund leases equipment under capital leases expiring in 2002. The equipment is recorded in the General Fixed Asset Account Group at a value of \$618,400. The leases are included as Capital leases payable in the General Long-Term Debt Account Group.

Changes in total minimum lease payments are as follows:

	Balance 01/01/00	Addition	Payment Principal	Interest	Balance 12/31/00
<b>General LTD</b>	371,040		123,680	17,973	247,360
	<u>\$ 371,040</u>	<u>\$ 0</u>	<u>\$ 123,680</u>	<u>\$ 17,973</u>	<u>\$ 247,360</u>

PANOLA COUNTY, TEXAS  
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Future minimum lease payments under all capital leases as of December 31, 2000 are as follows:

Year Ending December 31	General Long-Term Debt
2001	\$ 138,522
2002	131,101
Total minimum lease payments	269,623
Lease amount representing imputed interest	22,263
Present value of net minimum lease payments	\$ 247,360

**NOTE 6 - PENSION PLAN****Plan Description**

Panola County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 502 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 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 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

**Funding Policy**

The County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. It was 12.00% for calendar year 2000. The contribution rate payable by the employee members is the rate of 7% as adopted by the Commissioners Court of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

**PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

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**Annual Pension Cost**

For the employer's accounting year ending December 31, 2000, the annual pension cost for the TCDRS plan for its employees was \$478,587, and the actual contributions were \$478,587.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 1998, the basis for determining the contribution rate for calendar year 2000. The December 31, 1999 actuarial valuation is the most recent valuation.

Actuarial Valuation Information			
	12/31/97	12/31/98	12/31/99
Actuarial valuation date	Entry age	Entry age	Entry age
Actuarial cost method	Level percentage	Level percentage	Level percentage
Amortization method	of payroll, closed	of payroll, open	of payroll, open
Amortization period	16.6	16.8	15.8
Asset valuation method	Long term	Long term	Long term
	appreciation	appreciation	appreciation
	with adjustment	with adjustment	with adjustment
Actuarial Assumptions:			
Investment return <sup>1</sup>	8.00%	8.00%	8.00%
Projected salary increase <sup>1</sup>	5.9%	5.9%	5.9%
Inflation	4.0%	4.0%	4.0%
Cost of living adjustment	0.0%	0.0%	0.0%

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

Accounting Year Ending	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
12/31/98	\$ 354,416	100.00%	\$ 0
12/31/99	426,272	100.00%	0
12/31/00	478,587	100.00%	0

<sup>1</sup> Includes inflation at the stated rate.

**Schedule of Funding Progress for the Retirement Plan  
for the Employees of Panola County**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Annual Covered Payroll <sup>2</sup> (c)	UAAL as a Percentage of Covered Payroll ((b-a)/(c))
12/31/97	\$ 5,217,485	\$ 7,946,285	\$ 2,728,800	65.66%	\$ 3,498,801	77.99%
12/31/98 <sup>3</sup>	5,734,560	8,764,237	3,029,677	65.43%	3,770,387	80.35%
12/31/99	6,284,187	9,244,030	2,959,843	67.98%	3,822,909	76.23%

<sup>2</sup> The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

<sup>3</sup> Revised economic and demographic assumptions due to an experience review were reflected in this valuation.

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000

**NOTE 7 - CONTINGENT LIABILITY**

- A. The County is contingently liable in respect of law suits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized. The County's liability in specific cases is limited because of the Tort Claims Act to \$100,000. The County's legal counsel is of the opinion that should the plaintiff prevail in any cases, the County's liability would be limited by the Tort Claims Act and would be covered by insurance. There have been no settlements that exceeded insurance coverage this year or in the past three years.
- B. The former Panola General Hospital adopted a program of self-insurance for professional liability pursuant to a resolution adopted by the Panola County Commissioners' Court. The Hospital Self Insurance Malpractice Fund is to be used to account for claims that may arise for activities of Panola General Hospital prior to December 1, 1997. Any claims successfully asserted against the former Hospital are to be paid from these funds.

The former Hospital had no history of professional liability claims upon which to base an accrual; therefore, a provision for accrued liability claims is not provided for in the financial statements.

- C. The County, nor any of its component units are members of a public entity risk pool as defined in GASB Statement 10. The County manages and finances risk by purchasing commercial insurance and as discussed previously, by retaining the risk of loss. All known claims related to the year ending December 31, 2000 have been accrued and expensed in the current financial statements. Disclosure of loss contingencies will be made when there is a reasonable possibility that a loss has been incurred. There have been no significant reductions in insurance coverage in the current year.
- D. Currently, the County and its counsel are not aware of any threatened or pending litigation.

**NOTE 8 - COMMITMENTS**

During the course of routine business of the County, contracts and agreements are entered into for various products and services. Although appropriations lapse at the end of the budget year, the County intends to honor any existing commitments and provide for future expenditures by inclusion in the next budget period.

Some of the predominant obligations and matters the County faces in the next year are indigent health care, funding for self-insurance and non-availability of certain types of insurance (or at significantly higher costs).

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000

**NOTE 9 - INTER-FUND RECEIVABLES AND PAYABLES**

Individual Inter-fund receivables and payables balances at December 31, 2000, were as follows:

Fund	Due From Other Funds	Due To Other Funds
General Fund	\$ 140,486	\$ 36,391
Special Revenue Funds		
Road & Bridge	76,906	\$ 16,696
Farm to Market and Lateral Road Fund	5,053	-0-
Community Supervision and Correction	27,666	6,697
Juvenile Probation	295	2,655
Hot Check Fee	1,861	489
Sheriff State Forfeiture Fund	-0-	-0-
District Attorney Forfeiture Fund	-0-	485
Airport Fund	-0-	-0-
Records Preservation	2,334	-0-
Records Management	519	-0-
Courthouse Security	1,131	-0-
Total Primary Government Special Revenue Fund	115,765	27,022
Internal Service Fund		
Payroll Taxes & Benefits	\$ 62,334	\$ -0-
Agency Funds		
Automobile Registration	-0-	6,115
Tax Collector Assessor Ad Valorem Tax	-0-	154,471
County Clerk	-0-	19,612
Criminal Justice	8,208	2,642
District Clerk	-0-	33,715
Peace Justice Court	-0-	16,472
Community Supervision and Correction	-0-	27,210
Juvenile Probation	-0-	325
District Attorney	-0-	2,418
Sheriff Collection	-0-	400
Total Agency Funds	\$ 8,208	\$ 263,380
Total Primary Government	\$ 326,793	\$ 326,793

## COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**GENERAL FUND**

The General Fund is a constitutional fund and is utilized to account for all County revenues and expenditures except those which are required by law to be classed in other constitutional funds and such other funds that are presented separately to facilitate proper accountability.



PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>PROPERTY TAXES</b>			
Current	\$5,046,610	\$5,060,891	\$14,281
Delinquent	117,115	161,383	44,268
Total Property Taxes	5,163,725	5,222,274	58,549
<b>INTERGOVERNMENTAL RECEIPTS</b>			
State Judicial	5,000	26,530	21,530
City - Public Library	66,585	66,585	0
Law Enforcement Officer	500	6,998	6,498
Exposition Building	1,359	1,359	0
Carthage School Tax			
Collection Contract	43,000	45,250	2,250
City of Carthage Tax			
Collection Contract	6,000	6,000	0
Total Intergovernmental Receipts	122,444	152,722	30,278
<b>FEES OF OFFICE</b>			
County Judge	1,000	1,983	983
Sheriff	12,000	44,736	32,736
District Attorney	2,000	5,142	3,142
County Clerk	97,000	132,144	35,144
Tax Assessor-Collector	95,000	128,265	33,265
District Clerk	15,000	50,376	35,376
County Treasurer	4,000	13,885	9,885
Justices of the Peace	20,000	45,254	25,254
Total Fees of Office	246,000	421,785	175,785
<b>MISCELLANEOUS</b>			
Interest Earned	286,505	693,549	407,044
Law Library	1,000	14,852	13,852
Interest from Health Fund	0	11,441	11,441
Hospital Bad Debt Collections	0	322,640	322,640
Exposition Building	0	4,450	4,450
Miscellaneous	4,466	160,264	155,798
Total Miscellaneous	291,971	1,207,196	915,225
Total Revenues	\$5,824,140	\$7,003,977	\$1,179,837

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

**PANOLA COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES</b>			
<b>GENERAL ADMINISTRATION</b>			
<b>COUNTY JUDGE</b>			
Salary - County Judge	\$39,303	\$39,303	\$0
Salary - Co. Judge Admin. Assist	23,890	23,890	0
Social Security	4,835	4,834	1
Group Medical Insurance	8,983	8,982	1
Retirement and Death Benefits	7,900	7,811	89
Worker's Compensation	108	77	31
Unemployment Insurance	239	160	79
Office Supplies, Postage & Repairs	2,100	1,258	842
Telephone	400	362	38
Conferences and Dues	1,250	310	940
Miscellaneous	150	0	150
Capital Outlay - Furniture & Equipment	250	0	250
<b>Total County Judge</b>	<b>89,408</b>	<b>86,987</b>	<b>2,421</b>
<b>COMMISSIONERS</b>			
Salaries - Commissioners	127,048	127,048	0
Salaries - Secretaries	18,375	18,304	71
Assistant ADA Coordinator	585	582	3
Social Security Taxes	11,170	11,165	5
Group Insurance	22,457	22,456	1
Retirement and Death Benefits	18,251	18,038	213
Workers Compensation	1,586	1,430	156
Unemployment Insurance	190	127	63
Office Supplies, Postage and Repairs	1,200	761	439
Communication Telephone	800	456	344
Miscellaneous	600	0	600
Conferences and Dues	4,500	3,955	545
Capital Outlay - Furniture and Equipment	250	0	250
<b>Total Commissioners</b>	<b>207,012</b>	<b>204,322</b>	<b>2,690</b>

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

PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES (cont'd.)			
GENERAL ADMINISTRATION (con'td.)			
COUNTY CLERK			
Salary - County Clerk	31,762	31,762	0
Salary - Deputies	93,545	92,162	1,383
Social Security	9,586	9,481	105
Group Medical Insurance	26,820	26,820	0
Retirement and Death Benefits	15,663	15,318	345
Worker's Compensation	201	152	49
Unemployment Insurance	936	619	317
Office Supplies, Postage & Repairs	12,750	7,434	5,316
Telephone	450	40	410
Rentals, Microfilming & Indexing	51,621	38,999	12,622
Conferences & Dues	1,400	373	1,027
Miscellaneous	250	0	250
Capital Outlay - Furniture & Equipment	1,750	1,750	0
Total County Clerk	246,734	224,910	21,824
VETERANS SERVICE OFFICER			
Salary - Service Officer	23,000	23,000	0
Salary - Secretary	18,375	18,304	71
Social Security	3,166	3,160	6
Group Medical Insurance	8,983	8,982	1
Retirement and Death Benefits	5,172	5,131	41
Worker's Compensation	67	50	17
Unemployment Insurance	414	249	165
Office Supplies, Postage & Repairs	1,300	667	633
Telephone	600	318	282
Conferences and Dues	500	223	277
Programming & Computer	1,200	969	231
Miscellaneous	250	6	244
Total Vet. Service Officer	63,027	61,059	1,968

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

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PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES (con't'd.)			
GENERAL ADMINISTRATION (con't'd.)			
AIRPORT			
Airport Manager	19,120	18,550	570
Advertising and Publications	0	0	0
Social Security	1,463	1,419	44
Group Insurance	4,492	4,491	1
Retirement	2,390	2,293	97
Workers Compensation	312	312	0
Unemployment Insurance	192	128	64
Office Supplies	1,500	519	981
Repair and Maintenance	4,000	3,072	928
Professional Services	2,500	1,157	1,343
Communication Telephone	400	72	328
Utilities	7,500	6,294	1,206
Contractor Service	3,000	2,565	435
Repairs and Renovation	3,445	2,884	561
Rentals and Leases	500	499	1
Total Airport	50,814	44,255	6,559

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

PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES (cont'd.)			
GENERAL ADMINISTRATION (con'td.)			
MISCELLANEOUS AND NON-DEPARTMENTAL			
Floating Secretary	16,704	15,533	1,171
Airport Operations	61,000	0	61,000
Advertising and Publications	15,000	6,088	8,912
Social Security	1,323	1,188	135
Group Insurance	4,492	4,108	384
Retirement	2,161	1,954	207
Workers Compensation	598	32	566
Unemployment Insurance	173	110	63
Retired Employee Medical	114,039	95,580	18,459
Appraisal District	127,516	98,267	29,249
Outside Audit	29,000	26,480	2,520
Economic Development	13,510	13,510	0
East Texas Regional Water Planning	2,000	0	2,000
Computer Services	308,480	253,042	55,438
Professional Services	30,840	30,840	0
Postage	48,000	47,726	274
Emergency Management	2,000	671	1,329
911 Supplies	20,000	0	20,000
Fax Machine	500	55	445
Physicals & Drug Screening	3,000	890	2,110
Capital Outlay - Furniture and Equipment	31,170	26,370	4,800
Dues, Memberships & Fees	5,000	4,997	3
Insurance/liab., fire, etc.	165,686	141,179	24,507
Historical Markers	1,000	0	1,000
Historical Society	6,564	4,441	2,123
Historical Library	1,000	0	1,000
Industrial Development	2,500	0	2,500
Loss Control Coordinator	585	0	585
Miscellaneous	1,500	776	724
A.D.A. Compliance	2,600	0	2,600
Copy Machine Rental & Supplies	20,000	15,285	4,715
Soil and Conservation Contract	1,000	1,000	0
Communication Telephone	45,000	45,000	0
Loss Control	3,000	0	3,000
Total Miscellaneous and Non-Departmental	1,086,941	835,122	251,819
Total General Administration	1,743,936	1,456,655	287,281

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

**PANOLA COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (cont'd.)</b>			
<b>JUDICIAL</b>			
<b>DISTRICT COURT</b>			
Salary - Court Reporter	28,660	28,660	0
Salary - Secretary	21,852	21,852	0
Social Security	3,253	3,252	1
Group Medical Insurance	8,983	8,982	1
Retirement and Death Benefits	5,315	5,254	61
Worker's Compensation	69	52	17
Unemployment Insurance	426	284	142
Office Supplies, Postage & Repairs	1,000	999	1
Administrative Professional Expense	2,500	2,159	341
Telephone	400	394	6
Conference and Dues	1,200	1,170	30
Capital Outlay - Furniture & Equipment	1,000	0	1,000
Visiting Court Reporters	1,500	450	1,050
Law Books for Law Library	400	77	323
Miscellaneous	600	445	155
<b>Total District Court</b>	<b>69,158</b>	<b>66,030</b>	<b>3,128</b>
<b>COUNTY COURT AT LAW</b>			
Salary - County Court at Law Judge	101,700	101,700	0
Salary - Court Reporter	36,030	36,030	0
Visiting Judges	1,000	592	408
Social Security	10,537	8,955	1,582
Group Medical Insurance	8,983	8,982	1
Retirement and Death Benefits	17,217	17,023	194
Worker's Compensation	220	163	57
Unemployment Insurance	361	241	120
Office Supplies, Postage & Repairs	1,400	804	596
Telephone	600	63	537
Conferences and Dues	1,100	682	418
Miscellaneous	300	120	180
Capital Outlay - Furniture & Equipment	2,150	2,150	0
<b>Total County Court at Law</b>	<b>181,598</b>	<b>177,505</b>	<b>4,093</b>

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

PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES (cont'd.)			
JUDICIAL (con'td.)			
DISTRICT CLERK			
Salary - District Clerk	31,762	31,762	0
Salaries - Deputies	93,545	93,184	361
Social Security	9,586	9,559	27
Group Medical Insurance	26,948	26,947	1
Retirement and Death Benefits	15,663	14,993	670
Worker's Compensation	201	152	49
Unemployment Insurance	936	624	312
Office Supplies, Postage & Repairs	14,000	13,464	536
Professional Services	250	250	0
Telephone	600	424	176
Conferences and Dues	2,663	1,944	719
Capital Outlay - Furniture & Equipment	0	0	0
Rentals, Microfilming, & Indexing	31,269	3,200	28,069
Miscellaneous	300	0	300
Total District Clerk	227,723	196,503	31,220
JUSTICE OF THE PEACE PCT. 1 & 4			
Salaries - Justice of the Peace	30,299	30,299	0
Salaries - Secretary	25,516	23,994	1,522
Social Security	4,270	4,128	142
Group Medical Insurance	11,032	9,759	1,273
Retirement and Death Benefits	6,977	6,711	266
Worker's Compensation	97	68	29
Unemployment Insurance	255	153	102
Office Supplies and Repairs	2,675	2,635	40
Professional Services	6,400	4,661	1,739
Telephone	600	356	244
Travel	1,450	1,102	348
Conferences and Dues	1,000	300	700
Capital Outlay - Furniture & Equipment	695	0	695
Miscellaneous	200	179	21
Total Justices of the Peace Pct. 1 and 4	91,466	84,345	7,121

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

**PANOLA COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd.)</b>			
<b>ELECTIONS</b>			
<b>VOTER REGISTRATION</b>			
Salary - Voter Registrar	21,173	21,091	82
Deputies	17,018	16,952	66
Social Security	2,922	2,910	12
Group Medical Insurance	8,983	8,982	1
Retirement and Death Benefits	4,774	4,702	72
Worker's Compensation	60	46	14
Unemployment Insurance	382	255	127
Office Supplies and Repairs	2,500	2,500	0
Telephone	600	8	592
Professional Services	16,150	16,105	45
Conferences and Dues	700	235	465
Capital Outlay - Furniture & Equipment	0	0	0
Miscellaneous	355	72	283
<b>Total Voter Registration</b>	<b>75,617</b>	<b>73,858</b>	<b>1,759</b>
<b>Total Elections</b>	<b>97,815</b>	<b>84,654</b>	<b>13,161</b>
<b>FINANCIAL ADMINISTRATION</b>			
<b>AUDITOR</b>			
Salary - Auditor	34,924	34,924	0
Salaries - Assistant Auditors	57,367	57,367	0
Social Security	7,061	7,060	1
Group Medical Insurance	13,474	13,474	0
Retirement and Death Benefits	11,537	11,407	130
Worker's Compensation	149	112	37
Unemployment Insurance	923	616	307
Office Supplies and Repairs	1,400	981	419
Professional Computer Services	1,700	0	1,700
Telephone	600	335	265
Conferences and Dues	3,300	2,938	362
Re-creation, printing	1,200	1,055	145
Miscellaneous	376	185	191
<b>Total Auditor</b>	<b>134,011</b>	<b>130,454</b>	<b>3,557</b>

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



PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd.)</b>			
<b>FINANCIAL ADMINISTRATION (Cont'd.)</b>			
<b>TREASURER</b>			
Salary - Treasurer	31,762	31,762	0
Salary - Secretary	18,375	18,304	71
Social Security	3,836	3,830	6
Group Medical Insurance	8,983	8,983	0
Retirement and Death Benefits	6,267	6,188	79
Worker's Compensation	79	61	18
Unemployment Insurance	184	123	61
Office Supplies and Repairs	2,300	1,530	770
Telephone	300	234	66
Professional Computer Services	5,000	4,935	65
Advertising and Legal Notices	500	154	346
Conferences and Dues	1,800	1,110	690
Capital Outlay - Furniture & Equipment	1,000	0	1,000
Miscellaneous	0	0	0
<b>Total Treasurer</b>	<b>80,386</b>	<b>77,214</b>	<b>3,172</b>
<b>TAX ASSESSOR-COLLECTOR</b>			
Salary - Tax Assessor-Collector	31,762	31,762	0
Salaries - Deputies	113,590	110,253	3,337
Salaries - Extra Help	7,425	6,113	1,312
Social Security	11,688	11,332	356
Group Medical Insurance	31,056	31,055	1
Retirement and Death Benefits	19,098	18,292	806
Worker's Compensation	245	185	60
Unemployment Insurance	1,211	766	445
Office Supplies and Repairs	2,500	1,843	657
Telephone and Teletype	1,550	159	1,391
Conference and Dues	4,000	1,267	2,733
Re-creation, printing	5,665	0	5,665
Capital Outlay - Furniture and Equipment	1,000	0	1,000
Miscellaneous	250	0	250
<b>Total Tax Assessor-Collector</b>	<b>231,040</b>	<b>213,027</b>	<b>18,013</b>
<b>Total Financial Admin.</b>	<b>445,437</b>	<b>420,695</b>	<b>24,742</b>

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

PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd.)</b>			
<b>PUBLIC FACILITIES</b>			
<b>BUILDING MAINTENANCE</b>			
Salary - Building Superintendent	20,039	19,466	573
Seasonal Help	168	168	0
Custodial Director	0	0	0
Housekeeper	48,946	40,789	157
Auto Allowance - Superintendent	1,152	1,048	104
Social Security	5,195	4,700	495
Group Medical Insurance	16,916	16,432	484
Retirement	8,149	7,591	558
Worker's Compensation	1,548	1,303	245
Unemployment Insurance	680	422	258
S.W.E.A.T. Supplies	5,000	3,422	1,578
Operating Supplies	24,000	23,901	99
Repair and Maintenance Supplies	23,220	22,941	279
Professional Services & Heat Control	25,006	24,328	678
Utilities	37,795	35,737	2,058
Repairs and Renovations	96,976	96,934	42
Capital Outlay - Furniture and Equipment	3,500	3,500	0
Miscellaneous	756	416	340
Total Building Maintenance	311,046	303,098	7,948
Total Public Facilities	311,046	303,098	7,948
<b>PUBLIC SAFETY</b>			
<b>SHERIFF</b>			
Salary - Sheriff	31,762	31,762	0
Salary - Chief Deputy	29,776	29,776	0
Salaries - Secretaries	36,750	36,608	142
Salaries - Administrative Support	18,375	18,304	71
Salaries - Juvenile Investigator	23,844	23,610	234
Salaries - Patrol and Investigative Deputies	243,059	241,512	1,547
Criminal Investigators	54,679	53,660	1,019
Narcotics Investigator	28,504	28,504	0
S.W.E.A.T. Coordinator	27,087	25,646	1,441
Social Security	37,779	37,344	435
Group Medical Insurance	85,405	83,285	2,120
Retirement and Death Benefits	61,730	61,171	559
Worker's Compensation	9,294	8,170	1,124
Unemployment Insurance	4,939	3,057	1,882
Canine Expense	3,000	2,419	581

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

PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd.)</b>			
<b>PUBLIC SAFETY</b>			
<b>SHERIFF (Cont'd)</b>			
Uniforms	9,000	7,701	1,299
Office Supplies	19,500	17,912	1,588
Telephone and Radio Communications	10,000	8,367	1,633
Gasoline, Auto Parts and Repairs	83,149	78,843	4,306
Conference, Dues, Lodging & Meals	18,492	13,069	5,423
Law Enforcement Officer	500	500	0
Capital Outlay - Equipment and Autos	117,504	117,503	1
Miscellaneous	4,300	4,251	49
Total Sheriff	958,428	932,974	25,454
<b>CONSTABLE PCT. 1 AND 4</b>			
Salary - Constable Precinct #1	30,299	30,299	0
Social Security	2,318	2,318	0
Group Medical Insurance	4,492	4,491	1
Retirement and Death Benefits	3,788	3,745	43
Worker's Compensation	555	555	0
Uniforms	600	585	15
Conferences & Dues	1,000	25	975
Capital Outlay	650	0	650
Miscellaneous	450	277	173
Total Constable Pct. 1 & 4	44,152	42,295	1,857
<b>CONSTABLE PCT. 2 AND 3</b>			
Salary - Constable Precinct #2	30,299	30,299	0
Social Security	2,318	2,318	0
Group Medical Insurance	4,492	4,491	1
Retirement and Death Benefits	3,788	3,745	43
Worker's Compensation	555	555	0
Uniforms	385	213	172
Telephone	600	339	261
Law Enforcement Officer	700	234	466
Conferences & Dues	385	145	240
Capital Outlay	0	0	0
Miscellaneous	1,726	1,692	34
Total Constable Pct. 2 & 3	45,248	44,031	1,217

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

**PANOLA COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd.)</b>			
<b>PUBLIC SAFETY (Cont'd.)</b>			
<b>CORRECTIONS</b>			
Salary - Sergeant/Jailors/ and Dispatchers	354,269	343,040	11,229
Social Security	26,719	26,317	402
Group Medical Insurance	67,849	64,334	3,515
Retirement	37,877	37,076	1
Worker's Compensation	6,471	4,053	2,418
Unemployment Insurance	3,549	2,178	1,371
Clothing and Bedding	2,000	1,781	219
Jail Laundry	2,500	951	1,549
Jail Board - Prisoners	76,000	72,914	3,086
Medical - Prisoners	78,000	71,543	6,457
Utilities	32,000	30,313	1,687
Architects Fees	75,250	75,250	0
Jail Repairs and Maintenance	8,000	7,170	830
Jail Repairs and Renovations	19,000	16,620	2,380
Capital Outlay - Machinery and Equipment	7,000	5,154	1,846
Rentals	3,200	1,977	1,223
911 Supplies	2,000	677	1,323
Housing Prisoners	24,000	0	24,000
Miscellaneous Supplies	10,000	9,579	421
Miscellaneous	5,000	4,979	21
<b>Total Corrections</b>	<b>839,884</b>	<b>775,906</b>	<b>63,978</b>
<b>RURAL ADDRESSING</b>			
Salaries - Coordinator	43,808	43,638	170
Social Security	3,352	3,338	14
Group Medical Insurance	8,983	8,983	0
Retirement	5,476	5,404	72
Worker's Compensation	131	78	53
Unemployment Insurance	439	292	147
Office Supplies	2,700	1,737	963
Computer Parts	1,000	718	282
Computer Software	1,200	0	1,200
Telephone	700	458	242
Travel	0	0	0
Conference and Dues	0	0	0
Postage	1,000	20	980
Rental	3,020	2,688	332
Capital Outlay - Furniture & Equipment	2,500	2,500	0
Miscellaneous	500	0	500
<b>Total Rural Addressing</b>	<b>74,809</b>	<b>69,854</b>	<b>4,955</b>

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

PANOLA COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>HIGHWAY PATROL</b>			
Salary - Secretary	18,375	18,304	71
Social Security	1,406	1,399	7
Group Medical Insurance	4,492	4,491	1
Retirement and Death Benefits	2,205	2,205	0
Worker's Compensation	33	22	11
Unemployment Insurance	184	181	3
Telephone	1,250	794	456
Game Warden's Cellular Phone	900	900	0
Office Supplies and Repairs	550	375	175
Miscellaneous	200	200	0
Total Highway Patrol	29,595	28,871	724
<b>FIRE SAFETY</b>			
Fire Services	1,500	1,500	0
Total Fire Safety	1,500	1,500	0
Total Public Safety	1,993,616	1,895,431	98,185
<b>ENVIRONMENTAL PROTECTION</b>			
<b>TRASH DISPOSAL</b>			
Incinerator and Trash Transfers	423,300	376,397	46,903
Total Trash Disposal	423,300	376,397	46,903
Total Environmental Protection	423,300	376,397	46,903
<b>HEALTH AND PAUPERS CARE</b>			
Medical	8,000	7,784	216
Indigent Health Care	104,000	96,110	7,890
Mental Health - Mental Retardation Center	15,000	15,000	0
Statements of Facts	14,000	4,313	9,687
Autopsies, Inquests, & Burials	30,000	24,902	5,098
Mental Evaluation of Prisoners	5,000	450	4,550
Retarded Citizens Association	6,000	6,000	0
Alcohol Abuse Program	3,500	3,500	0
Juvenile Expense	8,000	2,529	5,471
Attorney Fees - Juveniles	20,000	5,969	14,031
Care of Juveniles	57,500	57,500	0
Attorney Fees	90,000	86,639	3,361
Open Door/Juvenile Care	5,000	5,000	0
Miscellaneous	200	0	200
Health Officer	6,000	6,000	0
Total Health and Paupers Care	372,200	321,696	50,504

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

**PANOLA COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd)</b>			
<b>RECREATION</b>			
<b>LIBRARY</b>			
Salaries - Librarians	97,928	96,016	1,912
Temporary Librarian	1,442	1,442	0
Social Security	7,601	7,470	131
Group Medical Insurance	26,475	25,841	634
Retirement and Death Benefits	12,241	11,830	411
Worker's Compensation	258	222	36
Unemployment Insurance	994	653	341
Supplies & Books	17,127	17,127	0
Insurance	1,500	839	661
Miscellaneous	570	257	313
Total Library	166,136	161,697	4,439
<b>YOUTH PROGRAMS</b>			
Carthage	10,000	10,000	0
Beckville	3,000	0	3,000
Gary	2,000	2,000	0
Exposition Bldg.-Maintenance	4,359	3,151	1,208
Total Youth Programs	19,359	15,151	4,208
Total Recreation	185,495	176,848	8,647
<b>CONSERVATION</b>			
<b>AGRICULTURAL EXTENSION SERVICE</b>			
Salary - County Extension Agent	8,920	7,823	1,097
Salary - Home Extension Agent	9,662	9,662	0
Expense Allowances - Agents	5,200	4,853	347
Salary - Secretary	18,375	18,187	188
Social Security	3,225	2,212	1,013
Group Medical Insurance	4,492	4,491	1
Retirement and Death Benefit	2,297	2,235	62
Worker's Compensation	33	22	11
Unemployment Insurance	184	170	14
Office Supplies, Postage & Repairs	950	812	138
Telephone	450	225	225
Travel	800	800	0
Conferences and Dues	714	713	1
Miscellaneous Supplies	250	72	178
Furniture and Equipment	0	0	0
Miscellaneous	314	71	243
Total Extension Service	55,866	52,348	3,518
Total Conservation	55,866	52,348	3,518
Total Expenditures	6,601,540	5,946,572	654,968

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

**PANOLA COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
Excess (Deficiency) Revenues Over Expenditures	(777,400)	1,057,405	1,834,805
FUND BALANCE, BEGINNING	8,752,277	8,752,277	0
FUND BALANCE, ENDING	\$7,974,877	\$9,809,682	\$1,834,805

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

## SPECIAL REVENUE FUNDS

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

### Special Revenue Funds:

**Road and Bridge Fund** - This fund is used to account for monies designated for use in road and bridge work of the County. Primary sources of revenues include ad valorem taxes, automobile registration fees, County and District fees, and State allotments of road funds. Revenues are used for public transportation maintenance and construction purposes.

**Farm to Market and Lateral Road Fund** - This fund is similar to the Road and Bridge Fund. Primary sources of revenues are ad valorem taxes. These taxes are authorized by the State and allow counties to include in their tax rates ad valorem taxes levied by the State in previous years.

**Community Supervision and Correction Department - 123rd Judicial District** - This fund is used to account for the revenues and expenditures generated by the Community Supervision and Correction Department in the supervision and administration of probationers reportable to the 123rd jurisdiction. Financing is provided by probation fees collected by the department and funding by the State of Texas based on probationers' supervision caseloads. Payment of operating expenditures is administered by the County.

**Juvenile Probation Fund** - This fund is used to account for the revenues and expenditures associated with the supervision and administration of juvenile probationers reportable in Panola County. Financing is provided by State aid. Fiscal services are provided by the County.

**Probation Fund** - This fund represents remaining carryover funds from the old tri-county probation system before the jurisdiction of probation departments in the State were placed under the authority of the Texas Adult Probation Commission. Current revenues are primarily from interest earnings on invested funds. Certain capital outlay expenditures and certain repairs to capital items are not authorized in the adult probation fund. This fund is used to account for these type expenditures.

**Airport Authority Fund** - This fund is used to account for hangar rentals and miscellaneous upkeep of Sharpe Field, the airport serving Panola County. The Panola County Airport Authority is governed by a Board of Managers appointed by the Commissioners Court.

**Hot Check Fee Fund** - The scope of the District Attorney's responsibilities include the collection of "hot checks" issued to merchants and others in the County. A fee is assessed to the maker of the "hot check". These fees are generally available for use at the discretion of the District Attorney, without Commissioners' Court approval.

**Sheriff's State Forfeiture Fund** - This fund is used to account for funds allocated by the State from drug money confiscated within County boundaries.

**District Attorney Forfeiture Fund** - This fund is used to account for the funds received after forfeiture proceedings are final involving drug cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for illegal drug investigation matters. The funds do not require approval by the Commissioners Court. However, the District Attorney is required to submit a budget to the Court before expenditures are made.

**Special Revenues - Continued**

**Federal Forfeiture Fund** - This fund is used to account for funds received from the federal government. These funds represent cash seized and forfeited relative to certain drug cases.

**County Health Care Fund** - This fund is to be used only to finance items related to providing healthcare to county residents including indigent resident.

**Records Preservation Fund** - This fund is to be used for records preservation services performed by the County Clerk after the filing and recording of a document in the records of the office of the clerk.

**Records Management Fund** - This fund is to be used for the management of the County Clerk records similar to the Records Preservation Fund.

**Courthouse Security Fund** - This fund was created to finance the cost of providing security services for buildings housing a district or county court. It is funded by fees collected on federal or misdemeanor convictions.

**State Apportionment D.A. Fund** - This fund is used to account for revenues and expenditures used for purposes of the Criminal District Attorney's Office. It is used primarily to defray salary expenses of the D.A. Office employees. Funding is provided by the State of Texas.

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Exhibit "9"

**PANOLA COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2000**

	ROAD AND BRIDGE FUND	F M AND LATERAL ROAD FUND	COMMUNITY SUPERVISION AND CORRECTION FUND	JUVENILE PROBATION FUND
<b>ASSETS</b>				
Cash -Demand Deposits	\$71,050	\$15,188	\$38,055	\$14,162
Cash -Time Deposits	4,859,969	843,162	39,000	60,000
Receivables (net of allowance for doubtful accounts )				
Delinquent Taxes	42,618	4,976		
Miscellaneous	39,216	140,730	67	6,177
Note Receivable				
Inventory				
Due From Other Funds	76,906	5,053	27,666	295
<b>Total Assets</b>	<b>\$5,089,759</b>	<b>\$1,009,109</b>	<b>\$104,788</b>	<b>\$80,634</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts Payable-Trade	\$31,518	\$50,537	\$3,870	\$10,547
Deferred Tax Revenues	2,037,655	\$235,128		
Other Deferred Revenues				
Accrued Salaries and Vacations		64,709	18,835	
Due to Other Funds	16,696		6,697	2,655
Other Accrued Expenditures	8,580			
<b>TOTAL LIABILITIES</b>	<b>2,094,449</b>	<b>350,374</b>	<b>29,402</b>	<b>13,202</b>
<b>FUND BALANCE:</b>				
Unreserved				
Designated				
Undesignated	2,995,310	658,735	75,386	67,432
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$5,089,759</b>	<b>\$1,009,109</b>	<b>\$104,788</b>	<b>\$80,634</b>

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



PROBATION FUND	PANOLA COUNTY AIRPORT AUTHORITY FUND	HOT CHECK FEE FUND	SHERIFF'S STATE FORFEITURE FUND	DISTRICT ATTORNEY FORFEITURE FUND
\$568 12,000	\$1,594 100,000	\$31,539	\$49,735	\$72,483
69	2,229 9,092	1,861	22,300	19,564
\$12,637	\$112,915	\$33,400	\$72,035	\$92,047
		\$147	\$5,581	\$179
		489		485
0	0	636	5,581	664
12,637	112,915	32,764	66,454	91,383
\$12,637	\$112,915	\$33,400	\$72,035	\$92,047

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

PANOLA COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2000

	FEDERAL FORFEITURE FUND	COUNTY HEALTH CARE FUND	RECORDS PRESERVATION FUND	RECORDS MANAGEMENT FUND
<b>ASSETS</b>				
Cash - Demand Deposits	\$120		\$23,199	\$22,968
Cash - Time Deposits		\$2,451,247	74,000	
Receivables (net of allowance for doubtful accounts)				
Delinquent Taxes				
Miscellaneous		33,226	244	
Note Receivable				
Inventory				
Due From Other Funds			2,334	519
<b>Total Assets</b>	<b>\$120</b>	<b>\$2,484,473</b>	<b>\$99,777</b>	<b>\$23,487</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts Payable-Trade	\$120			
Deferred Tax Revenues				
Other Deferred Revenues				
Accrued Salaries and Vacations				
Due to Other Funds				
Other Accrued Expenditures				
<b>TOTAL LIABILITIES</b>	<b>120</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCE:</b>				
Unreserved				
Designated		2,484,473		
Undesignated			99,777	23,487
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$120</b>	<b>\$2,484,473</b>	<b>\$99,777</b>	<b>\$23,487</b>

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

COURT- HOUSE SECURITY FUND	STATE APPOR- TION- MENT DA FUND	TOTALS PRIMARY GOVERNMENT
\$1,169		\$341,830
91,000		8,530,378
		0
		47,594
613		264,435
		0
		9,092
1,131		115,765
\$93,913	\$0	\$9,309,094
		\$102,499
		2,272,783
		0
		83,544
		27,022
		8,580
0	0	2,494,428
		2,484,473
93,913	0	4,330,193
\$93,913	\$0	\$9,309,094

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

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PANOLA COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
AND CHANGES IN FUND BALANCES  
DECEMBER 31, 2000

	ROAD AND BRIDGE FUND	F M AND LATERAL ROAD FUND	COMMUNITY SUPERVISION AND CORRECTION FUND	JUVENILE PROBATION FUND
<b>REVENUES</b>				
Property Taxes	\$2,082,627	\$252,040		
Licenses	443,902			
Intergovernmental Receipts	48,117		370,837	242,721
Fees of Office			347,239	1,925
Fines	315,297			
Miscellaneous	291,829	182,373	9,851	9,424
<b>TOTAL REVENUES</b>	<b>3,181,772</b>	<b>434,413</b>	<b>727,127</b>	<b>254,070</b>
<b>EXPENDITURES</b>				
Current				
General Administration				
Judicial				
Legal				
Public Safety			749,917	250,090
Public Facilities				
Public Transportation	3,054,211	392,884		
Hospital, Health and Paupers Care				
<b>TOTAL EXPENDITURES</b>	<b>3,054,211</b>	<b>392,884</b>	<b>749,917</b>	<b>250,090</b>
Excess (Deficiency) of Revenues Over Expenditures	127,561	41,529	(22,790)	3,980
<b>FUND BALANCE-BEGINNING</b>	<b>2,867,749</b>	<b>617,206</b>	<b>98,176</b>	<b>63,452</b>
<b>FUND BALANCE-ENDING</b>	<b>\$2,995,310</b>	<b>\$658,735</b>	<b>\$75,386</b>	<b>\$67,432</b>

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

PROBATION FUND	PANOLA COUNTY AIRPORT AUTHORITY FUND	HOT CHECK FEE FUND	SHERIFF'S STATE FORFEITURE FUND	DISTRICT ATTORNEY FORFEITURE FUND
		23,568		
638	90,437		56,882	100,384
638	90,437	23,568	56,882	100,384
		22,318		29,973
620			44,224	
	65,185			
620	65,185	22,318	44,224	29,973
18	25,252	1,250	12,658	70,411
12,619	87,663	31,514	53,796	20,972
\$12,637	\$112,915	\$32,764	\$66,454	\$91,383

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

PANOLA COUNTY, TEXAS  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
AND CHANGES IN FUND BALANCES  
DECEMBER 31, 2000

	FEDERAL FORFEITURE FUND	COUNTY HEALTH CARE FUND	RECORDS PRESERVATION FUND	RECORDS MANAGEMENT FUND
<b>REVENUES</b>				
Property Taxes				
Licenses				
Intergovernmental Receipts		42,069		
Fees of Office			33,892	6,028
Fines				
Miscellaneous	46	134,866	3,156	178
<b>TOTAL REVENUES</b>	<b>46</b>	<b>176,935</b>	<b>37,048</b>	<b>6,206</b>
<b>EXPENDITURES</b>				
Current				
General Administration			3,300	
Judicial				
Legal				
Public Safety	2,589			
Public Facilities				
Public Transportation				
Hospital, Health and Paupers Care				
<b>TOTAL EXPENDITURES</b>	<b>2,589</b>	<b>0</b>	<b>3,300</b>	<b>0</b>
Excess (Deficiency) of Revenues Over Expenditures	(2,543)	176,935	33,748	6,206
<b>FUND BALANCE-BEGINNING</b>	<b>2,543</b>	<b>2,307,538</b>	<b>66,029</b>	<b>17,281</b>
<b>FUND BALANCE-ENDING</b>	<b>\$0</b>	<b>\$2,484,473</b>	<b>\$99,777</b>	<b>\$23,487</b>

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

COURT- HOUSE SECURITY FUND	STATE APPORTION- MENT DA FUND	TOTALS PRIMARY GOVERNMENT
		\$2,334,667
		443,902
	34,450	737,394
18,694		431,346
		315,297
5,093		885,157
23,787	34,450	5,147,763
		3,300
		0
		52,291
	34,450	1,081,890
		0
		3,512,280
		0
0	34,450	4,649,761
23,787		498,002
70,126	0	6,316,664
\$93,913	\$0	\$6,814,666

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

**PANOLA COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>PROPERTY TAXES</b>			
Current	\$2,012,693	\$2,018,268	\$5,575
Delinquent	46,708	64,359	\$17,651
Total Property Taxes	2,059,401	2,082,627	23,226
<b>LICENSES</b>			
Motor Vehicle Registration	415,000	443,902	28,902
<b>INTERGOVERNMENTAL RECEIPTS</b>			
State Lateral Road Fund	29,000	30,991	1,991
State Remedial Cleanup	0	2,109	2,109
Weight and Axle Fees	6,000	15,017	9,017
Total Intergovernmental Receipts	35,000	48,117	13,117
<b>FINES</b>			
County and District Court Fines	170,000	315,297	145,297
<b>MISCELLANEOUS</b>			
Interest Earned	111,507	204,178	92,671
Miscellaneous	0	60,852	60,852
Road Damages Reimbursements	0	26,799	26,799
Total Miscellaneous	111,507	291,829	180,322
Total Revenues	2,790,908	3,181,772	390,864
<b>EXPENDITURES</b>			
<b>PUBLIC TRANSPORTATION</b>			
<b>MAINTENANCE-ROADS AND BRIDGES</b>			
Salaries - Road and Bridge Department	919,520	887,620	31,900
Social Security Taxes	70,344	67,894	2,450
Group Insurance	170,642	170,642	0
Retirement and Death Benefits	114,940	109,710	5,230
Workers Compensation	31,429	28,669	2,760
Unemployment Insurance	9,196	5,525	3,671
Retired Employee Medical	92,681	84,290	8,391
Repairs and Maintenance	319,000	306,213	12,787
Parts and Supplies	58,000	53,122	4,878
Miscellaneous Supplies	1,000	1,000	0
Conferences and Dues	900	355	545
Beaver Control Contract	21,600	21,600	0
Contractor Service	0	0	0
Utilities	9,500	9,494	6
Physicals and Drug Screen Testing	1,200	730	470
Rentals and Leases	2,000	1,850	150
Liability and Other Insurance	70,000	68,432	1,568
Miscellaneous	750	750	0
Total Maintenance-Roads and Bridges	1,892,702	1,817,896	74,806

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



PANOLA COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>CAPITAL OUTLAY-ROAD AND BRIDGES</b>			
Furniture & Equipment	482,079	473,352	8,727
Road Oil	447,501	446,552	949
Road Damage Material, etc	219,185	140,548	78,637
Lumber, Piling and Culverts	35,000	34,210	790
Bridge Construction	0	0	0
Principal Payments	123,680	123,680	0
Interest Expense	17,973	17,973	0
<b>Total Construction and Capital Outlay</b>	<b>1,325,418</b>	<b>1,236,315</b>	<b>89,103</b>
<b>Total Expenditures</b>	<b>3,218,120</b>	<b>3,054,211</b>	<b>163,909</b>
<b>Excess (Deficiency) Revenues Over Expenditures</b>	<b>(427,212)</b>	<b>127,561</b>	<b>554,773</b>
<b>FUND BALANCE, BEGINNING</b>	<b>2,867,749</b>	<b>2,867,749</b>	<b>0</b>
<b>FUND BALANCE, ENDING</b>	<b>\$2,440,537</b>	<b>\$2,995,310</b>	<b>\$554,773</b>

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

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PANOLA COUNTY, TEXAS  
FARM TO MARKET AND LATERAL ROAD FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>PROPERTY TAXES</b>			
Current	\$242,260	\$243,015	\$755
Delinquent	5,622	9,025	3,403
Total Property Taxes	247,882	252,040	4,158
<b>MISCELLANEOUS</b>			
Interest Earned	12,612	47,477	34,865
Texas Parks & Wildlife Grant	170,166	134,853	(35,313)
Miscellaneous	0	43	43
Total Miscellaneous	182,778	182,373	(405)
Total Revenues	430,660	434,413	3,753
<b>EXPENDITURES</b>			
<b>PUBLIC TRANSPORTATION</b>			
<b>MAINTENANCE-ROADS AND BRIDGES</b>			
Salaries - Road and Bridge Department	191,803	163,626	28,177
Social Security Taxes	14,673	12,525	2,148
Group Insurance	54,399	48,059	6,340
Retirement and Death Benefits	23,975	20,237	3,738
Workers Compensation	7,952	2,931	5,021
Unemployment Insurance	1,918	0	1,918
Boat Ramp Construction	173,438	119,598	53,840
Engineer/Planning	41,100	25,908	15,192
Total Expenditures	509,258	392,884	116,374
Excess (Deficiency) Revenues Over Expenditures	(78,598)	41,529	120,127
FUND BALANCE, BEGINNING	617,206	617,206	0
FUND BALANCE, ENDING	\$538,608	\$658,735	\$120,127

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

PANOLA COUNTY, TEXAS  
COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>INTERGOVERNMENTAL RECEIPTS</b>			
State Aid	\$241,787	\$241,787	\$0
State Comptroller			
C.S.R. Coordination	42,103	42,103	0
Presentence Investigation	15,225	15,225	0
Sex Offender/DV Services	5,844	5,844	0
Absconder Caseload	44,036	44,036	0
Contract Services	21,042	21,042	0
Total Intergovernmental Receipts	370,037	370,037	0
<b>FEES OF OFFICE</b>			
Probation Fees	347,239	347,239	0
<b>MISCELLANEOUS</b>			
Interest Earned	5,726	5,726	0
Miscellaneous	4,125	4,125	0
Total Miscellaneous	9,851	9,851	0
Total Revenues	727,127	727,127	0
<b>EXPENDITURES</b>			
<b>PUBLIC SAFETY</b>			
<b>REGULAR SUPERVISION</b>			
Salary - Director	41,590	41,586	4
Salary - Assistant Director	38,545	38,542	3
Salaries - Probation Officers	225,680	225,676	4
Salaries - Secretaries	69,980	69,980	0
Social Security	28,645	28,642	3
Group Medical Insurance	61,345	61,344	1
Retirement	46,310	46,308	2
Unemployment Insurance	865	864	1
Office Supplies and Postage	38,795	38,794	1
U/A Supplies	5,700	5,697	3
Rent	6,820	6,819	1
Outside Audit	3,500	3,500	0

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

**PANOLA COUNTY, TEXAS**  
**COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES (Cont'd.)</b>			
<b>PUBLIC SAFETY (Cont'd.)</b>			
<b>REGULAR SUPERVISION (Cont'd.)</b>			
Membership and Dues	200	195	5
Travel	5,075	5,073	2
Vehicle Purchase/Lease	17,550	17,550	0
Communication Telephone	8,245	8,240	5
Fiscal Service Fee	1,865	1,862	3
Contract Services/Bus Tickets	135	133	2
Contract Services/Physical Exams	120	120	0
Computer Software and Equipment	6,295	6,291	4
Internet Service	715	713	2
Liability Insurance	10,285	10,282	3
Officers Psychological Evaluation	0	0	0
ELM Equipment	1,480	1,480	0
Employee Immunizations	465	464	1
Physical Defense	1,000	1,000	0
Polygraph	200	200	0
Professional Service	495	495	0
Registration	2,050	2,050	0
Automobile Fuel, Maintenance, Repairs & Insurance	17,065	17,062	3
<b>Total Adult Probation Office - Regular Supervision</b>	<b>641,015</b>	<b>640,962</b>	<b>53</b>
<b>COMMUNITY CORRECTIONS DEPARTMENT</b>			
CSR Supervisor	25,135	25,134	1
Special Services Counselor	14,590	14,590	0
Officers	27,385	27,385	0
Social Security	5,170	5,168	2
Group Medical Insurance	4,495	4,491	4
Retirement	8,085	8,081	4
Unemployment Insurance	155	152	3
Fiscal Service Fee	830	826	4
Professional Liability Insurance	5,695	5,695	0
Automobile Fuel & Maintenance	175	173	2
Mobile Radio	910	907	3
Travel	1,100	1,097	3

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

PANOLA COUNTY, TEXAS  
COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

Sex Offender-Domestic  
Psychological Evaluation  
Equipment  
Office and Computer Supplies  
Total Adult Probation Office -  
Community Corrections  
  
Total Expenditures  
Excess Revenues Over Expenditures  
FUND BALANCE, BEGINNING  
FUND BALANCE, ENDING

BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
4,800	4,800	0
750	750	0
5,940	5,939	1
3,770	3,767	3
108,985	108,955	30
750,000	749,917	83
(22,873)	(22,790)	83
98,176	98,176	0
575,303	575,386	\$83

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

**PANOLA COUNTY, TEXAS  
JUVENILE PROBATION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>INTERGOVERNMENTAL RECEIPTS</b>			
Regular Juvenile Probation Program	\$190,000	\$190,018	\$18
C.C.A. Program Funding	52,700	52,703	3
Progressive Sanctions Program	0	0	0
Total Intergovernmental Receipts	242,700	242,721	21
<b>FEES OF OFFICE</b>			
Probation Fees	1,925	1,925	0
<b>MISCELLANEOUS</b>			
Interest Earned	3,495	3,497	2
Rebate Placement Funding	4,330	4,334	4
Informal Adjustments	1,590	1,593	3
Total Miscellaneous	9,415	9,424	9
Total Revenues	254,040	254,070	30
<b>EXPENDITURES</b>			
<b>PUBLIC SAFETY</b>			
<b>JUVENILE PROBATION OFFICE -REGULAR PROGRAM</b>			
Salary - Chief Juvenile Probation Officer	36,535	36,531	4
Salary - Officers	50,500	50,497	3
Social Security	6,595	6,594	1
Group Medical Insurance	15,935	15,933	2
Retirement and Death Benefit	11,230	11,227	3
Worker's Compensation	290	287	3
Unemployment Insurance	255	251	4
Capital Outlay	1,095	1,095	0
Office Supplies	8,245	8,242	3
Travel	2,320	2,317	3
Nonresidential Services	1,610	1,610	0
Residential Services	57,185	57,183	2
Total Juvenile Probation Office - Regular Program	191,795	191,767	28

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

PANOLA COUNTY, TEXAS  
JUVENILE PROBATION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES(Cont'd.)			
PUBLIC SAFETY (Cont'd.)			
JUVENILE PROBATION OFFICE			
INTENSIVE SUPERVISION PROGRAM			
Salary - Probation Officer	21,455	21,454	1
Social Security	1,670	1,669	1
Group Medical Insurance	1,670	1,670	0
Retirement	2,185	2,181	4
Travel	1,400	1,398	2
Office Supplies	2,970	2,969	1
Nonresidential Services	1,605	1,603	2
Residential Services	25,380	25,379	1
Total Juvenile Probation Office - Intensive Supervision Program	58,335	58,323	12
Total Expenditures	250,130	250,090	40
Excess Revenues Over Expenditures	3,910	3,980	70
FUND BALANCE, BEGINNING	63,452	63,452	0
FUND BALANCE, ENDING	\$67,362	\$67,432	\$70

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

PANOLA COUNTY, TEXAS  
PROBATION FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>MISCELLANEOUS</b>			
Interest Earned	\$0	\$638	\$638
Total Revenues	0	638	638
<b>EXPENDITURES</b>			
<b>PUBLIC SAFETY</b>			
<b>ADULT PROBATION</b>			
Capital Outlay - Furniture and Equipment	1,000	0	1,000
Office Supplies & Postage	2,500	180	2,320
Equipment Repairs	500	142	358
Miscellaneous	500	298	202
Repairs & Renovations	500	0	500
Total Expenditures	5,000	620	4,380
Excess Expenditures Over Revenues	(5,000)	18	5,018
FUND BALANCE, BEGINNING	12,619	12,619	0
FUND BALANCE, ENDING	\$7,619	\$12,637	\$5,018

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



PANOLA COUNTY, TEXAS  
AIRPORT FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
MISCELLANEOUS			
Miscellaneous	\$39,000	\$86,162	\$47,162
Interest Earned	0	4,275	4,275
Total Revenues	39,000	90,437	51,437
EXPENDITURES			
AIRPORT			
Fuel & Repairs	8,900	65,185	(56,285)
Capital Outlay - Furniture & Equipment	0	0	0
Total Expenditures	8,900	65,185	(56,285)
Excess Revenues Over Expenditures	30,100	25,252	(4,848)
FUND BALANCE - BEGINNING	87,663	87,663	0
FUND BALANCE - ENDING	\$117,763	\$112,915	(\$4,848)

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

PANOLA COUNTY, TEXAS  
HOT CHECK FEE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>FEEES OF OFFICE</b>			
Hot Check Fees	\$16,000	\$23,568	\$7,568
Total Revenues	16,000	23,568	7,568
<b>EXPENDITURES</b>			
<b>LEGAL</b>			
<b>DISTRICT ATTORNEY</b>			
Secretaries	11,694	11,694	0
Social Security Taxes	1,878	1,878	0
Retirement	3,068	3,060	8
Workers Compensation	400	30	370
Unemployment Insurance	247	110	137
Group Insurance	4,413	4,412	1
Miscellaneous	2,500	1,134	1,366
Total Hot Check Fee	24,200	22,318	1,882
Excess Revenues Over Expenditures	(8,200)	1,250	9,450
FUND BALANCE, BEGINNING	31,514	31,514	0
FUND BALANCE, ENDING	\$23,314	\$32,764	\$9,450

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

PANOLA COUNTY, TEXAS  
SHERIFF'S STATE FORFEITURE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>MISCELLANEOUS</b>			
Confiscated From Arrests	\$0	\$31,245	\$31,245
Interest Earnings	0	1,363	1,363
Miscellaneous	0	24,274	24,274
<b>Total Revenues</b>	<b>0</b>	<b>56,882</b>	<b>56,882</b>
<b>EXPENDITURES</b>			
<b>PUBLIC SAFETY</b>			
<b>SHERIFF</b>			
Salaries Juvenile Investigation	2,982	2,981	1
Social Security Taxes	229	228	1
Retirement	373	313	60
Workers Compensation	21	21	0
Unemployment Insurance	30	17	13
Supplies and Equipment	2,000	0	2,000
Body Armor	3,000	1,253	1,747
Ammunition	500	0	500
Conferences and Dues	2,000	0	2,000
Film Processing	3,000	1,046	1,954
Tri-County Match	6,000	5,000	1,000
Special Response Team Supplies	2,500	696	1,804
Cellular Phone Expense	6,000	3,307	2,693
Criminal Investigation	5,000	2,770	2,230
Prevention	2,000	1,149	851
Furniture & Equipment	29,443	25,443	4,000
Miscellaneous Supplies	4,000	0	4,000
<b>Total Criminal Investigations</b>	<b>69,078</b>	<b>44,224</b>	<b>24,854</b>
<b>State Forfeitures</b>	<b>69,078</b>	<b>44,224</b>	<b>24,854</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(69,078)</b>	<b>12,658</b>	<b>81,736</b>
<b>FUND BALANCE, BEGINNING</b>	<b>53,796</b>	<b>53,796</b>	<b>0</b>
<b>FUND BALANCE, ENDING</b>	<b>(\$15,282)</b>	<b>\$66,454</b>	<b>\$81,736</b>

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

**PANOLA COUNTY, TEXAS**  
**DISTRICT ATTORNEY FOFEITURE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>MISCELLANEOUS</b>			
Forfeitures	\$15,803	\$99,947	\$84,144
Interest Earnings	395	437	42
<b>Total Revenues</b>	<b>16,198</b>	<b>100,384</b>	<b>84,186</b>
<b>EXPENDITURES</b>			
<b>LEGAL</b>			
<b>DISTRICT ATTORNEY</b>			
Court Coordinator and Spec.	11,400	11,400	0
Social Security Taxes	2,525	2,524	1
Group Insurance	4,413	4,412	1
Retirement	4,126	4,053	73
Workers Compensation	230	37	193
Unemployment Insurance	330	128	202
Advertising and Publications	500	0	500
Office Supplies	500	40	460
Cellular Phone	400	400	0
Conference and Dues	827	825	2
Professional Liability			
Insurance	5,000	0	5,000
Prevention	739	739	0
Miscellaneous	1,000	980	20
Capital Outlay-Furniture & Equipment	5,435	4,435	1,000
<b>Total Expenditures</b>	<b>37,425</b>	<b>29,973</b>	<b>7,452</b>
<b>Excess Revenues Over Expenditures</b>	<b>(21,227)</b>	<b>70,411</b>	<b>91,638</b>
<b>FUND BALANCE - BEGINNING</b>	<b>20,972</b>	<b>20,972</b>	<b>0</b>
<b>FUND BALANCE - ENDING</b>	<b>(\$255)</b>	<b>\$91,383</b>	<b>\$91,638</b>

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

PANOLA COUNTY, TEXAS  
FEDERAL FORFEITURE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>MISCELLANEOUS REVENUES</b>			
Forfeitures	\$0	\$0	\$0
Interest Earnings	0	46	46
Total Revenues	0	46	46
<b>EXPENDITURES</b>			
<b>PUBLIC SAFETY</b>			
<b>SHERIFF'S OFFICE</b>			
Telephone	2,590	2,589	1
Total Expenditures	2,590	2,589	1
Excess Revenues Over Expenditures	(2,590)	(2,543)	47
FUND BALANCE, BEGINNING	2,543	2,543	0
FUND BALANCE, ENDING	(\$47)	\$0	\$47

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

PANOLA COUNTY, TEXAS  
COUNTY HEALTH CARE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
INTERGOVERNMENTAL RECEIPTS			
Tobacco Settlement	0	42,068	42,068
MISCELLANEOUS			
Interest Earnings	\$0	\$134,867	\$134,867
Total Revenues	0	176,935	176,935
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	176,935	176,935
FUND BALANCE, BEGINNING	2,307,538	2,307,538	0
FUND BALANCE, ENDING	\$2,307,538	\$2,484,473	\$176,935

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

**PANOLA COUNTY, TEXAS  
RECORDS PRESERVATION FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>FEEES OF OFFICE</b>			
County Clerks Fees	\$0	\$33,892	\$33,892
Total Fees of Office	0	33,892	33,892
<b>MISCELLANEOUS</b>			
Interest Earnings	0	3,156	3,156
Total Revenues	0	37,048	37,048
<b>EXPENDITURES</b>			
<b>GENERAL ADMINISTRATION</b>			
Seasonal Help	6,437	0	6,437
Social Security Taxes	493	0	493
Workers Compensation	10	0	10
Unemployment Insurance	65	0	65
Computer Services	3,600	3,300	300
Creation, Printing and Bindery	25,000	0	25,000
Rentals, Microfilming and Indexing	0	0	0
Total Expenditures	35,605	3,300	32,305
Excess Revenues Over Expenditures	(35,605)	33,748	69,353
FUND BALANCE, BEGINNING	66,029	66,029	0
FUND BALANCE, ENDING	\$30,424	\$99,777	\$69,353

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

**PANOLA COUNTY, TEXAS**  
**RECORDS MANAGEMENT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>FEES OF OFFICE</b>			
District Clerk Fees	\$0	\$2,308	\$2,308
County Clerk Fees	0	3,720	3,720
Total Fees of Office	0	6,028	6,028
<b>MISCELLANEOUS</b>			
Interest Earnings	0	178	178
Total Revenues	0	6,206	6,206
Excess Revenues Over Expenditures	0	6,206	6,206
FUND BALANCE, BEGINNING	17,281	17,281	0
FUND BALANCE, ENDING	\$17,281	\$23,487	\$6,206

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

**PANOLA COUNTY, TEXAS**  
**COURTHOUSE SECURITY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>FEES OF OFFICE</b>			
District Clerk Fees	\$0	\$1,901	\$1,901
County Clerk Fees	0	8,142	8,142
JP Offices	0	8,651	8,651
Total Fees of Office	0	18,694	18,694
<b>MISCELLANEOUS</b>			
Interest Earnings	0	5,093	5,093
Total Revenues	0	23,787	23,787
Excess Revenues Over Expenditures	0	23,787	23,787
FUND BALANCE, BEGINNING	70,126	70,126	0
FUND BALANCE, ENDING	\$70,126	\$93,913	\$23,787

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



PANOLA COUNTY, TEXAS  
STATE APPORTIONMENT - DISTRICT ATTORNEY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>INTERGOVERNMENTAL RECEIPTS</b>			
State Comptroller Payments	\$34,450	\$34,450	\$0
Total Revenues	34,450	34,450	0
<b>EXPENDITURES</b>			
<b>PUBLIC SAFETY</b>			
Secretaries	12,850	12,850	0
Court Coordinator/Investigator	21,600	21,600	0
Total Expenditures	34,450	34,450	0
Excess Revenues Over Expenditures	0	0	0
FUND BALANCE, BEGINNING	0	0	0
FUND BALANCE, ENDING	\$0	\$0	\$0

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

DEBT SERVICE FUND

The Debt Service Fund has been established to receive funds from a tax levy and other sources for the accumulation of funds to meet the annual principal and interest requirements on the outstanding certificates of obligation of the County.

PANOLA COUNTY, TEXAS  
DEBT SERVICE FUND  
CERTIFICATES OF OBLIGATION INTEREST AND SINKING FUND  
BALANCE SHEET

DECEMBER 31, 2000

## ASSETS

Cash - Time Deposits	\$35,011
Miscellaneous Receivables	<u>251</u>
<b>TOTAL ASSETS</b>	<b><u>\$35,262</u></b>

## LIABILITIES AND FUND BALANCE

<b>FUND BALANCE:</b>	
Reserved for Debt Service	<u>35,262</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$35,262</u></b>

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

PANOLA COUNTY, TEXAS  
DEBT SERVICE FUND  
CERTIFICATES OF OBLIGATION INTEREST AND SINKING FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
<b>PROPERTY TAXES</b>			
Current	\$0	\$0	\$0
Delinquent	0	0	0
Total Property Taxes	0	0	0
<b>MISCELLANEOUS</b>			
Interest Earned	500	2,320	1,820
Total Miscellaneous	500	2,320	1,820
Total Revenues	500	2,320	1,820
<b>EXPENDITURES</b>			
<b>DEBT SERVICE</b>			
Principal Payment	400,000	400,000	0
Interest Payments	15,000	15,000	0
Other Fees	500	0	500
Total Expenditures	415,500	415,000	500
Excess Revenues Over Expenditures	(415,000)	(412,680)	2,320
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers from Other Funds	0	0	0
Excess of Revenues and Other Sources Over Expenditures and Other Uses	(415,000)	(412,680)	2,320
FUND BALANCE, BEGINNING	447,942	447,942	0
FUND BALANCE, ENDING	\$32,942	\$35,262	\$2,320

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

**CAPITAL PROJECT FUNDS**

The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Capital Project Funds:**

**1971 Road Bond Fund** - Bonds were issued in 1971 and have been retired. Remaining funds represent the excess of bond proceeds and accumulated earnings on investments over debt retirement and expenditures. The remaining funds are used primarily for right of way purchases and utility adjustments.

**Permanent Improvement Fund** - Currently, this fund is used to account for grants from the State and Federal Aviation Administration to be used for capital outlay expenditures of the County's airport.

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PANOLA COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2000

	1971 ROAD BOND FUND	PERMANENT IMPROVEMENT FUND	TOTALS
<b>ASSETS</b>			
Cash - Time Deposits	\$218,168	\$153,668	\$371,836
Miscellaneous Receivables	1,790	1,043	2,833
<b>TOTAL ASSETS</b>	<b>\$219,958</b>	<b>\$154,711</b>	<b>\$374,669</b>

**FUND BALANCE**

Unreserved:

Designated for Capital Projects

	\$219,958	\$154,711	\$374,669
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**TOTAL FUND BALANCE**

	\$219,958	\$154,711	\$374,669
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The accompanying notes are an integral part of these financial statements.

PANOLA COUNTY, TEXAS  
CAPITAL PROJECT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2000

	1971 ROAD BOND FUND	PERMANENT IMPROVEMENT FUND	TOTALS
<b>REVENUES:</b>			
Intergovernmental			
Miscellaneous	\$12,155	\$8,506	\$20,661
<b>Total Revenues</b>	<b>12,155</b>	<b>8,506</b>	<b>20,661</b>
<b>EXPENDITURES:</b>			
Right of Way Purchases	4,900	0	4,900
<b>Total Expenditures</b>	<b>4,900</b>	<b>0</b>	<b>4,900</b>
<b>Excess (Deficiency) Revenues Over Expenditures</b>	<b>7,255</b>	<b>8,506</b>	<b>15,761</b>
<b>FUND BALANCE - BEGINNING</b>	<b>212,703</b>	<b>146,205</b>	<b>358,908</b>
<b>FUND BALANCE - ENDING</b>	<b>\$219,958</b>	<b>\$154,711</b>	<b>\$374,669</b>

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

PANOLA COUNTY, TEXAS  
1971 ROAD BOND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
MISCELLANEOUS			
Interest Earned	\$0	\$12,155	\$12,155
Total Revenues	0	12,155	12,155
EXPENDITURES			
Right of Way Purchase	4,900	4,900	0
Total Expenditures	4,900	4,900	0
Excess Revenues Over (Under) Expenditures	(4,900)	7,255	12,155
FUND BALANCE, BEGINNING	212,703	212,703	0
FUND BALANCE, ENDING	\$207,803	\$219,958	\$12,155

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

PANOLA COUNTY, TEXAS  
PERMANENT IMPROVEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
MISCELLANEOUS			
Interest Earned	\$0	\$8,506	\$8,506
Total Miscellaneous Revenues	0	8,506	8,506
Excess Revenues Over (Under) Expenditures	0	8,506	8,506
FUND BALANCE, BEGINNING	146,205	146,205	0
FUND BALANCE, ENDING	\$146,205	\$154,711	\$8,506

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

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

**Internal Service Funds:**

**Employee Benefits Administration Fund** - This fund is used to account for the County's medical self-insurance fund operating prior to June 1, 1988, federal income tax withheld, social security, retirement, group insurance premiums, other employee benefits and deductions, and the related payment of the resulting liabilities generated by such activities. Effective June 1, 1988, the County ceased its funding of the self-insurance program. However, the funds existing prior to cessation are still maintained in anticipation of possibly resuming the self-insurance program at a future date.

Also accounted for in this fund are amounts received from and recognized as expenditures in the appropriate governmental fund representing payroll taxes, retirement, group insurance, workers' compensation insurance, and other employee benefits and the related liabilities resulting from such transactions. These amounts are flow-through monies having no effect on results of operations. Interest earnings and refunds from insurance carriers are retained in the fund to assist in the financing of future employee benefits.

**Hospital Self Insurance Malpractice Fund** - Prior to cessation of operations of Panola General Hospital in 1997, The Hospital Board of Managers adopted a program of self insurance for professional liability. The purpose of the fund currently is to account for any future malpractice or professional liabilities that might arise from activities of the former Panola General Hospital prior to December 1, 1997.

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Exhibit "32"

**PANOLA COUNTY, TEXAS  
INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2000**

	EMPLOYEE BENEFITS ADMINISTRATION FUND	HOSPITAL SELF INSURANCE MALPRACTICE FUND	TOTALS
<b>ASSETS</b>			
Cash -Demand Deposits	\$256,256		\$256,256
Cash -Time Deposits	1,248,196	\$232,709	1,480,905
Receivables (net of allowance for doubtful accounts )			
Miscellaneous	4,939	683	5,622
Due From Other Funds	62,334		62,334
<b>Total Assets</b>	<b>\$1,571,725</b>	<b>\$233,392</b>	<b>\$1,805,117</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Employee Benefits Payable	97,078		97,078
<b>TOTAL LIABILITIES</b>	<b>97,078</b>	<b>0</b>	<b>97,078</b>
<b>RETAINED EARNINGS:</b>			
Unreserved			
Undesignated	1,474,647	233,392	1,708,039
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$1,571,725</b>	<b>\$233,392</b>	<b>\$1,805,117</b>

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

PANOLA COUNTY, TEXAS  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 2000

	EMPLOYEE BENEFITS ADMINISTRATION FUND	HOSPITAL SELF INSURANCE MALPRACTICE FUND	TOTALS
REVENUES			
OPERATING REVENUES			
Refunds From Insurance Carriers	\$1,973		\$1,973
Total Operating Revenues	1,973	0	1,973
NON-OPERATING REVENUES			
Interest Earnings	50,318	12,725	63,043
Total Non-Operating Revenues	50,318	12,725	63,043
NET INCOME	52,291	12,725	65,016
RETAINED EARNINGS-BEGINNING	1,422,356	220,667	1,643,023
RETAINED EARNINGS-ENDING	\$1,474,647	\$233,392	\$1,708,039

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

**PANOLA COUNTY, TEXAS  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	EMPLOYEE BENEFITS ADMINISTRATION FUND	HOSPITAL SELF INSURANCE MALPRACTICE FUND	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from insurance refunds	\$1,973		\$1,973
Receipts for payroll & fringe benefit liabilities	1,790,824		1,790,824
Receipts from payroll & fringe benefit withholdings from employees	796,768		796,768
Payments for employer and employee payroll taxes & fringe benefits	(2,587,655)		(2,587,655)
Net Cash Provided By Operating Activities	1,910	0	1,910
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investments in certificates of deposit	72,637	(13,577)	59,060
Interest and royalty earnings	49,772	13,577	63,349
Net Cash Provided By Investing Activities	122,409	0	122,409
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	124,319	0	124,319
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	131,937	0	131,937
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$256,256	\$0	\$256,256
<b>Reconciliation of Net Income From Operations to Net Cash Provided By Operating Activities</b>			
Net Income from operations	\$1,973		\$1,973
Adjustments to reconcile net income (loss) from operations to net cash provided by Operating Activities			
(Increase) decrease in due from other funds	(9,293)		(9,293)
Increase (decrease) in accounts payable	9,230		9,230
Total Adjustments	(63)	0	(63)
Net Cash Provided By Operating Activities	\$1,910	\$0	\$1,910

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



## FIDUCIARY FUNDS

**Agency Funds** - The County acts in a custodial capacity for individuals, firms, and State and local governments. In its custodial capacity, agency funds have been created. These funds are commonly referred to as "trust" funds, although the County does not serve as the trustee in its scope of responsibility.

**Agency Funds:**

**Automobile Registration** - Included in this fund are activities related to automobile registration collections. The collections flow through to the general and special revenue funds as the character of the collections dictate. Those collections for which the County acts as an agent are remitted to other local governments and the state.

**Tax Assessor-Collector** - Included in this fund are activities related to ad valorem taxes. The portion of these collections designated for Panola County flow through to the general, special revenue or debt service funds as the character of the collections dictate. Those collections for which the County acts as an agent are remitted to other local governments and the State.

**District Clerk** - The District Clerk maintains three types of funds: "trust" funds, court cost deposits, and child support funds. The "trust" funds represent monies placed into the registry of the court pending final disposition of matters in litigation involving parties who have petitioned the court. Court cost deposits are maintained until final disposition of cases at which time the funds are recorded as revenues into the general or special revenue funds. The child support funds represent monies collected from those individuals whom the court has ordered child support payments be made through the court. As monies are collected, they are remitted to the intended recipient.

**County Clerk** - The County Clerk maintains two types of funds: operating and court cost deposits. The operating fund is used to account for the transactions that ultimately flow through to the general or special revenue funds as the character of the transaction dictates. The court cost account represents those monies placed into the court registry pending final disposition of matters in the court docket.

**Criminal District Attorney** - This office maintains two funds. The restitution fund is used to collect and remit to merchants proceeds of collection of "hot checks". The collection fee fund is used to account for collection and processing fees assessed to makers of "hot checks". These monies are then remitted to the Hot Check Fee Fund on deposit in the County Treasury.

**Justice of the Peace** - Each justice court maintains a separate fund for transactions taking place in the court's area of jurisdiction. Each fund collects monies for fines and other fees of office along with monies due other local or state governments. Those monies collected for ultimate use by the County flow through to the general or other special revenue funds.

**Sheriff** - The Sheriff collects monies for other county jurisdictions, other local governments, and fees of office. Fees of office flow through to the general or special revenue funds. Those monies collected for other governments are remitted directly to the other government.

**Community Supervision and Correction Department** - Probationers fees, fines, restitution collections and collection of attorney fees are accounted for in this fund. Fees for the ultimate use of the county flow through to the general or special revenue funds. Restitution and attorney fees are remitted to those parties for whom the monies are intended.

**Fiduciary Funds - Continued**

**Juvenile Probation** - The Juvenile Probation Department collects restitution from juvenile offenders and remits the collections to the damaged parties.

**Criminal Justice Fund** - This is an agency fund to which the State's portion of various fine collections are deposited into for remittance to the State.

**Jail Inmate** - This fund is used to account for proceeds received from the sale of goods to inmates and other expenditures of the same.

PANOLA COUNTY, TEXAS  
FIDUCIARY FUNDS  
COMBINING BALANCE SHEET

DECEMBER 31, 2000

AGENCY FUNDS

	TAX COLLECTOR				
	AUTOMOBILE REGISTRATION	ASSESSOR AD VALOREM TAX	COUNTY CLERK	CRIMINAL JUSTICE	DISTRICT CLERK
<b>ASSETS</b>					
Cash - demand deposits	\$238,889	\$723,173	\$55,671	\$21,360	\$505,726
Cash - time deposits			34,754		565,682
Due From Other Funds				8,208	
<b>TOTAL ASSETS</b>	<b>\$238,889</b>	<b>\$723,173</b>	<b>\$90,425</b>	<b>\$29,568</b>	<b>\$1,071,408</b>
<b>LIABILITIES</b>					
Due to State of Texas:					
Law Enforcement related				\$26,926	
Auto Registration	\$110,232				
Sales Tax	122,542				
Due to Other Funds	6,115	\$154,471	\$19,612	2,642	\$33,715
Due to Component Units		\$25,457			
Due to City of Carthage		31,204			
Due to Carthage Independent School District		274,286			
Due to Panola Junior College		143,510			
Due to County Education District		3,257			
Due to Gary Independent School District		23,893			
Court Cost Deposits and Cash Bonds			8,958		10,004
Restitution Payable					
Trust Funds Payable			61,855		1,027,689
Other Miscellaneous Payables		67,095			
<b>TOTAL LIABILITIES</b>	<b>\$238,889</b>	<b>\$723,173</b>	<b>\$90,425</b>	<b>\$29,568</b>	<b>\$1,071,408</b>

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

PEACE JUSTICE COURT	COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT	JUVENILE PROBATION	DISTRICT ATTORNEY	SHERIFF COLLECTIONS FUND	JAIL INMATE	TOTAL
\$17,349	\$29,709	\$570	\$16,315	\$400	\$976	\$1,610,138
						600,436
						8,208
\$17,349	\$29,709	\$570	\$16,315	\$400	\$976	\$2,218,782
						\$27,803
						110,232
						122,542
						263,380
						25,457
						31,204
						274,286
						143,510
						3,257
						23,893
						18,962
						16,641
						1,089,544
					976	68,071
\$17,349	\$29,709	\$570	\$16,315	\$400	\$976	\$2,218,782

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

**PANOLA COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Balance 1/1/00	Additions	Deductions	Balance 12/31/00
<b>AUTOMOBILE REGISTRATION FUND</b>				
<b>ASSETS</b>				
Cash - demand deposit	\$225,290	\$3,091,593	\$3,077,994	\$238,889
<b>Total Assets</b>	<b>\$225,290</b>	<b>\$3,091,593</b>	<b>\$3,077,994</b>	<b>\$238,889</b>

**LIABILITIES**

Due to State of Texas:				
Auto Registration	\$93,721	\$720,214	\$703,703	\$110,232
Sales Tax	126,898	1,846,720	1,851,076	122,542
Due to Other Funds	4,671	524,659	523,215	6,115
<b>Total Liabilities</b>	<b>\$225,290</b>	<b>\$3,091,593</b>	<b>\$3,077,994</b>	<b>\$238,889</b>

**TAX ASSESSOR-COLLECTOR ADVALOREM TAX FUND**

<b>ASSETS</b>				
Cash - demand deposits	\$1,027,195	\$35,068,595	\$35,372,617	\$723,173
<b>Total Assets</b>	<b>\$1,027,195</b>	<b>\$35,068,595</b>	<b>\$35,372,617</b>	<b>\$723,173</b>

**LIABILITIES**

Due to City of Carthage, Texas	\$50,107	\$1,238,493	\$1,257,396	\$31,204
Due to Carthage Independent School District	347,572	21,354,216	21,427,502	274,286
Due to Panola Junior College	257,681	2,757,365	2,871,536	143,510
Due to County Education District	1,707	14,592	13,042	3,257
Due to Gary Independent School District	26,941	1,118,280	1,121,328	23,893
Due to Other Funds	239,417	7,967,887	8,052,833	154,471
Due to Component Units	43,558	457,604	475,705	25,457
Other Miscellaneous Payables	60,212	160,158	153,275	67,095
<b>Total Liabilities</b>	<b>\$1,027,195</b>	<b>\$35,068,595</b>	<b>\$35,372,617</b>	<b>\$723,173</b>

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

**PANOLA COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Balance 1/1/00	Additions	Deductions	Balance 12/31/00
<b>COUNTY CLERK FUND</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$35,058	\$285,407	\$291,895	\$28,570
Cash - savings	29,343	56,578	58,820	27,101
Certificates of Deposit	33,049	1,705	0	34,754
<b>Total Assets</b>	<b>\$97,450</b>	<b>\$343,690</b>	<b>\$350,715</b>	<b>\$90,425</b>
<b>LIABILITIES</b>				
Court Cost Deposits and				
Cash Bonds	\$12,419	\$18,398	\$21,859	\$8,958
Trust Funds Payable	62,392	58,283	58,820	61,855
Due To Other Funds	22,639	267,009	270,036	19,612
<b>Total Liabilities</b>	<b>\$97,450</b>	<b>\$343,690</b>	<b>\$350,715</b>	<b>\$90,425</b>
<b>CRIMINAL JUSTICE FUND</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$23,380	\$151,967	\$153,987	\$21,360
Due From Other Funds	14,233	8,208	14,233	8,208
<b>Total Assets</b>	<b>\$37,613</b>	<b>\$160,175</b>	<b>\$168,220</b>	<b>\$29,568</b>
<b>LIABILITIES</b>				
Due to State of Texas	\$34,346	\$146,223	\$153,643	\$26,926
Due to Other Funds	3,267	13,952	14,577	2,642
<b>Total Liabilities</b>	<b>\$37,613</b>	<b>\$160,175</b>	<b>\$168,220</b>	<b>\$29,568</b>

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

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PANOLA COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000

	Balance 1/1/00	Additions	Deductions	Balance 12/31/00
<b>DISTRICT CLERK FUNDS</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$104,979	\$505,826	\$567,768	\$43,037
Cash - savings deposits	\$590,215	\$1,032,329	\$1,159,855	\$462,689
Cash - time deposits	\$92,943	57,053	84,314	\$65,682
Total Assets	\$1,288,137	\$1,595,208	\$1,811,937	\$1,071,408
<b>LIABILITIES</b>				
Court Cost Deposits & Cash Bonds	\$18,806	\$469,926	\$478,728	\$10,004
Due To Other Funds	89,040	33,716	89,041	33,715
District Clerk Trust Funds Payable	1,180,291	1,091,566	1,244,168	1,027,689
Total Liabilities	\$1,288,137	\$1,595,208	\$1,811,937	\$1,071,408
<b>PEACE JUSTICE COURT FUNDS</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$31,352	\$351,711	\$365,714	\$17,349
Total Assets	\$31,352	\$351,711	\$365,714	\$17,349
<b>LIABILITIES</b>				
Due to State of Texas: Law Enforcement Related	\$1,203	\$14,142	\$14,468	\$877
Due to Other Funds	30,149	337,569	351,246	16,472
Total Liabilities	\$31,352	\$351,711	\$365,714	\$17,349

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

**PANOLA COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Balance 1/1/00	Additions	Deductions	Balance 12/31/00
<b>COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT FUND</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$22,243	\$826,189	\$818,723	\$29,709
<b>Total Assets</b>	<b>\$22,243</b>	<b>\$826,189</b>	<b>\$818,723</b>	<b>\$29,709</b>
<b>LIABILITIES</b>				
Restitution Payable	\$3,023	\$127,141	\$127,665	\$2,499
Due To Other Funds	19,220	699,048	691,058	27,210
<b>Total Liabilities</b>	<b>\$22,243</b>	<b>\$826,189</b>	<b>\$818,723</b>	<b>\$29,709</b>
<b>JUVENILE PROBATION FUND</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$2,549	\$17,439	\$19,418	\$570
<b>Total Assets</b>	<b>\$2,549</b>	<b>\$17,439</b>	<b>\$19,418</b>	<b>\$570</b>
<b>LIABILITIES</b>				
Restitution Payable	\$757	\$12,520	\$13,032	\$245
Other Miscellaneous Payables	0	0	0	0
Due to Other Funds	1,792	4,919	6,386	325
<b>Total Liabilities</b>	<b>\$2,549</b>	<b>\$17,439</b>	<b>\$19,418</b>	<b>\$570</b>

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

**PANOLA COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	Balance 1/1/00	Additions	Deductions	Balance 12/31/00
<b>CRIMINAL DISTRICT ATTORNEY RESTITUTION FUND</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$11,978	\$224,601	\$220,264	\$16,315
Total Assets	\$11,978	\$224,601	\$220,264	\$16,315
<b>LIABILITIES</b>				
Restitution Payable	\$10,743	\$200,476	\$197,322	\$13,897
Due To Other Funds	1,235	24,125	22,942	2,418
Total Liabilities	\$11,978	\$224,601	\$220,264	\$16,315
<b>SHERIFF COLLECTIONS FUND</b>				
<b>ASSETS</b>				
Cash - demand deposits	\$250	\$9,273	\$9,123	\$400
Total Assets	\$250	\$9,273	\$9,123	\$400
<b>LIABILITIES</b>				
Due To Other Funds	\$250	\$9,273	\$9,123	\$400
Total Liabilities	\$250	\$9,273	\$9,123	\$400
<b>JAIL INMATE FUND</b>				
<b>ASSETS</b>				
Cash	\$976	\$0	\$0	\$976
Total Assets	\$976	\$0	\$0	\$976
<b>LIABILITIES</b>				
Other Payables	\$976	\$0	\$0	\$976
Total Liabilities	\$976	\$0	\$0	\$976
<b>ALL AGENCY FUNDS</b>				
<b>TOTAL ASSETS</b>	<b>\$2,745,033</b>	<b>\$41,688,474</b>	<b>\$42,214,725</b>	<b>\$2,218,782</b>
<b>TOTAL LIABILITIES</b>	<b>\$2,745,033</b>	<b>\$41,688,474</b>	<b>\$42,214,725</b>	<b>\$2,218,782</b>

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

## ACCOUNT GROUPS

## STATEMENTS AND SCHEDULES



**GENERAL FIXED ASSETS ACCOUNT GROUPS**

The General Fixed Assets group of accounts consist of all fixed assets owned by the County except those which are accounted for in the Enterprise Funds.

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**PANOLA COUNTY, TEXAS  
STATEMENT OF GENERAL FIXED ASSETS - BY SOURCE  
DECEMBER 31, 2000**

**GENERAL FIXED ASSETS**

Land  
Buildings  
Improvements Other Than Buildings  
Equipment

\$1,089,479  
6,881,668  
90,033  
5,184,783

\$13,245,963

**Total General Fixed Assets**

**INVESTMENTS IN GENERAL FIXED ASSETS**

Current Revenues - Current Year  
Current Revenues - Prior Years  
Fixed Assets of Former Panola General Hospital  
General Obligation Debt - Prior Years  
Certificates of Obligation - Prior Years

\$683,947  
7,182,310  
3,879,706  
500,000  
1,000,000

\$13,245,963

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

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**DECEMBER 31, 2000**

Function and Activity	Total	Land	Buildings	Improvements Other Than Buildings	Equipment
<b>GENERAL ADMINISTRATION</b>					
Commissioners Court	\$82,527				\$82,527
County Clerk	48,283				48,283
Veterans Service	9,163				9,163
Miscellaneous and Non- Departmental	12,781				12,781
<b>Total General Administration</b>	<b>152,754</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152,754</b>
<b>JUDICIAL</b>					
District Court	7,197				7,197
County Court at Law	6,136				6,136
District Clerk	35,751				35,751
Peace Justices	19,789				19,789
<b>Total Judicial</b>	<b>68,873</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,873</b>
<b>LEGAL</b>					
District Attorney	19,534				19,534
<b>Total Legal</b>	<b>19,534</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,534</b>
<b>ELECTIONS</b>					
Voter Registration	56,914		2,450		54,464
<b>Total Elections</b>	<b>56,914</b>	<b>0</b>	<b>2,450</b>	<b>0</b>	<b>54,464</b>
<b>FINANCIAL ADMINISTRATION</b>					
Auditor	13,950				13,950
Treasurer	11,530				11,530
Tax Assessor-Collector	6,574				6,574
<b>Total Financial Administration</b>	<b>32,054</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,054</b>
<b>PUBLIC TRANSPORTATION</b>					
Road and Bridge	4,096,120		11,778		4,084,342
Airport	546,844	188,639	318,599		39,606
<b>Total Public Transportation</b>	<b>4,642,964</b>	<b>188,639</b>	<b>330,377</b>	<b>0</b>	<b>4,123,948</b>
<b>PUBLIC FACILITIES</b>					
Courthouse	935,557	815,452	100,795		19,310
Miscellaneous & Non-Departmental	112,889		1,009		111,880
<b>Total Public Facilities</b>	<b>1,048,446</b>	<b>815,452</b>	<b>101,804</b>	<b>0</b>	<b>131,190</b>

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

**PANOLA COUNTY, TEXAS  
SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
DECEMBER 31, 2000**

Function and Activity	Total	Land	Buildings	Improvements	Equipment
				Other Than Buildings	
<b>PUBLIC SAFETY</b>					
Sheriff	295,475				295,475
Constables	58,549				58,549
Corrections and Jail	2,256,791		2,222,320		34,471
Highway Patrol	2,530				2,530
Probation Services-Adult	136,603				136,603
Probation Services-Juvenile	26,309				26,309
Fire Department	2,310				2,310
911 Rural Addressing	13,537				13,537
Criminal Investigation	12,878				12,878
Total Public Safety	2,804,982	0	2,222,320	0	582,662
<b>HEALTH AND WELFARE</b>					
Hospital	3,879,706	32,138	3,757,535	90,033	
Incinerator	401,782	53,250	348,532		
Health and Paupers	2,833				2,833
Total Health and Welfare	4,284,321	85,388	4,106,067	90,033	2,833
<b>CULTURE AND RECREATION</b>					
Exposition Center	130,917		118,650		12,267
Total Culture and Recreation	130,917	0	118,650	0	12,267
<b>CONSERVATION AND AGRICULTURE</b>					
Extension Service	4,204				4,204
Total Conservation and Agriculture	4,204	0	0	0	4,204
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$13,245,963</b>	<b>\$1,089,479</b>	<b>\$6,881,668</b>	<b>\$90,033</b>	<b>\$5,184,783</b>

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

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

Function and Activity	Fixed Assets 01/01/00	Additions	Deductions	Inter- Activity Transfers	General Fixed Assets 12/31/00
<b>GENERAL ADMINISTRATION</b>					
Commissioners Court	\$82,527				\$82,527
County Clerk	46,533	\$1,750			48,283
Veterans Service	9,163				9,163
Miscellaneous and Non- Departmental	12,781				12,781
<b>Total General Administration</b>	<b>151,004</b>	<b>1,750</b>	<b>0</b>	<b>0</b>	<b>152,754</b>
<b>JUDICIAL</b>					
District Court	7,197				7,197
County Court at Law	2,661	3,475			6,136
District Clerk	28,551	7,200			35,751
Peace Justices	19,789				19,789
<b>Total Judicial</b>	<b>58,198</b>	<b>10,675</b>	<b>0</b>	<b>0</b>	<b>68,873</b>
<b>LEGAL</b>					
District Attorney	19,534				19,534
<b>Total Legal</b>	<b>19,534</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,534</b>
<b>ELECTIONS</b>					
Voter Registration	56,914				56,914
<b>Total Elections</b>	<b>56,914</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>56,914</b>
<b>FINANCIAL ADMINISTRATION</b>					
Auditor	2,775	11,175			13,950
Treasurer	4,330	7,200			11,530
Tax Assessor-Collector	6,574				6,574
<b>Total Financial Administration</b>	<b>13,679</b>	<b>18,375</b>	<b>0</b>	<b>0</b>	<b>32,054</b>
<b>PUBLIC TRANSPORTATION</b>					
Road and Bridge	3,689,221	608,228	201,329		4,096,120
Airport	551,141		4,297		546,844
<b>Total Public Transportation</b>	<b>4,240,362</b>	<b>608,228</b>	<b>205,626</b>	<b>0</b>	<b>4,642,964</b>
<b>PUBLIC FACILITIES</b>					
Courthouse	932,587	2,970			935,557
Miscellaneous and Non- Departmental	112,889				112,889
<b>Total Public Facilities</b>	<b>1,045,476</b>	<b>2,970</b>	<b>0</b>	<b>0</b>	<b>1,048,446</b>

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

PANOLA COUNTY, TEXAS  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
FOR THE YEAR ENDED DECEMBER 31, 2000

Function and Activity	General Fixed Assets 01/01/00	Additions	Deductions	Inter- Activity Transfers	General Fixed Assets 12/31/00
<b>PUBLIC SAFETY</b>					
Sheriff	458,695	118,208	281,428		295,475
Constables	46,855	30,839	19,145		58,549
Corrections and Jail	2,251,637	5,154			2,256,791
Highway Patrol	2,530				2,530
Probation Services - Adult	130,968	35,319	29,684		136,603
Probation Services - Juvenile	25,214	1,095			26,309
Fire Department	2,310				2,310
911 Rural Addressing	6,514	7,023			13,537
Criminal Investigations	15,323		2,445		12,878
<b>Total Public Safety</b>	<b>2,940,046</b>	<b>197,638</b>	<b>332,702</b>	<b>0</b>	<b>2,804,982</b>
<b>HEALTH AND WELFARE</b>					
Hospital	3,879,706				3,879,706
Incinerator	401,782				401,782
Health and Paupers	2,833				2,833
<b>Total Health and Welfare</b>	<b>4,284,321</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,284,321</b>
<b>CULTURE AND RECREATION</b>					
Exposition Center	130,917				130,917
<b>Total Culture and Recreation</b>	<b>130,917</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130,917</b>
<b>CONSERVATION AND AGRICULTURE</b>					
Extension Service	4,204				4,204
<b>Total Culture and Recreation</b>	<b>4,204</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,204</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$12,944,655</b>	<b>\$839,636</b>	<b>\$538,328</b>	<b>\$0</b>	<b>\$13,245,963</b>

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

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

The General Long-Term Debt (GLTD) group of accounts for Panola County, Texas consists of the Certificates of Obligation issued by the County in 1990 for construction of improvements and additions to Panola General Hospital. This debt is serviced by tax revenues. Lease purchase obligations of the County are also included in the GLTD group.

PANOLA COUNTY, TEXAS  
GENERAL LONG-TERM OBLIGATION ACCOUNT GROUPSTATEMENT OF GENERAL LONG-TERM OBLIGATIONS  
DECEMBER 31, 2000

Amount Available in Debt Service Fund	\$35,262
Amount to be Provided for the Payment of Long-Term Obligations	<u>212,098</u>
Total Available and to be Provided	<u>\$247,360</u>
Capital Leases Payable	<u>\$247,360</u>
Total General Long-Term Obligations	<u>\$247,360</u>

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

STATISTICAL DATA  
(UNAUDITED)

PANOLA COUNTY, TEXAS  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
TEN FISCAL YEARS  
(UNAUDITED)

Year	Fiscal Total	Property Taxes	Licenses	Inter- Governmental
1991	8,594,012	5,259,153	360,000	949,145
1992	9,232,476	5,657,205	409,778	1,416,196
1993	8,702,554	5,881,528	411,504	694,002
1994	9,421,452	6,194,294	415,468	697,668
1995	9,681,569	6,500,297	422,110	835,738
1996	10,190,560	6,839,016	433,313	1,055,278
1997	11,570,543	7,044,010	430,409	960,521
1998	12,316,051	7,588,753	425,482	912,743
1999	13,253,208	7,456,423	431,610	1,487,920 (3)
2000	12,174,721	7,556,941	443,902	890,116

Note: (1) Includes General, Special Revenue, Debt Service Funds and Capital Projects Funds.  
 Note: (2) The miscellaneous revenue category reflects \$633,360 in revenues associated with the lease of Panola General Hospital in 1997.  
 Note: (3) The Intergovernmental revenue category includes \$389,162 in Tobacco lawsuit settlement proceeds and \$252,848 in federal and local match funding for the Gary Water Supply Project.

PANOLA COUNTY, TEXAS  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
TEN FISCAL YEARS  
(UNAUDITED)

Fees of Office	Fines	Miscellaneous
632,450	194,787	1,198,477
603,521	197,481	948,295
646,279	172,494	896,747
762,692	196,675	1,154,655
810,590	245,010	867,824
817,166	218,062	827,725
1,106,589	248,193	1,780,821
1,003,491	240,680	2,144,902 (2)
1,114,294	286,151	2,476,810 (2)
853,131	315,297	2,115,334 (2)

**PANOLA COUNTY, TEXAS**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)**  
**TEN FISCAL YEARS**  
**(UNAUDITED)**

Function	1990	1991	1992	1993	1994
General Administration	\$760,939	\$901,814	\$944,276	\$947,744	
Judicial	429,632	478,946	505,737	511,531	
Legal	119,089	165,644	191,512	187,323	
Elections	58,016	51,610	93,530	59,223	
Financial Administration	349,559	371,118	353,774	356,014	
Public Facilities	144,228	162,238	261,004	165,608	
Public Safety	1,546,169	1,922,510	1,984,306	2,144,407	
Environmental Protection	119,700	109,059	230,241	194,888	
Conservation	43,007	46,443	45,281	47,049	
Public Transportation	2,623,449	3,305,405	2,445,954	2,780,898	
Health & Paupers Care	621,768	420,704	220,065	164,309	
Culture & Recreation	98,217	106,735	128,015	140,002	
Debt Service	259,688	642,637	615,600	588,215	
Capital Projects	508,914	2,693,710	87,245	215,075	
<b>Total</b>	<b>\$7,682,375</b>	<b>\$11,378,573</b>	<b>\$8,106,540</b>	<b>\$8,502,286</b>	

Note: (1) Includes General, Special Revenue, Debt  
Service Funds and Capital Projects Funds.

**PANOLA COUNTY, TEXAS**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)**  
**TEN FISCAL YEARS**  
**(UNAUDITED)**

1995	1996	1997	1998	1999	2000
\$984,214	\$1,060,252	\$1,249,802	\$1,514,954	\$1,554,779	\$1,459,955
505,713	537,118	575,094	594,220	630,441	661,894
212,734	477,787	178,023	181,208	205,418	249,147
69,075	78,589	81,792	80,360	75,350	84,654
368,791	355,643	355,692	380,137	408,244	420,695
518,349	640,557	575,989	466,255	481,142	303,098
2,115,677	2,322,964	2,357,040	2,563,095	2,623,402	2,977,321
233,864	472,615	111,311	306,554	429,004	376,397
41,387	48,114	49,142	50,088	47,876	52,348
2,794,768	2,592,896	2,941,613	3,477,685	3,519,710	3,517,180
167,505	148,043	465,331	215,708	274,129	321,696
117,979	131,928	164,369	171,756	169,450	176,848
560,400	532,200	503,700	474,700	445,845	415,000
191,927	69,700	0	0	0	0
<b>\$8,882,383</b>	<b>\$9,468,406</b>	<b>\$9,608,898</b>	<b>\$10,476,720</b>	<b>\$10,864,790</b>	<b>\$11,016,233</b>



PANOLA COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN TAX ROLL YEARS  
(UNAUDITED)

Tax Roll		Current Tax	Percent	Delinquent
<u>Year</u>	<u>Tax Levy (1)</u>	<u>Collection (2)</u>	<u>Of Levy</u> <u>Collected (2)</u>	<u>Collections &amp;</u> <u>Adjustments (2)</u>
1991	5,844,260	5,682,056	97.22	181,195
1992	6,009,803	5,848,129	97.31	212,434
1993	6,432,994	6,256,490	97.26	233,434
1994	6,716,922	6,572,589	97.85	173,661
1995	7,094,727	6,931,006	97.69	181,492
1996	7,343,712	7,175,051	97.70	143,756
1997	7,855,313	7,687,025	97.86	211,324
1998	7,733,709	7,550,505	97.63	206,276
1999	7,714,814	7,498,485	97.19	169,063
2000	7,978,912	7,109,793	89.11	116,868

Notes: (1) Years 1990 through 1999 represent adjusted levy & year 2000 represents original levy, as adjustments are not complete until end of tax roll year June 30, 2001, which will occur during the next fiscal year.

(2) 2000 percentage and total collections are lower than other years because 2000 tax roll still in process of collection.

PANOLA COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN TAX ROLL YEARS  
(UNAUDITED)

	Percent	Outstanding	Percent
<u>Collections &amp;</u>	<u>Of Total Collections</u>	<u>Delinquent</u>	<u>of Delinquent</u>
<u>Adjustments (2)</u>	<u>and Adjustments</u>	<u>Taxes (3)(4)</u>	<u>Taxes to</u>
	<u>To Tax Levy (2)</u>		<u>Tax Levy</u>
5,861,251	100.29	791,214	13.54
6,043,893	100.56	740,454	12.32
6,488,149	100.86	683,524	10.63
6,746,250	100.44	654,196	9.74
7,112,498	100.25	636,425	8.97
7,318,807	99.66	661,330	9.01
7,898,349	100.54	618,294	7.87
7,756,781	100.30	595,222	7.70
7,667,548	99.39	642,488	8.33
7,226,661	90.57	525,620	6.59

(3) Represents balance at end of each tax roll, June 30, except for 2000 which represents balance on December 31, 2000 as tax roll still in process of collection.

(4) Delinquent balance does not include 2000 uncollected current taxes as only current taxes unpaid on July 1 of next fiscal year will be considered new delinquent taxes.

PANOLA COUNTY, TEXAS  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF  
 TAXABLE PROPERTY  
 LAST TEN TAX ROLL YEARS  
 (UNAUDITED)

Tax Roll Year	Real Property		Intangibles, Rolling Stock and Other Personal Property	
	Assessed Value	Estimated	Assessed Value	Estimated
		Actual Value		Actual Value
1991	1,521,935,629	1,521,935,629	63,206,930	63,206,930
1992	1,336,841,815	1,336,841,815	66,709,990	66,709,990
1993	1,444,886,739	1,444,886,739	74,087,920	74,087,920
1994	1,727,700,126	1,727,700,126	91,404,400	91,404,400
1995	1,669,788,333	1,669,788,333	91,984,795	91,984,795
1996	1,438,104,602	1,438,104,602	136,686,511	136,686,511
1997	1,876,861,003	1,876,861,003	155,025,085	155,025,085
1998	1,980,392,257	1,980,392,257	208,751,714	208,751,714
1999	1,712,864,572	1,712,864,572	249,328,326	249,328,326
2000	1,835,949,338	1,835,949,338	185,409,812	185,409,812

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 (Continued)

PANOLA COUNTY, TEXAS  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF  
 TAXABLE PROPERTY  
 LAST TEN TAX ROLL YEARS  
 (UNAUDITED)

Total		Ratio Total Assessed To Total Estimated Actual Value
Assessed Value	Actual Value	
1,585,142,559	1,585,142,559	100%
1,403,551,805	1,403,551,805	100%
1,518,974,659	1,518,974,659	100%
1,819,104,526	1,819,104,526	100%
1,761,773,128	1,761,773,128	100%
1,574,791,113	1,574,791,113	100%
2,031,886,088	2,031,886,088	100%
2,189,143,971	2,189,143,971	100%
1,962,192,898	1,962,192,898	100%
2,021,359,150	2,021,359,150	100%

**PANOLA COUNTY, TEXAS**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ASSESSED VALUE)**  
**LAST TEN TAX ROLL YEARS (1)**  
**(UNAUDITED)**

<u>Subdivision</u>	<u>Percent Applicable to Panola County</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
Panola County				
General Levy	100.00%	0.21514	0.25730	0.25684
Special Revenues:				
Regular Road & Bridge	100.00%	0.10000	0.11238	0.11221
Special Road & Bridge	100.00%	0.00000	0.00000	0.00000
Farm-to-Market & Lateral Road	100.00%	0.01130	0.01490	0.01480
Debt Levy	100.00%	0.04266	0.04542	0.04005
<b>Total Panola County</b>	<b>100.00%</b>	<b>0.36910</b>	<b>0.43000</b>	<b>0.42390</b>
Cities				
Carthage	100.00%	0.77910	0.72350	0.72350
Beckville	100.00%	0.30100	0.31415	0.31407
School Districts				
Carthage ISD	100.00%	0.41000	0.46000	1.39000
Gary ISD	100.00%	0.77000	0.35231	1.13500
Beckville ISD	100.00%	0.38000	0.41000	1.21120
Elysian Fields ISD	52.55%	0.34451	0.34000	1.18000
Tatum ISD	2.27%	0.42000	0.29250	1.28350
Tenaha ISD	4.75%	0.52000	0.50440	1.49040
Joaquin ISD	5.05%	0.23000	0.25836	1.42000
County Education District (2)				
Carthage ISD	100.00%	0.77000	0.98600	
Gary ISD	100.00%	0.77000	0.98600	
Beckville ISD	100.00%	0.77000	0.98600	
Elysian Fields ISD	52.55%	0.76549	0.87769	
Tatum ISD	2.27%	0.81250	0.94000	
Tenaha ISD	4.75%	0.77000	0.98600	
Joaquin ISD	5.05%	0.77000	0.98600	
College				
Panola County Jr. College	100.00%	0.15033	0.17543	0.16228
Fire District (3)				
Rural Fire Prevention District No.1	100.00%			

Notes: (1) Current tax roll year begins prior to beginning of next fiscal year and is in process of collection.

(2) The County Education District was created by the State Legislature in 1991 and was dissolved by

PANOLA COUNTY, TEXAS  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$100 OF ASSESSED VALUE)  
LAST TEN TAX ROLL YEARS (1)  
(UNAUDITED)

1994	1995	1996	1997	1998	1999	2000
0.22131	0.23941	0.28623	0.24498	0.22234	0.27130	0.26960
0.10098	0.11548	0.13165	0.10427	0.09964	0.10820	0.11220
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.01290	0.01380	0.01540	0.01280	0.01180	0.01310	0.01310
0.03161	0.03091	0.03282	0.02415	0.02012	0.00000	0.00000
0.36680	0.39960	0.46610	0.38620	0.35390	0.39260	0.39490
0.71220	0.71220	0.71220	0.56652	0.54575	0.54474	0.54474
0.31991	0.32264	0.32264	0.28589	0.24000	0.27146	0.32061
1.27000	1.38000	1.50000	1.40000	1.37000	1.44000	1.53000
0.99249	1.09149	1.20158	1.20000	1.30000	1.37800	1.30000
1.41000	1.41000	1.50000	1.44000	1.49400	1.60000	1.63000
1.04000	1.22600	1.40000	1.44000	1.53000	1.53000	1.44750
1.40116	1.42720	1.45000	1.45000	1.43800	1.47000	1.47000
1.45000	1.46500	1.50000	1.50000	1.50000	1.19739	1.39520
1.25590	1.31990	1.82430	1.70000	1.78000	1.62500	1.38640
0.13975	0.15002	0.16999	0.13535	0.12585	0.14041	0.13923
		0.03000	0.02370	0.02179	0.02560	0.02520

(3) The Panola County Rural Fire Prevention  
District No. 1 was created during 1996.

**PANOLA COUNTY, TEXAS**  
**ADJUSTED TAX LEVY - DISTRICT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN TAX ROLL YEARS (1)**  
**(UNAUDITED)**

<u>Governmental Subdivision</u>	<u>Percent Applicable to Panola County</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
Panola County	100.00%	\$5,844,260	\$6,009,803	\$6,432,986
<b>Cities</b>				
Carthage	100.00%	1,176,456	1,087,434	1,119,523
Beckville	100.00%	34,739	34,904	35,996
<b>School Districts</b>				
Carthage ISD	100.00%	4,525,086	4,446,361	14,529,584
Gary ISD	100.00%	173,145	171,391	603,551
Beckville ISD	100.00%	948,006	945,151	3,191,954
Elysian Fields ISD	52.55%	641,841	536,095	2,064,069
Tatum ISD	2.20%	3,111,205	1,990,164	8,643,040
Tenaha ISD	4.75%	109,967	106,952	327,530
Joaquin ISD	5.05%	135,382	130,068	750,552
<b>Education District (2)</b>	<b>(2) (3)</b>			
Carthage ISD	100.00%		8,498,898	9,538,930
Gary ISD	100.00%		421,998	479,348
Beckville ISD	100.00%		1,934,352	2,272,957
Elysian Fields ISD	5.26%		1,403,934	1,644,553
Tatum ISD	2.20%		6,017,421	6,392,269
Tenaha ISD	4.75%		162,029	207,435
Joaquin ISD	5.05%		450,108	525,173
Panola Jr. College	100.00%	1,763,525	2,382,093	2,461,926
<b>Fire District (3)</b>				
Rural Fire Prevention District No.1	100.00%			

Notes: (1) 2000 Tax Levy represents original tax levy before all adjustments are complete as Current Tax Roll Year begins prior to the next fiscal year and is in process of collection on 12/31/00

(2) The County Education District was created by the State Legislature in 1991 and was dissolved by the court as unconstitutional after 1992.

PANOLA COUNTY, TEXAS  
ADJUSTED TAX LEVY - DISTRICT AND OVERLAPPING GOVERNMENTS  
LAST TEN TAX ROLL YEARS (1)  
(UNAUDITED)

1994	1995	1996	1997	1998	1999	2000
\$6,716,922	\$7,094,727	\$7,343,712	\$7,855,313	\$7,733,709	\$7,714,814	\$7,978,912
1,230,501	1,317,741	1,288,238	1,154,637	1,105,655	1,188,545	1,231,788
37,043	38,474	39,948	44,742	51,915	53,028	55,069
16,291,228	17,421,780	16,843,366	20,001,916	20,582,058	19,544,951	21,452,486
610,388	644,830	663,212	902,204	1,216,256	1,192,285	1,149,338
4,141,428	3,973,598	3,623,161	4,520,688	5,062,255	4,880,743	4,881,271
2,315,390	2,473,576	2,571,817	2,050,958	3,279,377	2,899,040	2,935,409
9,225,023	8,490,287	8,580,009	8,576,452	8,329,345	8,505,028	13,172,531
329,391	345,801	405,709	402,952	411,299	466,334	568,061
790,693	849,946	1,129,476	1,150,896	1,162,355	1,038,202	1,021,563
2,661,643	2,659,880	2,674,646	2,751,352	2,748,027	2,758,586	2,810,445
		423,489	435,303	426,057	466,049	468,136

(3) The Panola County Rural Fire Prevention  
District No. 1 was created during 1996.

PANOLA COUNTY, TEXAS  
RATIO OF NET GENERAL BONDED DEBT AND CERTIFICATE OF OBLIGATION DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA (1)  
LAST TEN YEARS  
(UNAUDITED)

Year	Population	Assessed Value (in 1,000)	Gross (1) Bonded Debt	Debt Service Monies Available
1991	22,100	1,585,142	3,600,000	60,905
1992	22,300	1,403,552	3,200,000	79,641
1993	22,430	1,518,975	2,800,000	93,605
1994	22,500	1,819,104	2,400,000	97,484
1995	22,700	1,761,773	2,000,000	107,838
1996	23,402	1,574,791	1,600,000	114,568
1997	23,100	2,031,886	1,200,000	114,633
1998	23,200	2,189,144	800,000	134,419
1999	22,949	1,962,193	400,000	447,942
2000	22,756	2,021,359	0	35,262

Notes: (1) Years 1991 through 2000 represents Certificate of Obligation Debt.

Notes: (2) 1991 through 1992 based on Texas Data Center.  
1995, 1997, and 1998 based on Sales and Marketing Management Publication.  
1996 based on Texas State and Local Government Fiscal 1996 Debt Report.  
2000 population based on Federal Bureau of Census.  
Other years estimated.

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(Continued)

PANOLA COUNTY, TEXAS  
RATIO OF NET GENERAL BONDED DEBT AND CERTIFICATE OF OBLIGATION DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA (1)  
LAST TEN YEARS  
(UNAUDITED)

Debt Payable From Enterprise Revenue	Net Bonded and Certificate Obligation Debt	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
-0-	3,539,095	0.2233%	160.14
-0-	3,120,359	0.2223%	139.93
-0-	2,706,395	0.1782%	120.66
-0-	2,302,515	0.1266%	102.33
-0-	1,892,162	0.1074%	83.35
-0-	1,485,432	0.0943%	63.47
-0-	1,085,367	0.5340%	46.98
-0-	665,581	0.3040%	28.69
-0-	-0-	0.0000%	-0-
-0-	-0-	0.0000%	-0-

**PANOLA COUNTY, TEXAS  
COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2000  
(UNAUDITED)**

Assessed Value of Real Property	<u>\$1,835,949,338</u>
Debt Limit 25% of Assessed Value of Real Property Article 3, Section 52, Constitution of the State of Texas	<u>\$458,987,335</u>
Amount of Debt Applicable to Debt Limit	<u>-0-</u>
Legal Debt Margin *	<u>\$458,987,335</u>

\*This constitutional limit applies only to the General Bonded Debt of which the County currently has none.

**PANOLA COUNTY, TEXAS  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2000  
(UNAUDITED)**

Jurisdiction	Net Debt	Applicable to Panola County	
	Outstanding Amount (1)	Percent (2)	Amount
Panola County	\$0	100.00%	\$0
Cities			
Carthage	4,040,000	100.00%	4,040,000
Beckville	212,000	100.00%	212,000
School Districts			
Carthage ISD	9,830,000	100.00%	9,830,000
Gary ISD	1,915,000	100.00%	1,915,000
Beckville ISD	6,540,000	100.00%	6,540,000
Elysian Fields ISD	2,863,405	52.55%	1,504,719
Tatum ISD	4,220,000	2.27%	95,794
Tennha ISD	105,000	4.75%	4,988
Joaquin ISD	75,135	5.05%	3,794
Panola Junior College	<u>0</u>	100.00%	<u>0</u>
Total Net Debt Outstanding	<u>29,800,540</u>		
(Total Consolidated Debt			
1.47% of actual value-			
1061.09 per capita)			
			<u>\$24,146,295</u>

Sources: (1) Respective entities and auditors of respective entities.

(2) Texas Municipal Reports.



**PANOLA COUNTY, TEXAS**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT AND CERTIFICATE OF OBLIGATION DEBT**  
**TO TOTAL GENERAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal		Interest	Total	Total	Ratio of
Year	Principal (1)	& Fees (1)	Debt	General	Debt Service
			Service (1)	Expenditures	To Total
				(2)	General
					Expenditures
1991	400,000	268,800	668,800	9,937,782	6.73
1992	400,000	242,637	642,637	11,378,573	5.65
1993	400,000	215,200	615,200	8,106,540	7.59
1994	400,000	187,800	587,800	8,502,286	6.91
1995	400,000	160,000	560,000	8,882,383	6.30
1996	400,000	131,800	531,800	9,468,406	5.62
1997	400,000	103,200	503,200	9,608,898	5.24
1998	400,000	74,450	474,450	10,476,720	4.53
1999	400,000	45,845	445,845	10,864,790	4.10
2000	400,000	15,000	415,000	11,016,233	3.77

Notes: (1) Years 1991 through 2000 represents Debt Service on Certificates of Obligation.

(2) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

**PANOLA COUNTY, TEXAS**  
**DEMOGRAPHIC STATISTICS**  
**LAST TEN YEARS**  
**(UNAUDITED)**

Year	Population (1)	Per-Capita Income (2)	School Enrollment (3)	Unemployment Rate (4)
1991	22,261	13,317	4,138	9.1
1992	22,701	14,229	4,171	11.1
1993	22,430	14,840	4,066	9.8
1994	22,500	15,508	4,075	10.7
1995	22,700	15,896	4,070	12.9
1996	23,402	15,587	4,086	8.5
1997	23,100	15,731	4,017	9.8
1998	23,200	16,720	3,994	10.6
1999	22,949	16,948	3,939	9.5
2000	22,756	16,992	3,742	6.9

Sources: (1) 1991 through 1992 based on Texas State Data Center.  
1995, 1997 & 1998 based on Sales and Marketing Management Publication.  
1996 based on Texas State and Local Government Fiscal 1996 Debt Report.  
2000 Federal Bureau of Census. Other years estimated.

(2) Texas Employment Commission, Federal Bureau of Census, East Texas Council of Governments, Regional Economic Information System Bureau of Economic Analysis and estimates.

(3) Local school offices - represents enrollment for school facilities located in County - Beckville, Carthage, and Gary.

(4) Texas Employment Commission.

PANOLA COUNTY, TEXAS  
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS  
LAST TEN YEARS  
(UNAUDITED)

Fiscal Year	Property Value	Commercial Construction	Value	Residential Construction	Value
		Number of Units		Number of Units	
1991	1,585,142,559	6	157,910	84	2,031,350
1992	1,403,551,805	6	1,565,460	82	2,401,514
1993	1,518,974,659	7	115,020	81	2,468,470
1994	1,819,104,526	19	1,709,700	111	3,514,466
1995	1,761,773,128	25	789,880	99	2,720,800
1996	1,574,791,113	30	2,729,310	126	2,770,550
1997	2,031,886,088	21	1,022,120	131	3,190,700
1998	2,189,143,971	17	925,050	240	6,357,360
1999	1,962,192,898	25	323,200	368	2,045,790
2000	2,021,359,150	32	1,718,650	289	1,605,840

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Table "12"  
(Continued)

PANOLA COUNTY, TEXAS  
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS  
LAST TEN YEARS  
(UNAUDITED)

Bank Deposits (in 1,000's)(1)(2)	Bank Loans (in 1,000's)(1)(2)
247,950	90,641
260,876	86,782
257,081	106,000
266,799	93,512
272,917	98,921
234,445	93,367
248,657	96,613
263,066	101,962
266,983	113,876
283,226	124,573

Sources: (1) Federal Reserve and local banks.  
Includes Repurchase Agreements.

(2) Includes mortgage backed securities.

PANOLA COUNTY, TEXAS  
PRINCIPAL TAXPAYERS  
DECEMBER 31, 2000  
(UNAUDITED)

<u>Taxpayer</u>	<u>Type of Business</u>	2000 Assessed Valuation (in 1,000's)	Percentage Of Total Assessed Valuation
Union Pacific Resources	Petroleum	\$199,100	9.85
Devon Energy	Petroleum	152,616	7.55
Texaco Producing, Inc.	Petroleum	140,078	6.93
EOG Resources	Petroleum	88,673	4.39
Exxon Corp.	Petroleum	70,689	3.50
Duke Energy	Petroleum	66,955	3.31
R. Lacy, Inc.	Petroleum	55,642	2.75
BP Amoco Corp.	Petroleum	46,097	2.28
TXU Mining	Utilities	39,476	1.95
Vastar Resources, Inc.	Petroleum	<u>37,935</u>	<u>1.88</u>
Total (44.39% of Actual Value \$2,021,359,150)		<u>\$897,261</u>	<u>44.39</u>

PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2000  
(UNAUDITED)

<u>Insurer or Name of Company</u>	<u>Number</u>	<u>Policy Period</u>	
		<u>From</u>	<u>To</u>
Hartford Underwriters	CAP240K0239 99	02-13-00	02-13-01
Twin City Fire Ins. Co.	630-240K0227 99	02-13-00	02-13-01
Hartford Underwriters	46UUNQH3698P2	2-13-00	2-13-01
Twin City Fire Ins. Co.	CUP-239K2390-99	02-13-00	02-13-01
National Casualty Co.	PL-543174	02-02-00	02-02-01
Commercial Underwriters	POL-060273	02-02-00	02-02-01
The Travelers Insurance Co.	BMEC-180X3783-99	08-01-00	08-01-01
Signal Aviation Underwriters	UA62598	12-13-00	12-13-01
Texas Association of Counties	#1830	01-01-00	12-31-00
Texas Association of Counties	#1830	06-01-00	05-31-01
Texas Association of Counties - BCBS	62946	06-01-00	05-31-01
The CIMA Companies, Inc.	SPS900304	07-01-00	07-01-01
The CIMA Companies, Inc.	SPS900305	07-01-00	07-01-01

- \* 2000 Funding
- \*\* As prescribed by law - Art. #8309H
- \*\*\* As prescribed by law - Texas Unemployment Compensation Act
- \*\*\*\* For covered expenses - Unlimited lifetime maximum

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF INSURANCE IN FORCE**  
**DECEMBER 31, 2000**  
**(UNAUDITED)**

<u>Building and/or Department &amp; Description</u>	<u>Amount of Coverage</u>	<u>Premiums &amp; Funding</u>
Physical Damage-Comp. Limit PD; 500 Deduct; Bodily Injury - Limit; Comp. Auto Liab. Ins. 1,000	\$1,000,000	\$53,256
General Liability; 2, 000,000	2,000,000	33,734
Commercial Property and Equipment	7,700,748	19,001
Commercial Umbrella Liability- 1,000,000 each occurrence Aggregate 1,000,000; Retention 10,000	1,610,528	4,914
Law Enforcement Professional Liability; Each Person 1,000,000 Aggregate 3,000,000; Each occurrence 1,000,000	1,000,000	24,769
2,000,000 Limit Each 2,000,000 Aggregate 10,000 retention; Public Officials and Employees Legal Liability	2,000,000	52,963
Boiler & Machinery; 1,000 Deductible-Property damage limit per accident 4,000,000; Business Interruption Extra Expense Limit 1,000,000	4,000,000	2,012
Property Damage 1,000,000; General Liability- Airport 1,000,000 each occurrence, 2,000,000 aggregate	1,000,000	2,450
Workers Compensation Self-Funded Insurance through Texas Association of Counties	..	50,116 *
Unemployment Insurance Self-Funded through Texas Association of Counties	...	19,267 *
Employee Group Ins - Fully Insured Group Medical Ins - 750 deductible - 2,000 co-ins; Emp Life Ins 10,000 & Acc Death/ Dismb 10,000	....	1,106,146
Volunteers Insurance Service Association (VIS) Court Referred alternate Sentencing Volunteer Program Community Service Restitution - Probation Department Medical Indemnity	25,000	2,575
Volunteers Insurance Service Association (VIS) Work Release Volunteer Accident Insurance	25,000	2,575

PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2000  
(UNAUDITED)

Insurer or Name of Company	Number	Policy Period	
		From	To
American States	EX885274	01-01-99	12-31-03
American States	EX952904	01-01-00	12-31-04
American States	SX123229	01-01-00	12-31-03
American States	EX952903	01-01-97	12-31-01
American States	EX879389	01-01-99	12-31-00
American States	EX879019	11-03-98	11-03-02
United National	EX916865	01-01-98	12-31-02
American States	B123407	11-03-00	11-03-01
American States	6001533	11-08-99	12-31-03
American States	B121966	11-15-99	11-15-03
United National Insurance Co.	EX88572	01-01-99	12-31-03
Continental Insurance Co.	B123491	11-15-00	11-15-01
American States	161817671	08-27-00	08-27-01
American States	EX879391	01-01-99	12-31-03
American States	EX879393	01-01-99	12-31-03
American States	EX879390	01-01-99	12-31-02
American States	5975094	01-01-98	02-28-01
American States	EX850592	02-28-99	
American States	EX850594		
American States	EX850593		
American States	EX879011	01-01-98	12-31-02
American States	EX879022	12-31-00	12-31-01
American States	EX925014	09-01-00	12-31-04
American States	EX925003	09-01-00	12-31-04
American States	F10122502	01-01-97	01-01-01

PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2000  
(UNAUDITED)

<u>Surety Bonds</u>	<u>Amount of Coverage</u>	<u>Premiums &amp; Funding</u>
County Judge	\$1,000	\$177
Commissioner Precinct 1	3,000	177
Commissioner Precinct 2	3,000	177
Commissioner Precinct 3	3,000	177
Commissioner Precinct 4	3,000	177
County Clerk	40,000	497
Deputy County Clerks	40,000	1,988
County Clerk Errors & Omissions	250,000	2,043
County Court at Law Judge	1,000	128
District Clerk	100,000	1,242
Deputy District Clerks	100,000	1,242
District Clerk Errors & Omissions	700,000	4,046
Crime - Money & Securities - District Clerk	25,000	231
Justice of the Peace Pet 1	1,000	177
Justice of the Peace Pet 2	1,000	177
Criminal District Attorney	5,000	177
Elections Administrator	1,000	178
Auditors & Assistants	5,000	279
County Treasurer	1,000	177
Assistant Treasurer	25,000	125
Tax Assessor/Collector (Auto Registration Office)	100,000	1,775
Tax Assessor/Collector (Ad Valorem Tax Office)	100,000	1,775
Tax Assessor/Collector (Deputies)	35,000	1,287

PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2000  
(UNAUDITED)

Insurer or Name of Company	Number	Policy Period	
		From	To
American States	EX850744	01-01-97	01-01-01
American States		01-01-99	01-01-00
American States	EX850917	01-01-97	01-01-01
American States	EX952902	01-01-00	01-01-04
The Travelers	CDAS614F027-5-91	12-30-00	12-30-01
The Travelers	CDAS226X9543-96	12-30-00	12-30-01
Safeco	SX850916	01-01-99	12-31-03
American States	EX981374	01-01-00	12-31-01
American States	EX850915	01-01-00	12-31-01
American States	EX885285	08-29-00	08-29-01
American States	EX885283	08-29-00	08-29-01
American States	EX885286	08-29-00	08-29-01
American States	EX879385	01-01-00	01-01-01
American States	EX885282	07-07-00	07-07-01

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Table "14"  
(Continued)

PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2000  
(UNAUDITED)

Surety Bonds	Amount of Coverage	Premiums & Funding
Sheriff	\$30,000	\$532
Reserve Deputies -Fourteen @ 2,000	28,000	700
Constable Precinct 1	1,000	177
Constable Precinct 2	1,000	177
123rd Judicial District Adult Probation	10,000	376
123rd Judicial District Juvenile Probation	10,000	181
County Surveyor	1,000	177
Road and Bridge Administrator	3,000	50
Warehouse Assistant	2,000	50
Special Prosecutor	2,500	50
Court Coordinator LE & Forfeiture Spec.	2,000	50
Asst. District Attorney	5,000	50
Reserve Constable Deputy Pct. 1 - Two @ 2,000	4,000	100
Reserve Constable Deputy Pct. 2	2,000	50

PANOLA COUNTY, TEXAS  
GENERAL INFORMATION  
DECEMBER 31, 2000  
(UNAUDITED)

**History, Location:** Panola County is located in East Texas with its eastern border on the Texas-Louisiana state line. It was created in 1846 from Harrison and Shelby counties and organized the same year. The County was created by the Legislature through an act authorized by the Honorable Isaac Van Sandt who selected the name "Panola". The name came from the Indian word "ponola" which means cotton.

Noticeable geographic features of the County include the Sabine River, Lake Murvaul, and a portion of Toledo Bend Lake. The cities of Carthage, Beckville, and Gary are located in Panola County. Carthage is the county seat and largest city. The County has approximately 801 square miles with an estimated 91% in forest or agricultural land; about 4.2% can be classified as urban or urban fringe, and the remainder as surface water. The County is traversed by U.S. Highways 59 and 79, State Highways 149 and 315, and 16 Farm-to-Market roads. The State of Texas maintains approximately 315 miles of state roads in the County. County maintains approximately 650 miles of county roads.

**Climate (1):** The average annual rainfall for Panola County is 48.0 inches. The January average minimum temperature is 33 degrees while the July maximum temperature averages 94 degrees. The growing season is 240 days.

**Demographics:** The current population is 22,756 compared to 22,261 in 1991. The following table shows the current statistics on population:

**POPULATION (2)**

% of U.S. .0087	Percent of Population by Age Group					Households (Thousands)
	1-17 Years	18-24 Years	25-34 Years	35-49 Years	50 + Years	
	28.00	7.2	11.2	21.60	32.00	8.6

**Economic Background and Statistics:** Panola County has relied upon oil and gas, agriculture, lignite production, lumbering and manufacturing. These activities have provided employment in the services and construction sectors which combine for over 40% of county employment. The poultry and mining industries are large employers in the County. The latest figures available for employment in 2000 are shown in the following table.

**Sources:**

- (1) Texas Almanac - 2000-01 Edition
- (2) 2000 Sales and Marketing Management Publication Survey of Buying Power



**PANOLA COUNTY, TEXAS  
GENERAL INFORMATION  
DECEMBER 31, 2000  
(UNAUDITED)**

**EMPLOYMENT IN PANOLA COUNTY (3)**

	<u>Employment Within Panola County</u>	<u>Percentage of Total Employment</u>
Agriculture	78	1.25
Mining	504	8.05
Construction	373	5.95
Manufacturing	1,158	18.48
Transportation, Communication and Public Utilities	444	7.09
Trade	1,205	19.24
Finance, Insurance and Real Estate	199	3.18
Service and Other	1,011	16.14
State Government	68	1.08
Local Government	1,224	19.54
	<u>6,264</u>	<u>100.00</u>

The following summary of tax roll values illustrates the County's heavy dependence on oil, gas, and industrial properties for economic activity.

**2000 TAX ROLL VALUES (4)**

	<u>Total Value</u>	<u>Percentage of Total</u>
Land & Real Estate Value		
After Exemptions	\$ 464,163,828	22.96
Oil and Gas Properties	1,138,992,690	56.35
Utilities Properties	232,792,820	11.52
Intangibles, Rolling Stock and Other Personal Properties	185,409,812	9.17
Total	<u>\$ 2,021,359,150</u>	<u>100.00</u>

**Sales and Buying Power:** According to latest figures available, agriculture contributed about 40 million average yearly income. This includes beef, pork, poultry, and timber production.

**Sources:**

(3) Texas Workforce Commission

(4) Certification of appraisal Roll plus adjustment for Rolling Stock per Panola County Appraisal District as of July 23, 2000

**PANOLA COUNTY, TEXAS  
GENERAL INFORMATION  
DECEMBER 31, 2000  
(UNAUDITED)**

The following tables show various economic statistics about retail sales, buying power, and industrial statistics for the major store groups in the County.

**RETAIL SALES (5)**

<u>Store Group</u>	<u>(Thousands)</u>
Food	\$ 36,326
Restaurants	7,879
General Merchandise	11,308
Furniture, Furnishings & Appliances	4,732
Automotive	42,090
Total Retail Sales	<u>\$ 102,335</u>

**BUYING POWER (6)**

<u>Median Household Effective Buying Income</u>	<u>Percent of Households by Effective Buying Income</u>	<u>Total Effective Buying Income</u>
\$25,059	a. -0- - 19,999 41.60	\$292,535,000
	b. 20,000 - 34,999 19.40	
	c. 35,000 - 49,999 16.70	
	d. 50,000 & over 22.30	

**EARNINGS STATISTICS (7)**

Earnings of persons employed in Panola County increased from \$141,052,000 in 1988 to \$218,567,000 in 1998, an average annual growth of 4.5%.

Source: (5) 2000 Sales & Marketing Management Publication Survey of Buying Power

(6) 2000 Sales & Marketing Management Publication Survey of Buying Power

(7) Texas Department of Economic Development - Business and Industry Data Center

**Parks and Recreation:** Over 40 acres of park acreage is developed in the County. The County, schools and city combined in a joint effort to construct an exposition center. This center is used for various educational, cultural, and recreational activities in the County.

**PANOLA COUNTY, TEXAS  
GENERAL INFORMATION  
DECEMBER 31, 2000  
(UNAUDITED)**

**Libraries:** One public library is located within the County. The library has over 94,645 volumes with a circulation of approximately 102,299. There are 22,125 library cards in force.

**Educational Opportunities:** The County has three public schools whose facilities are located entirely in Panola County. These include Beckville, Carthage and Gary Independent School Districts with a combined enrollment of around 4,000. Other independent school districts in Panola County include Elysian Fields, Tatum, Joaquin and Tenaha. Panola College is located in the city of Carthage. The college has an enrollment in excess of 1,500 of credit and non-credit students. There are at least eighteen higher education institutions and colleges within 70 miles of Panola County.

**Fire Protection:** Within the boundaries of Panola County there are eight volunteer fire departments. There are approximately 161 active volunteers and three paid full-time employees.

**Law Enforcement and Police Protection:** The County operates a 48-capacity facility with eighteen jailers. Law enforcement sworn officers include the County sheriff, fourteen deputies, two constables, and fourteen volunteer deputies. The City of Carthage has thirteen sworn officers and three volunteer officers.

**Health Care Facilities:** Citizens have access to one hospital facility and three nursing homes located within the city limits of Carthage, Texas.

## OVERALL COMPLIANCE AND INTERNAL CONTROLS SECTION

ROBINSON & WILLIAMS, P.L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
410 WEST PANOLA  
CARTHAGE, TEXAS 75633

MEMBERS OF  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
TELEPHONE  
(903) 683-8522

### Independent Auditors' Report

#### REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To The Honorable Members  
of The Commissioners' Court  
of Panola County  
Carthage, Texas

#### Members of the Commissioners' Court:

We have audited the financial statements of Panola County, Texas as of and for the year ended December 31, 2000, and have issued our report thereon dated April 9, 2001.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As a part of obtaining reasonable assurance about whether Panola County, Texas's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Panola County, Texas's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses.

Commissioners' Court  
Panola County  
Page 2

This report is intended for the information of the management of Panola County and appropriate state and federal agencies. However, this report is a matter of public record and its distribution is not limited.

*Robinson & Williams*  
Robinson & Williams, P.L.L.C.  
Certified Public Accountants

April 9, 2001

# FEDERAL AND STATE AWARD SECTION

## SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

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Schedule "1"

## PANOLA COUNTY, TEXAS

## SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

DECEMBER 31, 2000

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA (1) Number	Pass-Through Grantor's Number	Expenditures Indirect Costs And Refunds	Pass Through Amounts To Subrecipients
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FEDERAL GRANTS

None

STATE GRANTS AND ASSISTANCE

Texas Parks and Wildlife			\$145,506	\$0
Community Justice Assistance Division				
Community Supervision & Correction Department CJAD Contracts			749,917	0
Texas Juvenile Probation Commission TJPC Contracts			250,090	0
Texas Treasury Department Securities Management Division				
County Lateral Road Funds			30,991	0
<b>TOTAL STATE ASSISTANCE</b>			<b>\$1,176,504</b>	<b>\$0</b>

(1) Catalog of Federal Domestic Assistance number.

(2) Requisition basis as services rendered.

See notes to Schedule of Federal and State Financial Assistance.

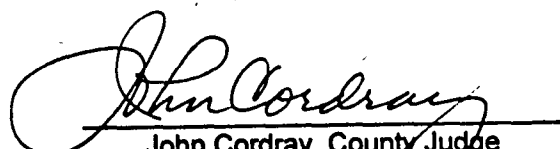
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### PANOLA COUNTY, TEXAS NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS DECEMBER 31, 2000

The federal program activity reflected in the schedules present only the activity applicable to each program. No other assets (cash, accounts receivable) or residual fund balances originating from other than federal sources are included in the schedule.

The state grants and assistance reflect residual fund balances, if any, in the funds used to account for the various programs of assistance.

Notice is hereby given that the 2000 Annual Audit Report for Panola County is available for public inspection in the County Clerk's Office, County Auditor's Office and County Judge's Office in the Panola County Courthouse, Carthage, Texas. This report, accepted by the Commissioners' Court on May 14, 2001 is the Annual Financial and Compliance Audit performed pursuant to Federal Regulations. This audit was conducted in accordance with generally accepted audit standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. This report and any other supporting documentation may be reviewed by an interested citizen on any regular county work day between the hours of 8:00 a.m. and 5:00 p.m.



John Cordray, County Judge

**ROBINSON & WILLIAMS, P.L.L.C.**

CERTIFIED PUBLIC ACCOUNTANTS  
410 WEST PANOLA  
CARTHAGE, TEXAS 75633

May 8, 2000

MEMBERS OF  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

TELEPHONE  
(903) 693-8522

The Honorable Members  
Of The Commissioners' Court  
Of Panola County  
Carthage, Texas

Gentlemen:

We are pleased to confirm our understanding of the services we are to provide Panola County, Texas for the year ended December 31, 2001. We will audit the general purpose financial statements of Panola County, Texas as of and for the year ended December 31, 2001.

The objective of our audit is the expression of an opinion as to whether the general purpose financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the general purpose financial statements taken as a whole. Our audit will be conducted in accordance with generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Panola County, Texas and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the general purpose financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to express an opinion, we may decline to express an opinion or may not issue a report as a result of this engagement.

The management of Panola County, Texas is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles.

In planning for our audits, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinions on Panola County, Texas's general purpose financial statements.

The Honorable Members  
Of The Commissioners' Court  
Of Panola County

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the general purpose financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the general purpose financial statements. (Tests of controls are required only if control risk is assessed below the maximum level.) Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body or audit committee of any matter involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Identifying and ensuring that Panola County, Texas complies with laws, regulations, contracts, and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we will perform tests of Panola County, Texas's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matter.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that a material

The Honorable Members  
Of The Commissioners' Court  
Of Panola County

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misstatement may exist and not be detected by us. In addition, an audit is not designed to detect errors, fraud, or other illegal acts that are immaterial to the general purpose financial statements. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, the selection and application of accounting principles, and the safeguarding of assets.

The workpapers for this engagement are the property of Robinson & Williams and constitute confidential information. However, we may be requested to make certain workpapers available to agencies pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of Robinson & Williams personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to that agency. The agency may intend, or decide, to distribute the photocopies of information contained therein to others, including other governmental agencies.

Our fee for these services will be at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit.

We appreciate the opportunity to be of service to Panola County, Texas and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

*Robinson & Williams*

Robinson & Williams, P.L.L.C.  
Certified Public Accountants

The Honorable Members  
Of The Commissioners' Court  
Of Panola County

To: Robinson & Williams, P.L.L.C.  
Certified Public Accountants

This letter correctly sets forth the understanding of Panola County, Texas.

May 14, 2001  
Date

*John Cordray*  
County Judge

*Ronnie La Rue*  
County Commissioner, Precinct 1

*Hermon E. Reed*  
County Commissioner, Precinct 3

*D. M. C. D.*  
County Commissioner, Precinct 2

*Jimmy E. Davis*  
County Commissioner, Precinct 4

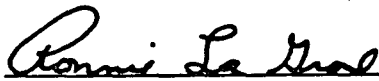
## ORDER 2001-04

WHEREAS, the Commissioners' Court of Panola County desires to employ independent auditors to handle the independent audit for financial matters of Panola County for Fiscal Year 2001; and

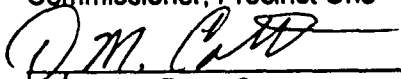
WHEREAS, Article 262.024 V.T.C.A. grants an exemption from competitive bidding and competitive proposal requirements for professional services;

NOW, THEREFORE, the Panola County Commissioners' Court does hereby claim that exemption in the employment of Robinson & Williams for matters pertaining to the independent audit for financial matters of Panola County for Fiscal Year 2001.

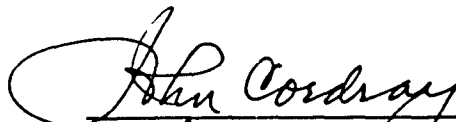
PASSED, APPROVED, and ADOPTED in Open Court this 14th day of May, 2001.



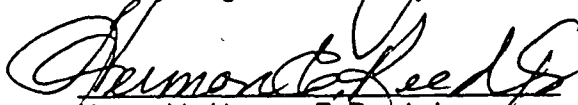
Honorable Ronnie LaGrone  
Commissioner, Precinct One



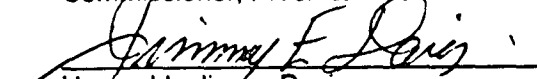
Honorable Doug Cotton  
Commissioner, Precinct Two



County Judge John Cordray

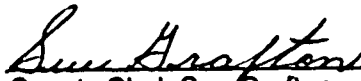


Honorable Hermon E. Reed, Jr.  
Commissioner, Precinct Three



Honorable Jimmy Davis  
Commissioner, Precinct Four

## ATTEST:



County Clerk Sue Grafton





# ORDER 2001-05

VOL. 37 PAGE 247

WHEREAS, Panola County has a Malpractice Account Fund created during the time Panola County owned and operated Panola General Hospital; and

WHEREAS, Panola County has leased Panola General Hospital to East Texas Medical Center, and the hospital now operates as East Texas Medical Center - Carthage; and

WHEREAS, Panola County is responsible for malpractice claims occurring before the date of the lease to East Texas Medical Center, such lease date being December 1, 1997; and

WHEREAS, the time for malpractice suits to be filed for incidents prior to December 1, 1997 appears to have passed;

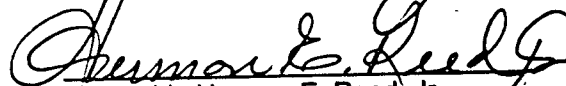
NOW, THEREFORE, IT IS ORDERED, as follows:

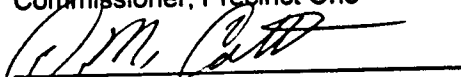
1. The full amount in the Malpractice Account Fund shall be transferred to the Health Fund; and
2. Any liability arising from malpractice claims successfully litigated for events occurring prior to December 1, 1997 shall be paid from the Health Fund up to the amount transferred into the Health Fund from the Malpractice Account Fund.

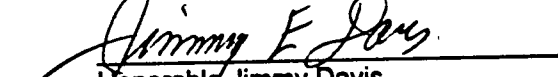
PASSED, APPROVED, and ADOPTED in Open Court this 14th day of May, 2001.


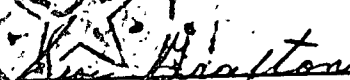
  
County Judge John Cordray

  
Honorable Ronnie LaGrone  
Commissioner, Precinct One

  
Honorable Hermon E. Reed, Jr.  
Commissioner, Precinct Three

  
Honorable Doug Cotton  
Commissioner, Precinct Two

  
Honorable Jimmy Davis  
Commissioner, Precinct Four

  
ATTEST:  
  
County Clerk Sue Grafton

**ORDER 2001-06**

**WHEREAS,** Panola County has received its portion of the 2000 Tobacco Settlement Funds; and

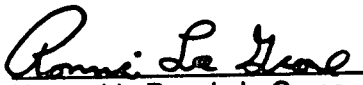
**WHEREAS,** Order #2000-07 ordered these funds to be deposited into the Panola County Health Fund; and

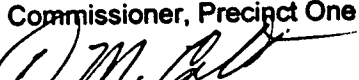
**WHEREAS,** a better arrangement and use of these funds can be made;

**NOW, THEREFORE, IT IS ORDERED,** that the Tobacco Settlement Funds shall be handled as follows:

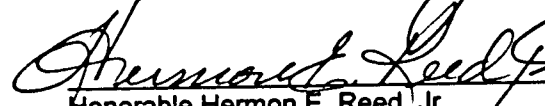
1. When received, the Tobacco Settlement Funds shall be placed in the General Fund;
2. At the next budget amendment following the deposit into the General Fund, the Tobacco Settlement Funds shall be transferred to the Indigent Care line item;
3. Should an audit of the Tobacco Settlement Funds result in a need to repay funds, such repayment may be taken from the Indigent Care line item; and
4. This Order shall continue in effect for subsequent Tobacco Settlement Funds from year to year until changed by the Commissioners' Court.

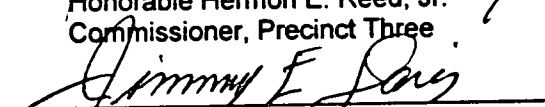
**PASSED, APPROVED, and ADOPTED** in Open Court this 14th day of May, 2001.

  
Honorable Ronnie LaGrone  
Commissioner, Precinct One

  
Honorable Doug Cotton  
Commissioner, Precinct Two

  
County Judge John Cordray

  
Honorable Hermon E. Reed, Jr.  
Commissioner, Precinct Three

  
Honorable Jimmy Davis  
Commissioner, Precinct Four

**ATTEST:**

  
County Clerk Sue Grafton

# ORDER 2001-07

VOL. 37 PAGE 249

WHEREAS, Panola County leased Panola General Hospital to East Texas Medical Center on December 1, 1997; and


WHEREAS, lease payments equal to 1% of Net Patient Revenue capped at \$100,000 per year shall be payable to Panola County beginning December 1, 2001 and for six (6) years thereafter;

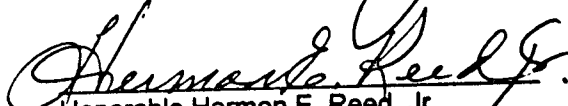
NOW, THEREFORE, IT IS ORDERED, as follows:

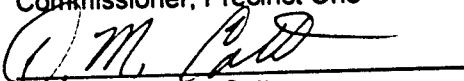
1. When these annual lease payments are received, they shall be placed in the General Fund;
2. At the first budget amendment of the following fiscal year, the entire amount of the annual lease payment shall be transferred to the Indigent Care line item; and
3. This Order shall continue in effect annually until changed by further action of the Commissioners' Court.


PASSED, APPROVED, and ADOPTED in Open Court this 14th day of May, 2001.

  
County Judge John Cordray

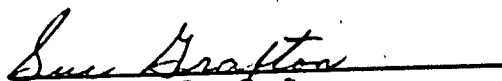
  
Honorable Ronnie LaGrone  
Commissioner, Precinct One

  
Honorable Hermon E. Reed, Jr.  
Commissioner, Precinct Three

  
Honorable Doug Cotton  
Commissioner, Precinct Two

  
Honorable Jimmy Davis  
Commissioner, Precinct Four

ATTEST:

  
County Clerk Sue Grafton





**FIRST STATE  
BANK & TRUST COMPANY**

110 WEST PANOLA  
P O DRAWER 579  
CARTHAGE, TEXAS 75833  
903-693-6606

May 14, 2001

Hon. John Cordray, County Judge;  
Hon. Ronnie Lagrone, Commissioner, PCT #1;  
Hon. Doug Cotton, Commissioner, PCT #2;  
Hon. Herman Reed, Commissioner, PCT #3;  
Hon. Jimmy Davis, Commissioner, PCT #4;

**COMMISSIONERS' COURT - PANOLA COUNTY, TEXAS**

**DEPOSITORY BID**

Gentlemen:

We the **First State Bank & Trust Company**, Carthage, Texas, a banking corporation chartered and incorporated under the Laws of the State of Texas, and a member in good standing of the **Federal Deposit Insurance Corporation**, with:

Capital Stock of -----	\$ 2,400,000
Surplus (Certified) of -----	2,400,000
Undivided Profits and Reserves of -----	38,835,746
Total Capital Structure & Reserves of -----	43,635,746
TOTAL ASSETS OF: -----	258,394,158

as verified by the attached Statement of Financial Condition as of close of business: May 10, 2001, - the latest available date, certified to in compliance with the statute:

**SUBMIT:** - the following Bid as depository for **Panola County Texas**, including any trust funds of Panola County officials, for the biennium ending **July 14, 2003**, in response to your public advertisement.

- (1) We agree to accept the deposits of Panola County, Texas, including any trust funds of Panola County officials and keep good and sufficient record of same, rendering statements and making necessary reports as may be required from time to time.
- (2) Furnish good and sufficient bond, and/or pledge of securities, as may be required by law to cover the funds, with additional bond, and/or pledge of securities as may be required from time to time.

*Jim Davis* 5/14/2001

- (3) Accept deposits in to any of the various types of accounts offered by our Bank including interest bearing demand accounts (commonly called Super Now) and interest bearing limited transaction accounts (commonly called Money Market Accounts). Super-Now accounts will pay interest at **2% less than the discount yield of the 3 month Treasury Bill** established by the first Treasury Bill auction each month. A **minimum rate of 3%** shall apply to these accounts. No service charges shall be charged on any transaction account.

- (4) Pay interest on "Time Deposits" as follows:

- (a) Time Deposits of less than \$100,000.00

For time deposits in this category we will pay interest at the rate in effect for all bank customers. The following minimum rates shall apply to these deposits:

14 to 90 days -----	3 1/8
91 days and over -----	3 1/8

- (b) Time Deposits of \$100,000.00 or more

For time deposits in this category we will pay interest at the same rate as the **discount yield** on U. S. Treasury Bills of the same Amount and Maturity. Rates shall be determined by the "Asked" Market quotation shown in the most recent Wall Street Journal. Rates will be based on a 365 day year (1 day equals 1/365<sup>th</sup> of one year) The following minimum rates shall also apply to these deposits:

14 to 90 days -----	3 1/8
91 days or more -----	3 1/8

In lieu of Time Deposits, the above type funds may be invested in Repurchase Agreements between the Depository and the County as approved by the Commissioners' Court in September, 1992, and complying with the Master Repurchase Agreement accepted at that meeting.

- (5) In the event a need arises for funds in any time deposit or Repurchase Agreement before the maturity date thereof, we will loan the County, upon the security of such time deposits, all or any portion thereof, at 1/4 of 1% above the rate being paid on such time deposit.
- (6) Our Trust Department is currently handling the **Panola County Employee's Benefit Trust**. If we are selected as County Depository for the biennium ending July 14, 2003, we will waive the normal trust fees for that period.
- (7) As a special service to the County, we will provide **ACH Origination** for Payroll at **no cost** if you should desire to use it.
- (8) **Positive Pay System** - The County will have the capability to send a tape or a transmission file of checks written on the account to the bank. The records in the file received from the County will go into a positive pay

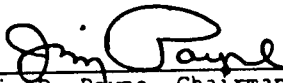
*Jim Payne* 5/14/2001


issued file and will be used to verify check numbers and amounts prior to the checks being paid against the account.

- (9) **Cash Sweep Maintenance** - The County will have the capability to transfer funds between two deposit accounts.
- (10) We have available for your use at no charge our **24 Hour Automated Telephone Funds Transfer System** for transfer of funds between checking accounts of the County.
- (11) We believe our performance as your depository for the past biennium has been satisfactory to all departments of the County government. It is our desire and intent, if we are selected as your depository for the biennium ending **July 14, 2003**, to render the very best service possible, and we would invite any suggestions as to our improving on our past performance.
- (12) Evidencing our good faith in submitting this Bid, and in compliance with the statute, we hand you herewith, attached, our certified check in the amount of **\$80,000.00**, which shall be disposed of as provided by statute.

Respectfully submitted,

**FIRST STATE BANK & TRUST COMPANY  
CARTHAGE, TEXAS**

BY:   
Jim D. Payne, Chairman of  
The Board and CEO

 5/14/2001

## FIRST STATE BANK &amp; TRUST COMPANY, CARTHAGE, TEXAS

## CONDENSED STATEMENT OF CONDITION

AS OF MAY 10, 2001

**ASSETS**

Cash & Due from Banks -----	\$ 4,959,883
Investment Securities:	
U. S. Government Agencies -----	129,526,354
State & Political Subdivisions -----	30,407,799
Other Securities -----	12,277,000
Federal Funds Sold -----	5,700,000
Loans -----	71,477,427
Bank Premises, Furniture, Equipment -----	2,123,687
Other Assets -----	1,922,008
<b>TOTAL ASSETS</b>	<b>\$ 258,394,158</b>

**LIABILITIES AND CAPITAL ACCOUNTS**

Deposits -----	\$ 197,110,902
Other Liabilities -----	17,647,510
<b>TOTAL LIABILITIES</b>	<b>\$ 214,758,412</b>

Capital Stock -----	\$ 2,400,000
Certified Surplus -----	2,400,000
Undivided Profits -----	38,835,746
<b>TOTAL CAPITAL ACCOUNTS</b>	<b>43,635,746</b>

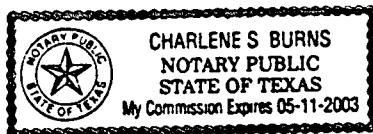
<b>TOTAL LIABILITIES &amp; CAPITAL ACCOUNTS</b>	<b>\$ 258,394,158</b>
---	-----------------------

The foregoing Condensed Statement of Condition of the First State Bank & Trust Company, Carthage, Texas, as of May 10, 2001, is true and correct to the best of my knowledge and belief.

*Kevin Smith*  
Kevin Smith, Vice President and Cashier

SUBSCRIBED TO BEFORE ME, this the 11th day of May, 2001

*Charlene S. Burns*  
Notary Public



*Jim [Signature]* 5/14/2001

**FIRST STATE BANK & TRUST COMPANY / CARTHAGE, TEXAS**CONDENSED STATEMENT OF CONDITION  
April 30, 2001**ASSETS**

Cash & Due from Banks.....	\$ 4,649,737.69
Investment Securities	
U. S. Government & Government Agencies .....	124,526,354.29
State & Political Subdivisions.....	30,407,799.49
Other Securities.....	12,376,000.00
Federal Funds Sold .....	11,350,000.00
Loans (Net) .....	71,174,435.61
Bank Premises, Furniture and Equipment .....	2,119,406.32
Other Assets .....	1,940,282.58
<b>Total Assets .....</b>	<b>\$ 258,544,015.98</b>

**LIABILITIES AND CAPITAL ACCOUNTS**

Deposits .....	\$ 197,074,039.23
Other Liabilities.....	17,734,165.09
<b>Total Liabilities.....</b>	<b>\$ 214,808,204.32</b>
Capital Stock .....	\$ 2,400,000.00
Surplus: Certified .....	2,400,000.00
Undivided Profits .....	36,735,811.66
Reserve for Contingencies .....	2,200,000.00
<b>Total Capital Accounts.....</b>	<b>\$ 43,735,811.66</b>
<b>Total Liabilities &amp; Capital Accounts.....</b>	<b>\$ 258,544,015.98</b>

**PROMPT AND COURTEOUS TREATMENT ASSURED**  
**WE WANT TO BE YOUR BANK****DIRECTORS**

DWAIN BRADY  
JOHN W. COOKE  
J. R. DUKE  
TOM ESCOE  
GENE GILES  
WILLIAM M. GOOLSBY, JR.  
DAVID MURPHY  
FOSTER E. MURPHY  
JACK PARKER  
JIM D. PAYNE  
MILTON L. PAYNE  
CHARLES THOMAS  
LYNN C. VINCENT  
TRAVIS WALL

Bank deposits insured to \$100,000

**OFFICERS**

MILTON L. PAYNE, Sr. Chairman of Board  
JIM D. PAYNE, Chairman of Board & CEO  
LYNN C. VINCENT, President  
J. R. DUKE, Sr. Vice President  
GENE GILES, Sr. Vice President  
WILLIAM M. GOOLSBY, JR., Vice President  
DAVID W. BATES, Vice President  
KEVIN SMITH, Vice President  
ANN ALLEN, Asst. Vice President  
GEORGIA SHEPHERD, Asst. VP & HR  
MYRNA SULLENS, Asst. Vice President  
SUE BISHOP, Asst. Cashier  
BECKY WIGGINS, Asst. Cashier T.O.  
JEANETTE HORN, Asst. Cashier  
BECKY EUBANK, Asst. Cashier  
PRISCILLA GENTRY, Data Processing Mgr.  
EMMA HARDY, Drive-In Bank Manager  
RONNETTE COOKE, Auditor  
GWEN SINGLETON, Banking Officer  
PEGGIE SNOW, Banking Officer  
CHARLENE BURNS, Banking Officer  
PHYLLIS PEREZ, Asst. Cashier  
JUDY WILKERSON, Asst. Cashier



**COUNTY DEPOSITORY CONTRACT**

THE STATE OF TEXAS X

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF PANOLA X

That **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS** does hereby state that it has pledged and deposited the hereinafter listed securities as of April 30, 2001, with the custodial banks as indicated on trust receipts, copies of which have been delivered to the Panola County Treasurer of the market value of **THIRTY-SIX MILLION NINE HUNDRED TEN THOUSAND FOUR HUNDRED FIFTY-SIX AND 05/100 (\$36,910,456.05) DOLLARS** to be held by such custodial banks upon the terms and conditions and for the purposes hereinafter set forth:

**NOW, THEREFORE**, as the above listed securities mature it is further agreed for the term of this contract that **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS** agrees to maintain pledged securities for Panola County at a market value amount equal to or greater than the total Panola County deposits exceeding the \$100,000 Federal Deposit Insurance Corporation coverage. The conditions of the above contract are such that, whereas, the above bounden pledgor **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS** was on the 14th day of May, 2001, duly and legally chosen by the Commissioners' Court of Panola County, Texas, as County Depository for said county for a period of two years ending sixty days from the time fixed by law for the next selection of a depository, upon its bidding and agreeing to pay the County of Panola interest on "time deposits" and "demand deposits" as outlined in depository bid accepted. A copy of the depository bid accepted is attached and a part of this contract.

NOW, THEREFORE, if the above bounden pledgor, **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS**, shall faithfully do and perform all the duties and obligations devolving on it by law as the County Depository of Panola County, and shall upon presentation pay checks drawn on it by the County Treasurer of Panola County, Texas; on "demand deposits" accounts in such depository; and all checks drawn upon any "time deposit" account upon presentation, after the expiration of the period of notice required in the case of "time deposits"; and shall faithfully keep said County funds, and account for same according to law, and shall faithfully keep and account for all funds belonging to the County which are deposited with it under the requirements of Chapter 11 of the Vernon's Texas Codes Annotated, Local Government Code, and shall include State funds collected by the Tax Collector and other County offices, and shall also include trust funds in the possession of County and District Clerks and all federal grant funds and all other Panola County funds deposited and shall pay the interest at the time and at the rate hereinbefore stipulated in depository bid accepted (copy attached) on "time deposits" and "demand deposits"; and shall, at the expiration of the term for which it has been chosen, turn over to its successor all the funds, property, and other things of value, coming into its hand as Depository, then and in that event this contract is to be and become null and void and the securities held by the custodial banks shall be released by the County from such pledge, otherwise, to remain in full force and effect, subject to the right of Panola County, Texas and the Commissioners' Court of Panola County, Texas to recover any loss, shortage or default on the part of **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS** arising by virtue of the violation of any or all of the conditions of this contract.

The above provision is given in addition to any remedy the pledgee may have in any suit brought on this contract in any court in this State.

Any suit arising out of or in any way connected with this contract shall be tried in the County of Panola and State of Texas in any court therein having jurisdiction of the subject matter thereof.

IN WITNESS to all of which we have hereunto set our hands and the said **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS** has caused these presents to be signed with its name and by its President and attested and sealed with its corporate seal the day and year first above written.

**FIRST STATE BANK & TRUST COMPANY,  
CARTHAGE, TEXAS**

By: J. R. Duke

**ACKNOWLEDGEMENT**

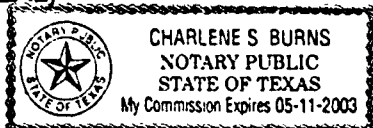
THE STATE OF TEXAS X

COUNTY OF PANOLA X

Before me, the undersigned authority, on this day personally appeared J. R. DUKE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of **FIRST STATE BANK & TRUST COMPANY, CARTHAGE, TEXAS**, a corporation, for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 15<sup>th</sup> day of May, 2001.

(SEAL)



Charlene S. Burns  
Notary Public, State of Texas

IN WITNESS WHEREOF, the party hereto has hereunto set his hand and seal on the date and in the year first above written.

PANOLA COUNTY, TEXAS

By John Cordray  
John Cordray, County Judge

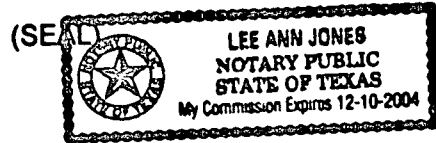
ACKNOWLEDGEMENT

THE STATE OF TEXAS X

COUNTY OF PANOLA X

Before me, the undersigned authority, on this day personally appeared JOHN CORDRAY, known to me to be the person whose name is subscribed as the County Judge in fact for PANOLA COUNTY, TEXAS, and acknowledged that he executed the same as the act of his principal for the purposes contained therein.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 14th day of May, 2001.



Lee Ann Jones  
Notary Public, State of Texas

\*\*\*\*\*

The within contract showing approval by the Commissioners' Court of this county was filed for record on the 17th day of ~~May~~ <sup>JULY</sup>, 2001, and duly recorded in Book 7, Page 1, Bond Records of Panola County, Texas.

WITNESS MY HAND AND SEAL OF OFFICE this the 17th day of ~~May~~ <sup>JULY</sup>, 2001.



Sue Grafton  
SUE GRAFTON, County Clerk  
Panola County, Texas

By: \_\_\_\_\_  
Deputy

NOTE:

1. Chapter 116 of Vernon's Texas Codes Annotated, Local Government Code, prescribes character of securities that may be pledged.
2. Securities pledged are to be accepted at their market value and not at their face value.



# **FIRST STATE BANK & TRUST COMPANY**

110 WEST PANOLA  
P. O. DRAWER 579  
CARTHAGE, TEXAS 75633  
903-693-6606

May 14, 2001

Hon. John Cordray, County Judge;  
Hon. Ronnie Lagrone, Commissioner, PCT #1;  
Hon. Doug Cotton, Commissioner, PCT #2;  
Hon. Herman Reed, Commissioner, PCT #3;  
Hon. Jimmy Davis, Commissioner, PCT #4;

## **COMMISSIONERS' COURT - PANOLA COUNTY, TEXAS**

### **DEPOSITORY BID**

Gentlemen:

We the **First State Bank & Trust Company**, Carthage, Texas, a banking corporation chartered and incorporated under the Laws of the State of Texas, and a member in good standing of the **Federal Deposit Insurance Corporation**, with:

Capital Stock of -----	\$ 2,400,000
Surplus (Certified) of -----	2,400,000
Undivided Profits and Reserves of -----	38,835,746
Total Capital Structure & Reserves of -----	43,635,746
TOTAL ASSETS OF: -----	258,394,158

as verified by the attached Statement of Financial Condition as of close of business: May 10, 2001, - the latest available date, certified to in compliance with the statute:

**SUBMIT:** - the following Bid as depository for **Panola County Texas**, including any trust funds of Panola County officials, for the biennium ending **July 14, 2003**, in response to your public advertisement.

- (1) We agree to accept the deposits of Panola County, Texas, including any trust funds of Panola County officials and keep good and sufficient record of same, rendering statements and making necessary reports as may be required from time to time.
- (2) Furnish good and sufficient bond, and/or pledge of securities, as may be required by law to cover the funds, with additional bond, and/or pledge of securities as may be required from time to time.

*Jim Fure* 5/14/2001

- (3) Accept deposits in to any of the various types of accounts offered by our Bank including interest bearing demand accounts (commonly called Super Now) and interest bearing limited transaction accounts (commonly called Money Market Accounts). Super-Now accounts will pay interest at **2% less than the discount yield of the 3 month Treasury Bill** established by the first Treasury Bill auction each month. A **minimum rate of 3%** shall apply to these accounts. No service charges shall be charged on any transaction account.
- (4) Pay interest on "Time Deposits" as follows:
  - (a) Time Deposits of less than \$100,000.00

For time deposits in this category we will pay interest at the rate in effect for all bank customers. The following minimum rates shall apply to these deposits:

14 to 90 days -----	3 1/8
91 days and over -----	3 3/8

## ✓ (b) Time Deposits of \$100,000.00 or more

For time deposits in this category we will pay interest at the same rate as the **discount yield** on U. S. Treasury Bills of the same Amount and Maturity. Rates shall be determined by the "Asked" Market quotation shown in the most recent Wall Street Journal. Rates will be based on a 365 day year (1 day equals 1/365<sup>th</sup> of one year) The following minimum rates shall also apply to these deposits:

14 to 90 days ----- 3½%  
91 days or more ----- 3½%

In lieu of Time Deposits, the above type funds may be invested in Repurchase Agreements between the Depository and the County as approved by the Commissioners' Court in September, 1992, and complying with the Master Repurchase Agreement accepted at that meeting.

- (5) In the event a need arises for funds in any time deposit or Repurchase Agreement before the maturity date thereof, we will loan the County, upon the security of such time deposits, all or any portion thereof, at 1/4 of 1% above the rate being paid on such time deposit.
- (6) Our Trust Department is currently handling the **Panola County Employee's Benefit Trust**. If we are selected as County Depository for the biennium ending July 14, 2003, we will waive the normal trust fees for that period.
- (7) As a special service to the County, we will provide **ACH Origination** for Payroll at **no cost** if you should desire to use it.
- (8) **Positive Pay System** - The County will have the capability to send a tape or a transmission file of checks written on the account to the bank. The records in the file received from the County will go into a positive pay

*Jim Payne* 5/14/2001

issued file and will be used to verify check numbers and amounts prior to the checks being paid against the account.

- (9) **Cash Sweep Maintenance** - The County will have the capability to transfer funds between two deposit accounts.
- (10) We have available for your use at no charge our **24 Hour Automated Telephone Funds Transfer System** for transfer of funds between checking accounts of the County.
- (11) We believe our performance as your depository for the past biennium has been satisfactory to all departments of the County government. It is our desire and intent, if we are selected as your depository for the biennium ending **July 14, 2003**, to render the very best service possible, and we would invite any suggestions as to our improving on our past performance.
- (12) Evidencing our good faith in submitting this Bid, and in compliance with the statute, we hand you herewith, attached, our certified check in the amount of **\$80,000.00**, which shall be disposed of as provided by statute.

Respectfully submitted,

FIRST STATE BANK & TRUST COMPANY  
CARTHAGE, TEXAS

BY: *Jim Payne*  
Jim D. Payne, Chairman of  
The Board and CEO

*Jim Payne* 5/14/2001

## FIRST STATE BANK &amp; TRUST COMPANY, CARTHAGE, TEXAS

## CONDENSED STATEMENT OF CONDITION

AS OF MAY 10, 2001

## ASSETS

Cash & Due from Banks -----	\$ 4,959,883
Investment Securities:	
U. S. Government Agencies -----	129,526,354
State & Political Subdivisions -----	30,407,799
Other Securities -----	12,277,000
Federal Funds Sold -----	5,700,000
Loans -----	71,477,427
Bank Premises, Furniture, Equipment -----	2,123,687
Other Assets -----	1,922,008
<b>TOTAL ASSETS</b>	<b>\$ 258,394,158</b>

## LIABILITIES AND CAPITAL ACCOUNTS

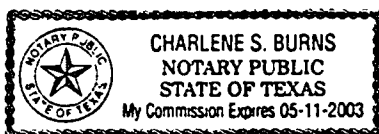
Deposits -----	\$ 197,110,902
Other Liabilities -----	17,647,510
<b>TOTAL LIABILITIES</b>	<b>\$ 214,758,412</b>
Capital Stock -----	\$ 2,400,000
Certified Surplus -----	2,400,000
Undivided Profits -----	38,835,746
<b>TOTAL CAPITAL ACCOUNTS</b>	<b>43,635,746</b>
<b>TOTAL LIABILITIES &amp; CAPITAL ACCOUNTS</b>	<b>\$ 258,394,158</b>

The foregoing Condensed Statement of Condition of the First State Bank & Trust Company, Carthage, Texas, as of May 10, 2001, is true and correct to the best of my knowledge and belief.

*Kevin Smith*  
 Kevin Smith, Vice President and Cashier

SUBSCRIBED TO BEFORE ME, this the 11th day of May, 2001

*Charlene S. Burns*  
 Notary Public



*Jim Fure* 5/14/2001

# FIRST STATE BANK & TRUST COMPANY / CARTHAGE, TEXAS

CONDENSED STATEMENT OF CONDITION  
April 30, 2001

## ASSETS

Cash & Due from Banks.....	\$ 4,649,737.69
Investment Securities	
U. S. Government & Government Agencies .....	124,526,354.29
State & Political Subdivisions.....	30,407,799.49
Other Securities.....	12,376,000.00
Federal Funds Sold.....	11,350,000.00
Loans (Net).....	71,174,435.61
Bank Premises, Furniture and Equipment .....	2,119,406.32
Other Assets .....	1,940,282.58
<b>Total Assets .....</b>	<b>\$ 258,544,015.98</b>

## LIABILITIES AND CAPITAL ACCOUNTS

Deposits.....	\$ 197,074,039.23
Other Liabilities.....	17,734,165.09
<b>Total Liabilities.....</b>	<b>\$ 214,808,204.32</b>
Capital Stock.....	\$ 2,400,000.00
Surplus: Certified.....	2,400,000.00
Undivided Profits.....	36,735,811.66
Reserve for Contingencies.....	2,200,000.00
<b>Total Capital Accounts.....</b>	<b>\$ 43,735,811.66</b>
<b>Total Liabilities &amp; Capital Accounts.....</b>	<b>\$ 258,544,015.98</b>

**PROMPT AND COURTEOUS TREATMENT ASSURED**  
**WE WANT TO BE YOUR BANK**

## DIRECTORS

DWAIN BRADY  
JOHN W. COOKE  
J. R. DUKE  
TOM ESCOE  
GENE GILES  
WILLIAM M. GOOLSBY, JR.  
DAVID MURPHY  
FOSTER E. MURPHY  
JACK PARKER  
JIM D. PAYNE  
MILTON L. PAYNE  
CHARLES THOMAS  
LYNN C. VINCENT  
TRAVIS WALL



## OFFICERS

MILTON L. PAYNE, Sr. Chairman of Board  
JIM D. PAYNE, Chairman of Board & CEO  
LYNN C. VINCENT, President  
J. R. DUKE, Sr. Vice President  
GENE GILES, Sr. Vice President  
WILLIAM M. GOOLSBY, JR., Vice President  
DAVID W. BATES, Vice President  
KEVIN SMITH, Vice President  
ANN ALLEN, Asst. Vice President  
GEORGIA SHEPHERD, Asst. VP & HR  
MYRNA SULLENS, Asst. Vice President  
SUE BISHOP, Asst. Cashier  
BECKY WIGGINS, Asst. Cashier T.O.  
JEANETTE HORN, Asst. Cashier  
BECKY EUBANK, Asst. Cashier  
PRISCILLA GENTRY, Data Processing Mgr  
EMILIA HARDY, Drive-In Bank Manager  
RONNETTE COOKE, Auditor  
GWEN SINGLETON, Banking Officer  
PEGGIE SNOW, Banking Officer  
CHARLENE BURNS, Banking Officer  
PHYLLIS PEREZ, Asst. Cashier  
JUDY WILKERSON, Asst. Cashier



# TEXAS ASSOCIATION OF COUNTIES

1204 San Antonio • Austin, TX 78701



P.O. Box 2131 • Austin, TX 78768-2131

Sam D. Seale • Executive Director

VOL 37 PAGE 263

April 20, 2001

Hon. Sidney Burns  
Panola County  
Panola County Courthouse Annex #213  
Carthage, TX 75633

Group #: 62946

Dear Mr. Burns:

You will find enclosed the Group Health Insurance Trust Fund renewal with rates as approved by your Board of Trustees. These changes are effective upon your anniversary date, June 1, 2001. These rates are guaranteed for 6 months in order to convert the group to a December 1, 2001 anniversary date. However, we are still negotiating with Blue Cross Blue Shield to get an extension of the renewal rates to October 1, 2002. We believe this would be more in keeping with current medical inflation trends and the spirit of what has been requested in the TAC Health Pools RFP that is out at this time.

We are happy to report that there is no change in life insurance rates again this year.

Again this year, all employers are required by law to hold a one month open enrollment period for their group health coverage before the annual anniversary date. In addition, we have included several important notices that you should distribute to your employees. Please be sure to carefully read all the enclosed information to familiarize yourself with your obligations.

The TAC Insurance Trust Fund will continue to provide our loss control services this year in our efforts to control costs. The Disease Management program, implemented one year ago, has enjoyed great success and has helped several chronically ill patients avoid hospitalization and inpatient care. The Healthwise<sup>®</sup> program continues to provide valuable self-care information and is working to reduce inappropriate utilization of health care benefits. We encourage your county to contact our Employee Benefits staff to arrange for additional books as needed, or follow up training to enhance participation in the program. The Healthwise program saves money by lowering utilization and helping members live more healthily. Please take maximum advantage of this benefit.

We have enclosed a response form for your convenience. So that your paperwork may be filed promptly, please complete this form and return it to TAC as soon as your Commissioners Court or Board approves the renewal. If you are interested in considering any changes to your current plan, please complete this response form and fax it back to TAC at (512) 481-8481. TAC will work with your local broker (if any) and BCBSTX representative to process your requested changes.

(512)-478-8753 • 1-(800)-456-5974 • FAX (512)-478-0519

Please feel free to call us if you have any questions about your renewal or the program changes this year. Your Employee Benefits Specialist is Lauren Henry, and she would be glad to assist you with your health care needs. We appreciate the opportunity to work with you and look forward to serving you again next year.

Sincerely,

A handwritten signature in dark ink, appearing to read "William P. Norwood".

William P. Norwood  
Manager of Employee Benefits

cc: John Payne, TAC Field Representative  
Lauren Henry, TAC Employee Benefits Specialist  
Mickey Moshier, BCBSTX Sales Representative  
Broker - Barry Rivers

VOL

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## TEXAS ASSOCIATION OF COUNTIES

1204 San Antonio • Austin, TX 78701



P.O. Box 2131 • Austin, TX 78768-2131

Sam Seale • Executive Director

May 8, 2001

Mr. Sidney Burns  
Panola County Auditor  
Panola County Courthouse Annex #213  
Carthage, TX 75633

Dear Mr. Burns:

Panola County received a six-month group health renewal for June 1, 2001 through November 30, 2001, with a rate increase of 14.2%. The December 1, 2001 renewal adjustment will be 5% or less, subject to approval by the TAC Insurance Trust Fund Board of Directors, and rates will be guaranteed from December 1, 2001 through November 30, 2002.

In addition to the June 1, 2001 renewal we are offering the following rate options:

	<u>Current Benefits</u> Rx \$6/20/35	<u>Renewal rates</u> Rx \$10/20/35
	<u>Current Rates</u>	<u>Renewal Rates</u>
Retiree <65	\$380.14	\$434.16
Retiree <65 & Spouse <65	\$585.92	\$669.18
		\$431.56
		\$665.16

Prescription drug costs are rising at 19%-22% per year and have a tremendous impact on your group health rates. Changing your prescription drug co-pay from \$6/20/35 to \$10/20/35 will save the county 1% on their renewal rates and have minimal effect on your employees. The average generic drug cost is \$8.00, the employee will pay the actual cost of the generic drug if it is less than the \$10.00 co-pay. Therefore, this appears to be a good trade-off for the county from the BCBSTX underwriters.

Please let me know if you have any questions regarding these rates and/or benefits.

Sincerely,

Lauren Henry  
Employee Benefits Specialist

## BlueCross BlueShield of Texas Interoffice Correspondence

TO: Mickey Moshier DEPT: Mktg --Basumont  
 FROM: Blythe Thurston DEPT: MidWest GBU  
 SUBJ: County of Panola/TAC Group# 62946

DATE: 8/7/2001  
 EXT: 65786  
 A.D.: 12/1

The following rates are effective 06/01/01:

		Current Benefits		Renewal rates with \$1020/35 PDP \$2000/70 (500¢1 per 66 days)	
		Current	Renewal		
EO	\$	380.14	\$ 434.16		\$431.66
EE +1C	\$	437.16	\$ 499.28		\$496.28
EC	\$	497.52	\$ 568.22		\$564.81
ES	\$	685.92	\$ 669.18		\$685.16
EF	\$	693.22	\$ 781.72		\$786.97
Retiree > 65	\$	307.90	\$ 351.66		\$349.55
Retiree & Spouse > 65	\$	615.80	\$ 703.30		\$699.08
Retiree < 65; Spouse > 65	\$	688.04	\$ 785.80	REVISED	\$781.09
Retiree > 65; Spouse < 65	\$	513.68	\$ 586.68	REVISED	\$583.16
% chg			14.2%		
admin %			11.0%		

The above rates will be guaranteed for 6 months in order to convert the group to a 12/1 A.D.

The above rates are contingent upon:

- 1) a minimum enrollment of 216 employees
- 2) an employer contribution of 100% of the employee only cost
- 3) an effective date no later than June 01, 2001.

Thanks,

*Blythe Thurston*

cc: Underwriting File  
 Bill Norwood

512 481 8481: 8/2/2

9727666812-

SENT BY: BLUE CROSS BLUE SHIELD: 5-7-1 : 14:04 :

VOL

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## TEXAS ASSOCIATION OF COUNTIES

1204 San Antonio • Austin, TX 78701



P.O. Box 2131 • Austin, TX 78768-2131

Sam Seale • Executive Director

May 9, 2001

Mr. Sidney Burns  
Panola County Auditor  
Panola County Courthouse Annex #213  
Carthage, TX 75633

Dear Mr. Burns:

The group life rates for Panola County will remain the same \$.26 per thousand for basic life and \$.04 per thousand for AD&D for the period June 1, 2001 through November 30, 2001.

Sincerely,

A handwritten signature in cursive script that reads "Lauren Henry".

Lauren Henry  
Employee Benefits Specialist

P.S. You can also reach the Group Health Department by email at [TAC-EBP@county.org](mailto:TAC-EBP@county.org), or visit TAC's website at [www.county.org](http://www.county.org). To get to the Group Health section, click on "Services", then click on "Group Health Programs".

(512) 478-8753 • 1-(800) 456-5974 • FAX (512) 481-8481

Blue Cross BlueShield  
of TexasMember Preferred Drug List  
2001

The Member Preferred Drug List includes all preferred brand-name drugs listed alphabetically for your convenience. Drugs that have a generic equivalent available are listed with an asterisk (\*).

Coverage for specific services will depend on your benefits program. If you have questions or need additional information about the three-tier pharmacy copay plan design, call (800) 521-2227. You may also check the drug list and prescribing guidelines section of the Blue Cross and Blue Shield of Texas website at [www.bcbstx.com](http://www.bcbstx.com) to locate covered prescription medications on-line.

**A**  
 ACCOLATE  
 ACCUPRIL  
 ACCUTANE  
 ACLOVATE  
 ACTIGALL\*  
 ACTOS  
 ACULAR  
 ADALAT CC  
 ALDACTONE\*  
 ALESSE\*  
 ALLEGRA  
 ALLEGRA-D  
 ALPHAGAN  
 ALUPENT\*  
 AMARYL  
 AMBIEN  
 AMERGE  
 AMOXIL\*  
 ANUSOL-HC\*  
 ARICEPT  
 ARTHROTEC  
 ASACOL  
 ATIVAN\*  
 ATROHIST PLUS\*  
 ATROVENT  
 ATROVENT\*  
 AUGMENTIN  
 AURALGAN\*  
 AVANDIA  
 AVAPRO  
 AZULFIDINE\*

**B**  
 BACTRIM DS\*  
 BACTROBAN  
 BECLOVENT\*  
 BECONASE AQ\*  
 BECONASE\*  
 BENTYL\*  
 BENZAMYCIN  
 BETAGAN\*  
 BETAPACE\*  
 BETOPTIC S  
 BIAXIN  
 BRETHINE  
 BROMFED\*  
 BROMFED-PD\*  
 BUMEX\*  
 BUSPAR

**C**  
 CALAN SR\*  
 CAPOTEN\*  
 CAPOZIDE\*  
 CARAFATE\*  
 CARDIZEM CD  
 CARDURA  
 CASODEX  
 CATAPRES\*  
 CEFTIN  
 CEFZIL  
 CERUMENEX  
 CHROMAGEN FA\*  
 CIPRO  
 CLARITIN  
 CLARITIN-D 12 HOUR  
 CLARITIN-D 24 HOUR

CLEOCIN\*  
 CLEOCIN T\*  
 CLIMARA\*  
 CODICLEAR DH\*  
 COLESTID  
 COLYTE\*  
 COMBIVENT  
 COMBIVIR  
 COMPAZINE\*  
 CONDYLOX  
 CORDARONE\*  
 CORGARD\*  
 CORTISPORIN\*  
 COUNADIN\*  
 CRIXIVAN  
 CUTIVATE  
 CYLERT\*  
 CYTOTEC

**D**  
 DAPSONE  
 DARVOCET-N 100\*  
 DAYPRO  
 DDAVP  
 DECADRON\*  
 DECONAMINE SR\*  
 DEMADEX  
 DEMEROL\*  
 DEMILEN  
 DEPAKOTE  
 DEPAKOTE SPRINKLE  
 DESOGEN\*  
 DESQUAM-X\*  
 DESYREL\*  
 DEXEDRINE\*  
 DIABETA\*  
 DIAMOX SEQUELS  
 DIFLUCAN  
 DILANTIN\*  
 DILAUDID\*  
 DIPENTUM  
 DIPROLENE AF  
 DIPROLENE\*  
 DITROPAN XL  
 DITROPAN\*  
 DOVONEX  
 DURAGESIC  
 DURATUSS\*  
 DURICEF\*  
 DYAZIDE\*

**E**  
 EFFEXOR  
 EFFEXOR XR  
 EFUDEX  
 ELAVIL\*  
 ELDEPRYL\*  
 ELIMITE\*  
 ELOCON  
 EMGEL\*  
 E-MYCIN\*  
 ENFAMIL NATALINS RX\*

ENTEX LA\*  
 ENTEX PSE\*  
 ENTEX\*  
 EPIVIR  
 ERY-TAB\*  
 ESTRACE\*  
 ESTRATAB\*  
 ESTRATEST  
 ESTRATEST H.S.  
 ESTROSTEP FE  
 EULEXIN  
 EXELDERM

**F**  
 FIORICET W/CODEINE  
 FIORICET\*  
 FIORINAL\*  
 FLAGYL\*  
 FLEXERIL\*  
 FLOMAX  
 FLONASE  
 FLORINEF ACETATE  
 FLOVENT (all forms)  
 FORTOVASE  
 FOSAMAX

**G**  
 GANTRISIN  
 GLUCOPHAGE  
 GLUCOTROL XL  
 GLUCOTROL\*  
 GUAIFED\*  
 GUAIFED-PD\*

**H**  
 HELIDAC  
 HEMOCYTE PLUS\*  
 HEMOCYTE-F\*  
 HISTUSSIN HC\*  
 HYCODAN\*  
 HYTRIN\*

**I**  
 IMDUR\*  
 IMITREX  
 IMURAN\*  
 INDERAL LA\*  
 INDERAL\*  
 INDOCIN\*  
 INTAL\*  
 INTRON A

**K**  
 K-DUR  
 KEFLEX\*  
 KEFTAB  
 KENALOG\*  
 KLONOPIN\*

\*Generic equivalent available

Injectable drugs (except Imtrex and Insulin\*) are not normally covered under pharmacy benefit.  
 Exclusions may vary depending upon group benefits.

Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company\*

HMO plans offered by: Rio Grande HMO, Inc. w/ d/b/a HMO Blue, Central Texas; HMO Blue, El Paso;  
 HMO Blue, Northeast Texas; HMO Blue, South Texas; HMO Blue, Southeast Texas; HMO Blue, SouthWest Texas;  
 West Texas Health Plans, L.C. w/ d/b/a HMO Blue, West Texas

\*Independent Licensees of the Blue Cross and Blue Shield Association

IQ 2001

8705 020-101

## L

LAC-HYDRIN\*  
LAMICTAL  
LAMISIL  
LANOXIN\*  
LARIAM  
LASIX\*  
LEVSIN\*  
LEVSIN/SL\*  
LIDEX\*  
LILLY INSULINS  
LINDANE\*  
LIPITOR  
LITHOBID  
LIVOSTIN  
LO/OVRAL\*  
LODINE XL\*  
LODINE\*  
LOESTRIN  
LOESTRIN FE  
LOMOTIL\*  
LOPID\*  
LOPRESSOR\*  
LORTAB\*  
LOTRISONE

## M

MACROBID  
MAXAIR  
MAXAIR AUTOHALER  
MAXIDE\*  
MEDROL\*  
MEGACE\*  
MESTINON  
METHERGINE  
METROGEL  
METROGEL-VAGINAL  
MIACALCIN\*  
MIDRIN\*  
MIGRANAL  
MINITRAN\*  
MINOCIN\*  
MIRAPEX  
MONOPRIL  
MOTRIN\*  
MS CONTIN\*  
MYCELEX\*  
MYCOLOG II\*  
MYCOSTATIN\*  
MYSOLINE\*

## N

NAPROSYN\*  
NASACORT AQ  
NASALIDE  
NASAREL  
NASONEX  
NATAFORT\*  
NEORAL\*  
NESTABS CBF\*  
NESTABS FA\*  
NEURONTIN  
NIASPAN  
NIFEREX-PN FORTE\*  
NIFEREX-PN\*  
NITRO-DUR\*

## NITROSTAT\*

NIZORAL\*  
NOLVADEX\*  
NORDETTE\*  
NOREL DM\*  
NORFLEX\*  
NORINYL\*  
NOR-Q-D\*  
NORVASC  
NORVIR  
NOVO NORDISK  
INSULINS

## O

OCUFLOX  
OVCON  
OXISTAT  
OXYCONTIN

## P

PAMELOR\*  
PANCREASE\*  
PARLODEL\*  
PAXIL  
PCE  
PENTASA  
PERCOCET\*  
PERCODAN\*  
PERMAX  
PHENERGAN\*  
PHRENILIN\*  
PLAQUENIL\*  
PLAVIX  
POLY-HISTINE DM\*  
POLY-HISTINE-D\*  
POLYTRIM\*  
PRANDIN  
PRAVACHOL  
PRECOSE  
PRED FORTE\*  
PRELONE\*  
PREMARIN  
PREMPHASE  
PREMPRO  
PRENATE ULTRA\*  
PREVPAC  
PRILOSEC  
PROCTOCREAM-HC\*  
PROGRAF  
PROSCAR  
PROTUSS\*  
PROVENTIL HFA  
PULMICORT  
PURINETHOL  
PYRIDIUM\*

## Q

QUESTRAN\*  
QUINIDEX\*

## R

REGLAN\*  
RELAFEN  
REQUIP  
RESCON JR\*  
RESCON MX

## RESTORIL\*

RISPERDAL  
RITALIN\*  
ROCALTROL  
ROWASA  
RYTHMOL

## S

SANDIMMUNE  
SECTRAL\*  
SEREVENT (all forms)  
SILVADENE\*  
SINEMET\*  
SINEQUAN\*  
SINGULAIR  
SKELAXIN  
SLOW-K\*  
STADOL NS  
STELAZINE\*  
SULFACET-R\*  
SUPRAX  
SUSTIVA  
SYMAX-SR\*  
SYMMETREL\*  
SYNTHROID\*

## T

TAGAMET\*  
TAPAZOLE\*  
TAZORAC  
TEGRETOL  
TEGRETOL XR  
TEGRETOL\*  
TEMOVATE GEL\*  
TENEX\*  
TENORETIC\*  
TENORMIN\*  
THEO-DUR\*  
TICLID\*  
TILADE  
TOBRADEX  
TOBREX\*  
TOFRANIL\*  
TOPROL XL  
TORADOL\*  
TRANDATE\*  
TRENTAL\*  
TRICOR  
TRI-LEVLEN\*  
TRINALIN\*  
TRI-NORINYL  
TRIPHASIL\*  
T-STAT\*  
TUSSIONEX  
TUSSI-ORGANIDIN DM NR\*  
TYLENOL W/CODEINE\*

## U

ULTRAVATE  
UNIPHYL  
URISED\*

## V

VALIUM\*  
VALTREX  
VANTIN  
VENTOLIN  
VENTOLIN ROTACAPS  
VIDEX  
VIOXX  
VIRACEPT  
VIRAMUNE  
VOLMAX  
VOLTAREN\*  
VOLTAREN-XR\*

## W

WELLBUTRIN SR  
WELLBUTRIN\*  
WESTCORT\*

## X, Y, Z

XALATAN  
XANAX\*  
ZANTAC\*  
ZARONTIN\*  
ZAROXOLYN  
ZERIT  
ZESTORETIC\*  
ZESTRIL  
ZIAC  
ZITHROMAX  
ZOFRAN  
ZOLOFT  
ZOMIG  
ZOVIRAX\*  
ZYBAN  
ZYLOPRIM\*  
ZYRTEC

\*Generic equivalent available  
Injectable drugs (except Imitrex and Insulin) are not normally covered under pharmacy benefit  
1Q 2001

## Corporate & Legislative Mandates

The following benefit changes are being made to your group under your current contract on your anniversary date:

- Hearing Aids are now required to be part of you Speech and Hearing Therapy Services benefit. The renewal rates you have received for your group's AD of March 01, 2001 did not include coverage for hearing aids. If your group wants to have Speech and Therapy Services with hearing aids covered same as any other illness a rate adjustment will be required. Please contact the Sales office for benefit cost information.

If you do not elect the offer, your coverage will automatically be provided as Speech and Hearing Therapy Services covered same as any other illness with hearing aids coverage limited to \$1,000 maximum benefit in a 36-month period with no rate change.

- HB 610 - Blue Cross and Blue Shield of Texas/HMO Blue are committed to providing access to quality, affordable health care coverage. Prompt payment of premiums will facilitate more efficient claims processing and superior customer and provider service.
- HB 1217 - Mandates that the 31-day initial open enrollment period and the 31-annual open enrollment period begins 31 days prior to your Anniversary Date.
- HB 714 - The bill mandates coverage for Hearing Screenings from birth through the day the child is 30 days old, including necessary follow-up care related to the screenings test from birth through the date the child is 24 months old. Copayments and coinsurance will apply; however, charges are not subject to deductibles or dollar limits.
- HB 2424 - Modifies the definition of SMI for public entities to be consistent with the definition used for all other insured business. For public entities, SMI coverage provided for any physical illness. This benefit change is being made to your contract on your anniversary date.

## IMPORTANT LEGISLATIVE CHANGES HIPAA NOTICE

In 1996 Congress passed the Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA impacts group health plans by improving the availability and portability of health coverage. HIPAA also requires that group health plan participants be given the following notices.

**Notice of Enrollment Rights** - If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance coverage, you may in the future be able to enroll yourself or your dependents in this plan, provided that you request enrollment within 30 days after your other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

**Notice of Pre-existing Condition Exclusion** - Under HIPAA, a "pre-existing condition" is a condition for which medical advice, diagnosis, care, or treatment was recommended or received within the six month period ending on the enrollment date in a health plan.

Your plan may exclude a pre-existing condition. If so, the pre-existing condition exclusion waiting period will not exceed 12 months beginning on the enrollment date. (For a late enrollee, the maximum waiting period is 18 months from the date coverage begins.) A pre-existing condition exclusion is inapplicable to a pregnancy or to a newborn child or adopted child under age 18 who becomes covered within 30 days of birth or adoption. A genetic condition without advice, care, or treatment is not a pre-existing condition.

If your plan contains a pre-existing condition exclusion, the existence of a pre-existing condition will be determined using information obtained relating to an individual's health status before his or her enrollment date.

The pre-existing condition waiting period is reduced by any creditable coverage (prior coverage under various plans including, but not limited to, group health plans, individual health policies, Medicare, and Medicaid). You may obtain a certificate of creditable coverage from a prior plan sponsor or health insurance issuer. Should you disagree with the length of creditable coverage determined by your current plan, you have the right to appeal that determination and provide evidence of creditable coverage.

You should read and consult your schedule of benefits to see if your health plan contains a pre-existing condition exclusion.

For further information, contact your benefits administrator.



# CountyChoice® Health Insurance Program Renewal Response Form

Please complete this form and return it to TAC as soon as your Commissioners Court approves this renewal. If you would like to consider any changes to your current benefit plan, please check the appropriate box below and fax it to TAC as soon as possible. Thank you for returning this form to TAC, it will help us keep your records accurate and up to date.

Texas Association of Counties  
P.O. Box 2131  
Austin, TX 78768  
1-800-456-5974  
Fax: 512-481-8481

Date: May 14, 2001

County/Entity: Panola County

Group #: 62946

Anniversary Date: 06-01-01

Completed by: Stephanie Johnson

Phone: (903) 693-0320

- ☒ Please renew our CountyChoice coverage with our current benefits.
- ☐ Please renew our CountyChoice coverage changing our 3-tier prescription drug co-pay to:
  - ☐ \$10/20/35
- ☐ Please renew our CountyChoice coverage with the following changes in benefits.
- ☐ Please contact me to discuss possible benefit changes for the upcoming year.
- ☐ We do not wish to renew. Terminate our coverage effective \_\_\_\_\_ (date)  
(Must give 30 days notice.)

John Cordray  
Signature

5-14-2001  
Date

April 24, 2001

**Minutes of Panola County Airport Advisory Board**

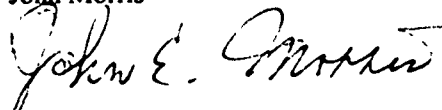
Attending Board members, John Morris, Stewart Green, and Jack Reeves.  
Lynn Vincent and Mark Thompson were polled by telephone and personal contact.

After a discussion on the anticipated increase of ground lease fees by the Commissioners Court in the year 2002, a price of \$170 per year is recommended by the Board with no rebate for prompt payment. This amounts to a 46% increase over the current lease fees.

A discussion on the County owned hanger rent fees was also held and it was the board's opinion that the fees should remain the same. These rental rates are comparable to other airports of similar size in this area

It is the Board's opinion the airport lounge should be open for local and transients pilots and passengers use on a regular basis with stated hours of operation. The Board recommends 8am to 5pm Monday through Friday. Currently the use of the lounge facilities and the weather computer is very limited due to irregular and unpublished hours

John Morris



Board Chairman

**PANOLA COUNTY - SHARPE FIELD AIRPORT  
HAZARD ZONING BOARD OF ADJUSTMENT****APPOINTMENTS**

Pursuant to the authority conferred by the Airport Zoning Act, Tex. Local Gov't Code Ann., §§241.001 et seq. we, the Commissioners' Court of Panola County, Texas meeting in Regular Session this 14th day of May, 2001 do hereby appoint the following persons to two (2) year terms on the **PANOLA COUNTY - SHARPE FIELD AIRPORT HAZARD ZONING BOARD OF ADJUSTMENT:**

**JERRY HANSZEN  
SCOTT THOMAS  
KAY GARRETT  
C. G. BOWIE  
BILL LANDERS**

These appointments commence May 15, 2001 and end May 14, 2003.

**PASSED UNANIMOUSLY** this 14th day of May, 2001 in Open Court.

  
John Cordray, County Judge

## **PANOLA COUNTY POLICY & SELECTION FORMS FOR GROUP MEDICAL INSURANCE CONTINUATION FOR RETIREEES & SURVIVING SPOUSES**

### **ELIGIBILITY**

Group Medical insurance continuation is available for Retired Employees who are eligible to begin receiving either Service or Disability retirement benefits from the Texas County and District Retirement System during the two months subsequent to employment termination.

Group Medical insurance continuation is available for a surviving spouse who is eligible to begin receiving monthly survivor retirement benefits from the Texas County and District Retirement System during the two months subsequent to the active or retired Employee's death if the surviving spouse was covered by the current group medical plan at the time of the active or retired Employee's death.

The above stated eligibility is subject to future change upon action of current insurance carrier and/or the Panola County Commissioners Court. If changes are made you may have rights under Federal Law regarding continued coverage (COBRA).

### **BENEFITS**

The benefits for this program shall be in accordance with the provisions of the current group medical insurance master contract for Panola County. A copy of the master contract shall be kept in the County Clerk and County Auditor's office and may be reviewed by anyone during normal working hours.

### **COSTS**

An eligible Retired Employee, covered under our current insurance policy, who has Medicare coverage, is entitled to have their group medical insurance premium fully paid by the County.

An eligible Retired Employee, covered under our current insurance policy, who does not have Medicare coverage must pay the difference between the premium applicable to a non Medicare covered Retired Employee and the premium applicable to a Retiree who has Medicare

coverage. When a Retiree covered under our plan obtains Medicare coverage the County will pay all of the applicable premium for the Retiree.

It is the responsibility of the Retiree and Surviving Spouse to notify the County when they or covered dependents become covered under Medicare or when dependents become ineligible for coverage.

The premium of any eligible dependents of a Retiree shall be entirely payable by the Retiree regardless of any Medicare coverage.

Any eligible surviving spouse shall be entirely responsible for the payment of applicable premium regardless of any Medicare coverage.

The premium for any eligible dependents of a surviving spouse shall be entirely payable by the surviving spouse.

The current monthly rates are in accordance with applicable premiums at time of qualifying event. The current rates in force will be provided upon request. Premiums shall be paid to the Panola County Treasurer's Office on or by the 1<sup>st</sup> day of each month. Failure to remit required payments by the 1<sup>st</sup> of each month may cause your insurance to be stopped.

#### **SELECTION OF BENEFITS**

Any eligible Retired employee or eligible surviving spouse must make application for group medical insurance continuance. This includes completion of the change forms required by the current insurance carrier and the selection form required by this document.

Any required change forms and the attached selection form must be completed for continuation. Forms will be provided upon request. Coverage may not be available if selection form is not completed within thirty (30) days of the service retirement date or the date a survivor spouse began receiving the survivor retirement benefits. In the case of a disability retirement the selection form would need to be completed within thirty (30) days of the official notification by the Texas County & District Retirement System that disability retirement had been approved.

All information on this selection form is considered a part of this policy.

**\*\* SELECTION FORM \*\***

- ☐ I do wish to continue my insurance coverage as explained in the above document and choose:
- ☐ Coverage for myself (Retiree Only)
  - ☐ Coverage for myself (Retiree) and eligible dependents
  - ☐ Coverage for myself (Surviving Spouse Only)
  - ☐ Coverage for myself (Surviving Spouse) and my eligible dependents
- ☐ I do not wish to continue group medical insurance coverage.

I understand the following:

1. Dependents can be dropped or added at a later date dependent upon eligibility & the specific time when open enrollment is allowed by the current insurance carrier.
2. All coverages & premiums are with the current insurance carrier provisions and are subject to change and/or approval by the insurance carrier.
3. The above described coverage is subject to approval of Service Retirement, Disability Retirement, or Surviving Spouse Retirement benefits as described in the eligibility section of this document on page 1.
4. This form must be completed and required payments made or no coverage will be provided.
5. Before coverage can begin any required change forms from the current insurance carrier must also be completed and is subject to the insurance carriers approval and/or acceptance.
6. All three pages of this document determines the basis for group medical insurance continuation.

EMPLOYEE: \_\_\_\_\_  
Printed name

DATE: \_\_\_\_\_

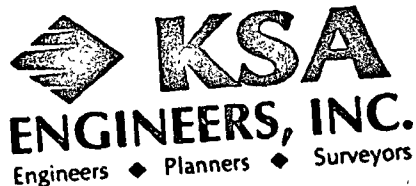
SIGNATURE: \_\_\_\_\_

PHONE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Based upon the selection above, the initial monthly rate payable to Panola County each month is \$ \_\_\_\_\_. Rates are subject to change any month.

Please remit payment to : Panola County Treasurer  
Room 212 Panola County Courthouse  
Carthage, Texas 75633



Longview  
Tyler  
Lufkin  
Austin  
Dallas

May 9, 2001

via fax and mail

Mr. Ronnie LaGrone, County Commissioner  
Airport Board Liason  
Panola County Courthouse  
110 S. Sycamore  
Carthage, Texas 75633

Re: **TxDOT CSJ No.0119CARTH**  
**Panola County Airport**

Dear Commissioner LaGrone:

Please consider this a supplement to our letter of May 7, 2001 on this same subject. After visiting with TxDOT about the County's share of the project funding, we discovered that the 15% contingency fund was not originally included in the calculation of the total project costs. TxDOT likes to program a 15% contingency for items that may arise during construction. The local funds (10%) included in the contingency which are not used during construction are returned to the County upon completion and closeout of the project.

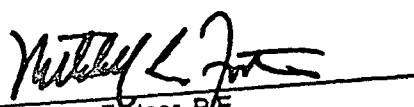
With this information, we have projected the County's share of the current project to be \$68,630, an increase of \$18,130 from the County share of \$50,500 which was originally projected by TxDOT.

This increase of \$18,130 includes the change from a slurry seal to an overlay on the older portion of the parallel taxiway (as discussed in our letter of May 7, 2001). The increase also includes the County's share of the 15% construction contingency. We are including a copy of the revised opinion of probable project cost which shows the calculation of the local share.

We recommend that the County approve the total local share of \$68,630, which is an increase of \$18,130 above the originally projected local share of \$50,500. If you have any questions, please do not hesitate to call me.

Respectfully,

KSA Engineers, Inc.

  
Mitchell L. Fortner, P.E.  
Vice President

MLF/ab  
Enclosures

pc: Judge John Cordray, with encl, via fax  
Lee Woods, with encl, via fax  
Harry Lorton  
File PC-022, with encl.

140 E Tyler St  
Suite 600  
PO Box 1552  
Longview, TX  
75606-1552  
903-236-7700  
903-236-7779 Fax  
E-Mail: [www.ksaeng.com](http://www.ksaeng.com)

\\LONGVIEW\_SERVER2\MAIN2\projects\pc022\com\RL 05-09-01.doc

Panola County Airport  
Preliminary Engineering Report  
Opinion of Probable Costs  
Version: May 8, 2001

Item No.	Spec. No.	Description	Estimated Quantity	Units	Est. Unit Cost	Opinion of Const. Cost
<b>Item #1 - Rehabilitate Runway 17-35</b>						
1.01	P-626	Slurry Seal Coat	33,345	S.Y.	\$1.75	\$58,354
1.02	P-626	Emulsified Asphalt for Tack Coat	3,335	GAL.	\$1.00	\$3,335
1.03	P-626	Crack Sealing	4,000	L.F.	\$1.50	\$6,000
<b>Opinion of Total Construction Costs</b>						<b>\$67,688</b>
<b>Item #2 - Mark Runway 17-35</b>						
2.01	P-620	Runway Painting	24,589	S.F.	\$0.75	\$18,442
2.02	P-620	Reflective Media	2,566	LB.	\$2.50	\$6,415
<b>Opinion of Total Construction Costs</b>						<b>\$24,856</b>
<b>Item #3 - Rehabilitate Taxiways (Includes Slurry Seal of All Taxiways)</b>						
3.01	P-620	Taxiway Painting	4,055	S.F.	\$0.75	\$3,041
3.02	P-620	Reflective Media	423	LB.	\$2.50	\$1,058
3.03	P-626	Slurry Seal Coat	39,900	S.Y.	\$1.75	\$69,825
3.04	P-603	Emulsified Asphalt for Tack Coat	3,990	GAL.	\$1.00	\$3,990
3.05	P-626	Crack Sealing	2,000	L.F.	\$1.50	\$3,000
3.06	-	Reflective Markers	400	EA.	\$15.00	\$6,000
<b>Opinion of Total Construction Costs</b>						<b>\$86,914</b>
<b>Item #4 - Rehabilitate Apron</b>						
4.01	P-620	Taxiway/Apron Painting	1,150	S.F.	\$0.75	\$863
4.02	P-620	Reflective Media	120	LB.	\$2.50	\$300
4.03	P-626	Slurry Seal Coat	9,813	S.Y.	\$1.75	\$17,173
4.04	P-626	Emulsified Asphalt for Tack Coat	981	GAL.	\$1.00	\$981
4.05	P-626	Crack Sealing	800	L.F.	\$1.50	\$1,200
4.06	P-625	Coal-Tar Pitch Emulsion Seal Coat (FAA EB 46A)	1,000	S.Y.	\$2.50	\$2,500
4.07	-	Miscellaneous Pavement Repair	100	S.Y.	\$50.00	\$5,000
<b>Opinion of Total Construction Costs</b>						<b>\$28,017</b>
<b>Item #5 - Install PAPI-4 - Runway 17-35</b>						
5.01	L-108	Duct Trench	4,500	L.F.	\$3.00	\$13,500
5.02	L-108	Cable in Duct	4,500	L.F.	\$1.00	\$4,500
5.03	L-108	Bare Counterpoise	4,500	L.F.	\$1.00	\$4,500
5.04	L-109	Vault Equipment	1	L.S.	\$9,500.00	\$9,500
5.05	L-110	PVC Direct Bury Duct	4,500	L.F.	\$1.50	\$6,750
5.06	L-880	PAPI - 4 System	2	EA.	\$23,000.00	\$46,000
5.07	-	4" PVC Duct by Dry Bore	300	L.F.	\$70.00	\$21,000
<b>Opinion of Total Construction Costs</b>						<b>\$105,750</b>

Panola County Airport  
Preliminary Engineering Report  
Opinion of Probable Costs  
Version: May 8, 2001

Item No.	Spec. No.	Description	Estimated Quantity	Units	Est. Unit Cost	Opinion of Const. Cost
<b>Item #6 - Construct Cross Taxiway</b>						
6.01	P-151	Cleanng and Grubbing	1	ACRE	\$1,500.00	\$1,500
6.02	P-152	Excavation	250	C.Y.	\$6.00	\$1,500
6.03	P-152	Embankment	360	C.Y.	\$6.00	\$2,160
6.04	P-155	6" Lime Stabilized Subgrade	1,525	S.Y.	\$5.00	\$7,625
6.05	P-155	Lime For Lime Stablized Subgrade	33	TONS	\$110.00	\$3,630
6.06	P-156	Temporary Sedimentation and Erosion Controls	1	L.S.	\$10,000.00	\$10,000
6.07	P-209	14" Crushed Aggregate Base Course	483	C.Y.	\$35.00	\$16,891
6.08	P-401	2" Bituminous Surface Course	140	TON	\$70.00	\$9,800
6.09	P-602	Pnme Coat	500	GAL.	\$1.50	\$750
6.10	P-620	Taxiway Pavement Markings	575	S.F.	\$0.75	\$431
6.11	P-620	Refective Media	60	LB.	\$2.50	\$150
6.12	D-701	RCP Culvert	100	L.F.	\$50.00	\$5,000
6.13	D-752	Concrete Headwalls	2	EA.	\$2,000.00	\$4,000
6.14	T-901	Seeding	1.0	ACRE	\$1,000.00	\$1,000
6.15	T-905	Topsoiling	425	C.Y.	\$4.00	\$1,700
6.16	L-110	Concrete Encased Multi-Way Electrical Duct	50	L.F.	\$40.00	\$2,000
6.17	-	Miscellaneous Electcnal Work	1	L.S.	\$1,000.00	\$1,000
<b>Opinion of Total Construction Costs</b>						<b>\$69,138</b>
<b>Item #7 - Install Signage</b>						
7.01	L-108	Duct Trench	200	L.F.	\$3.00	\$600
7.02	L-108	Cable in Duct	300	L.F.	\$1.00	\$300
7.03	L-108	Bare Counterpoise	200	L.F.	\$1.00	\$200
7.04	L-117A	Taxiway Guidance Signs/Hold Signs	3	EA.	\$2,000.00	\$6,000
<b>Opinion of Total Construction Costs</b>						<b>\$7,100</b>
<b>Item #8 - Replace Rotating Beacon</b>						
8.01	L-101	Rotating Beacon	1	EA.	\$10,000.00	\$10,000
8.02	L-101	Remove Existing Rotating Beacon and Support	1	L.S.	\$1,000.00	\$1,000
8.03	L-109	Vault Equipment	1	L.S.	\$3,000.00	\$3,000
<b>Opinion of Total Construction Costs</b>						<b>\$14,000</b>
<b>Item #9 - Miscellaneous Items of Work</b>						
9.01	-	Stabilized Construction Exit	1	EA.	\$2,500.00	\$2,500
9.02	-	Barricades for Pavement Closures	1	L.S.	\$5,000.00	\$5,000
9.03	-	Temporary Thresholds	1	L.S.	\$3,000.00	\$3,000
<b>Opinion of Total Construction Costs</b>						<b>\$10,500</b>
<b>Additive Alternate 1 (Install HMAC Overlay on Southern Portion of Parallel Taxiway)</b>						
A1.01	P-401	Bituminous Surface Course (Overlay)	1,500	TONS	\$70.00	\$105,000
A1.02	P-603	Bituminous Tack Coat	1,078	GAL	\$1.00	\$1,078
A1.03	P-626	Deduct Portion of Slurry Seal Coat	-10,984	S.Y.	\$1.75	-\$19,222



Panola County Airport  
Preliminary Engineering Report  
Opinion of Probable Costs

Version: May 8, 2001

A1.04 P-623 Deduct Tack Coat for Slurry Seal Coat

-1,098 GAL

\$1.00

-\$1,098

\$85,758

COST SUMMARY

	Total Estimated Cost
Item #1 - Rehabilitate Runway 17-35	\$67,688
Item #2 - Mark Runway 17-35	\$24,856
Item #3 - Rehabilitate Taxiways	\$86,914
Item #4 - Rehabilitate Apron	\$28,017
Item #5 - Install PAPI-4 - Runway 17-35	\$105,750
Item #6 - Construct Cross Taxiway	\$69,138
Item #7 - Install Signage	\$7,100
Item #8 - Replace Rotating Beacon	\$14,000
Item #9 - Miscellaneous Items of Work	\$10,500
Item #A1 - HMAC Overlay of Southern Portion of Parallel Taxiway	\$85,758
Total Estimated Cost - Items #1 thru #9	\$499,721
Mobilization	\$24,986
HMAC Bonus	\$0
Engineering Construction and Closeout Fees	\$16,630
Construction Materials Testing	\$20,000
Construction Inspection	\$50,000
Contingency (15%)	\$74,958
Total Estimated Project Cost for Construction	\$686,295
Total Estimated County Funds Required (10%) for Construction	\$68,629
Current Engineering Contract	\$40,835
Total County Funds Required (10%) for Engineering	\$4,084
Previously Paid by County to TxDOT	
Total Estimated County Funds Required for Engineering and Construction	\$72,713

Note: Construction inspection costs were estimated by assuming 150 calendar days, 5 working days per week, 10 hours per day, and \$45.00 per hour, rounded to \$50,000 for budgeting purposes.



PROCEEDS OF CRIMINAL ASSET FORFEITURES  
FOR THE  
PANOLA COUNTY SHERIFF'S OFFICE

REPORT OF AUDIT

DECEMBER 31, 2000

**ROBINSON & WILLIAMS, P.L.L.C.**

CERTIFIED PUBLIC ACCOUNTANTS  
410 WEST PANOLA  
CARTHAGE, TEXAS 75633

MEMBERS OF  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

TELEPHONE  
(903) 693-8522

Honorable Members  
Of The Commissioners' Court  
Of Panola County, Texas

We have compiled the Audit Report on Proceeds of Criminal Asset Forfeitures for the Panola County Sheriff's Office for the fiscal year ended December 31, 2000 included in the accompanying prescribed form.

Our compilation was limited to presenting in the form prescribed by the Office of the Attorney General - Criminal Justice Division of the State of Texas information that is the representation of management. We have not audited or reviewed the Audit Report on Proceeds of Criminal Asset Forfeitures referred to above and, accordingly, do not express an opinion or any other form of assurance on it.

The Proceeds of Criminal Asset Forfeitures report is presented in accordance with the requirements of the Office of the Attorney General - Criminal Justice Division of the State of Texas, which differ from generally accepted accounting principles. Accordingly, the Proceeds of Criminal Asset Forfeitures report is not designed for those who are not informed about such differences.

*Robinson & Williams*

Robinson & Williams, P.L.L.C.  
Certified Public Accountants

Carthage, Texas  
May 10, 2001

Office of the Attorney General - Criminal Justice Division  
 CODE OF CRIMINAL PROCEDURE ARTICLE 59.06(g)  
 Audited Report on Proceeds of Criminal Asset Forfeiture

Agency Panola County Sheriff Address Room 213 A, Courthouse Annex  
Carthage TX 75633  
 Fiscal Year (M/Y) December 2000 Contact Telephone Sidney Burns (903) 693-0320

## SEIZURES PENDING - Cash &amp; Cash Equivalents

Beginning Balance \$ -0-  
 Seized during period \$ -0-  
 Interest earned \$ -0-

Subtotal \$ -0-

## DISBURSEMENTS - Cash &amp; Cash Equivalents

Returned to defendants \$ -0-  
 Transferred to Forfeiture \$ -0- (1)  
 Shared with other agency \$ -0-

Subtotal \$ -0-

Seizures Pending Balance \$ -0-

## SUMMARY of PROCEEDS FROM FORFEITURES

Beginning Balance \$ 53,796  
 Transferred from seizures \$ -0- (1)  
 From sharing agency \$ 51,281  
 Liquidation proceeds \$ 4,238 (2)  
 Interest earned \$ 1,363

Subtotal \$ 110,678

## SUMMARY OF EXPENDITURES

Personnel \$  
 Operating expenses \$ 44,224  
 Shared with other agency \$  
 Judgment escrow account \$  
 To prevention/treatment \$

Subtotal \$ 44,224

Note: ROUND ALL NUMBERS TO NEAREST DOLLAR.

Forfeiture Balance \$ 66,454

Note: (1) and (1) should equal. (2) and (2) should be equal.

## SEIZURES RECAP (Cases only)

Seizures Pending (beginning) 18 This Period: Seizures 5 Disposed 5 Pending (end of period) 18

## SEIZED PROPERTY PENDING SUMMARY (units only)

	Beginning	Seized Period	Returned	To Forfeit Acct.	Units Remaining	Liquidation Proceeds
Vehicle	13	2	1	2	12	\$ 4,160
Real Property						\$
Jewelry						\$
Weapons	4	0	0	0	4	\$ -0-
Aircraft						\$
Vessels						\$
Other	6	0	0	0	6	\$ 78
TOTALS						(2) \$ 4,238

Note: On separate sheet attach an inventory and description of property forfeited and awaiting liquidation. Include vehicle/boat registration number and/or aircraft tail number as appropriate.

AUDIT CERTIFICATION - I certify this report and attached inventory of forfeited property have been audited and are accurate in accordance with Art. 59.06(g)

John Cordray County Judge 5-14-01  
 Name/Title Date

PANOLA COUNTY SHERIFF'S OFFICE  
ASSETS FORFEITED AND AWAITING LIQUIDATION  
DECEMBER 31, 2000

CASE NO.	DESCRIPTION OF ASSETS SEIZED	FORFEITED
2000-160	1992Ford P/U TX Tag BX8377 VIN1FTCR14A5NTA58851	05/21/00
2000-143	1980 Chevrolet TX Tag D98JDC VIN 1S87HAL52555	05/09/00
1999-309	TAURUS 9MM PISTOL , SN TNJ99980	12/22/99
1999-272	1995 FORD ESCORT	01/04/00
1999-100	85 MERCURY, TX VZP97V, VIN 2MEBP95F9FX660049	2/14/00
1999-053	98 DODGE DURANGO, VIN#1B4HS28Y6WF167551	08/27/99
1998-248	92 DODGE TRUCK, VIN# 1B7HE16Y6NS527169	3/22/99
1998-226	95 CHEVROLET LUMINA, VIN# 2G1WN52M3S9170847	10/7/99
1997-399	WHISTLER RADAR DETECTOR, S/N 1190800	06/24/98
1997-399	QUALCOMM PHONE, S/N 65601667	06/24/98
1997-149	SONY WATCHMAN TV, S/N 85179	06/17/97
1997-096	RCA VIDEO RECORDER, S/N 227658998	12/16/97
1997-005	MOTOROLA PAGER, S/N A12256075	01/08/97
1997-004	GLOCK .45 PISTOL, S/N AVG257	12/08/97
1996-351	NORINCO SKS 7.62X39 RIFLES S/N 22017138	08/15/97
1996-351	NORINCO SKS 7.62X39 RIFLES S/N 1605477Q	08/15/97
1996-351	NORINCO SKS 7.62X39 RIFLE S/N 10008836Q	08/15/97
1996-090	NOKIA CELLULAR PHONE SN#165/10163470	04/04/96
1995-A-214	1993 MERCURY	03/01/96
1994-A-88	HOME MADE BOAT TRAILER, S/N 80955	06/06/94
1994-A-88	1981 TERRY ALUM BOAT, S/N DEMS5843M81G	06/06/94
1993-A-136	1977 FORD LTD, VIN8U62S153087	1993
1991-A-B5	1987 FORD, VIN # 1FAPP259XHW321894	1991
1995-A-187	S&W .38; OMEGA .32; 2 SETS OF SCALES	06/09/95

ROBINSON & WILLIAMS, P.L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
410 WEST PANOLA  
CARTHAGE, TEXAS 75633

MEMBERS OF  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

TELEPHONE  
(903) 693-8522

May 8, 2001

To The Honorable Members  
Of The Commissioners' Court  
Of Panola County, Texas

Dear Sirs:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will perform the following services:

1. We will compile, from information you provide, the "Proceeds of Criminal Asset Forfeitures" for the Panola County District Attorney's Office for September 1, 2000 to August 31, 2001. We will also compile the "Proceeds of Criminal Asset Forfeitures" for the Panola County Sheriff's Office for the year ended December 31, 2001. This compilation will be included in the form prescribed by the Criminal Justice Division of the State of Texas. We will not audit or review such statements. Our report is presently expected to read as follows:

We have compiled the Proceeds of Criminal Asset Forfeitures for 2001 included in the accompanying prescribed form.

Our compilation was limited to presenting in the form prescribed by the Criminal Justice Division of the State of Texas information that is the representation of management. We have not audited or reviewed the Proceeds of Criminal Asset Forfeitures referred to above and, accordingly, do not express an opinion or any other form of assurance on it.

The Proceeds of Criminal Asset Forfeitures report is presented in accordance with the requirements of the Criminal Justice Division of the State of Texas, which differ from generally accepted accounting principles. Accordingly, the Proceeds of Criminal Asset Forfeitures report is not designed for those who are not informed about such differences.

To The Honorable Members  
Of The Commissioners' Court  
Of Panola County, Texas  
Page 2

If for any reason we are not able to complete the compilation of the Proceeds of Criminal Asset Forfeitures, we will not issue a report on the form as a result of this engagement.

2. We will also:

1. Reconcile the bank statement activity to the list of forfeiture activity provided by the County.
- b. Trace from the list of forfeiture activity to authorization from the court for the forfeiture or disposal of the assets.
3. If requested by the Commissioners' Court, we will assist in compiling the data necessary to prepare a list of forfeiture activity.

- ✓ Our engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations, that may exist. However, we will inform you of any material errors that come to our attention and any irregularities or illegal acts that come to our attention, unless they are clearly inconsequential.

Our total fees for these services will be approximately \$2,000. We will begin work on the District Attorney accounts on or around September 7, and will conclude no later than September 30, 2001. The fee for this service will be approximately \$800. We will begin the remaining Panola County Forfeiture Fund accounts after December 31, 2001 and will conclude no later than January 30, 2002. The fees for this service will be approximately \$1,200. We will be pleased to discuss this letter with you at any time.

If the foregoing is in accordance with your understanding, please sign the copy of this letter in the space provided and return it to us.

Sincerely,

*Robinson & Williams*

Robinson & Williams, P.L.L.C.  
Certified Public Accountants

To The Honorable Members  
Of The Commissioners' Court  
Of Panola County, Texas  
Page 3

Acknowledged:

*John Cordray* 5-14-01  
County Judge Date

*Ronnie L. Gual* 5-14-2001  
County Commissioner Pct 1 Date

*D. M. [Signature]* 5-14-01  
County Commissioner Pct 2 Date

*Thermon E. [Signature]* 5-4-2001  
County Commissioner Pct 3 Date

*Jimmy L. [Signature]* 5-4-2001  
County Commissioner Pct 4 Date

WHEREAS, the Commissioners' Court of Panola County desires to employ independent auditors to handle the independent audit for Proceeds of Criminal Asset Forfeitures required under Article 59.06(g) of the Code of Criminal Procedures for Panola County for Fiscal Year 2001; and

WHEREAS, Article 262.024 V.T.C.A. grants an exemption from competitive bidding and competitive proposal requirements for professional services;

NOW, THEREFORE, the Panola County Commissioners' Court does hereby claim that exemption in the employment of Robinson & Williams, C.P.A.s, for matters pertaining to the independent audit for Proceeds of Criminal Asset Forfeitures of Panola County for Fiscal Year 2001.

PASSED, APPROVED, and ADOPTED in Open Court this 14<sup>th</sup> day of May, 2001.

*John Cordray*  
County Judge John Cordray

*Ronnie LaGrone*  
Honorable Ronnie LaGrone  
Commissioner, Precinct One

*Herman E. Reed, Jr.*  
Honorable Herman E. Reed, Jr.  
Commissioner, Precinct Three

*Doug Cotton*  
Honorable Doug Cotton  
Commissioner, Precinct Two

*Jimmy E. Davis*  
Honorable Jimmy E. Davis  
Commissioner, Precinct Four

ATTEST:

*Sue Grafton*  
County Clerk Sue Grafton



5-14-01

1:30 P.M.

*Beer, Richard*  
*Jim Kingham*  
*Sidney Burr*  
*Greg Griffin*  
*B. Barnes*  
*Jerry Bailey*  
*Danny Davidson*  
*"Buck"*

RECORDED \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2001

SUE GRAFTON, COUNTY CLERK, P. C. T. *Sue Grafton*