

Polk County Auditor and Commissioner of Elections

Michael A. Mauro

Polk County Auditor Office

111 Court Avenue #230

Des Moines, IA 50309

Phone: (515) 286.3080 **Fax:** (515) 286.3608

Email: mmauro@co.polk.ia.us



Polk County, Iowa
2001 Auditor's Report
For the Fiscal Year Ended June 30, 2001

Michael A. Mauro

Polk County Auditor and
Commissioner of Elections

POLK COUNTY, IOWA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2001

PREPARED BY:

**AUDITOR'S OFFICE
CENTRAL ACCOUNTING DIVISION**

**Central Accounting Manager
Keith Olson, CPA**

**Accounting Supervisor
Jo Ellen Bigelow, CPA**

**Other Staff
Gina Carter
Michelle Morton
Darren Sickerson
Sue Steeve**

COUNTY MANAGER'S OFFICE

**Budget Manager
Jan Sears**

POLK COUNTY, IOWA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2001
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(Concluded)



COUNTY OF POLK
OFFICE OF POLK COUNTY AUDITOR
DES MOINES, IOWA 50309

MICHAEL A. MAURO
COUNTY AUDITOR
COMMISSIONER OF ELECTIONS

ADMINISTRATION BUILDING
111 COURT AVE.
286-3078

December 14, 2001

County Board of Supervisors
County of Polk
Des Moines, Iowa 50309

The Comprehensive Annual Financial Report (CAFR) of Polk County, Iowa for the fiscal year ended June 30, 2001, is hereby submitted. The audit of this CAFR was conducted in conformity with Chapter 11 of the Code of Iowa. This report was prepared by the County Auditor's office, the County Treasurer's office and the County Manager's office. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with County management. We believe that the data, as presented, is accurate in all material respects; that it is reported in a manner designed to present fairly the financial position and results of operations of the various funds, account groups and component units of the County. Furthermore, we believe that all disclosures necessary to enable the reader to gain an understanding of the County's financial activity have been included.

The comprehensive annual financial report is organized into five sections: the Introductory Section, the Financial Section, the Statistical Section, the Single Audit Section, and the State Auditor's Requirements Section. The Introductory Section contains the table of contents, the names of the principal officials, the organizational chart, and this letter of transmittal. The Financial Section contains the report of the independent auditors, the general purpose financial statements, notes to general purpose financial statements, combining and individual fund financial statements, and account group schedules. The Statistical Section, which is unaudited, includes data depicting the financial history of the County, as well as demographic and other informative statistics. The Single Audit Section includes the schedule of expenditures of federal awards, notes to schedule of expenditures of federal awards, and various independent auditors' reports, as required by the Single Audit Act of 1996 and U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. The State Auditor's Requirements Section contains financial information required by the State Auditor.

The County provides a full range of services including public safety, mental health, social services and roads and transportation.

The financial reporting entity includes all the funds and account groups of Polk County, the primary government, as well as all of its component units. Component units are legally separate entities for which Polk County is financially accountable. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their activities from those of the primary government. Polk County Health Services, Inc. (PCHS) is reported as a discretely presented component unit. For additional information concerning the financial reporting entity, please refer to Note 1 of the notes to general purpose financial statements.

Economic Condition and Outlook

Polk County, containing Des Moines, West Des Moines, Urbandale, Ankeny and 14 smaller cities, is the largest population center in Iowa. Des Moines is the state capital and has a diverse and vigorous economy. Principal industries include financial services, health care, government, and varied manufacturing. The area has enjoyed a stable economy and moderate growth in the 1990's.

The current general economic condition of the County is healthy. The population continues to grow at a moderate pace, up approximately 14.5% since 1990, to 374,601 in 2001. Unemployment is at 2% for the fourth year in a row, compared to 3.1% for the State. Other economic indicators, such as an increase in personal income of 5.2% in 2001 are positive. In addition, projected growth in payroll jobs, manufacturing, etc also are favorable. Polk County remains the primary center of economic activity in central Iowa and the State although adjoining counties, especially Dallas County to the west, are also experiencing significant new development.

A series of major projects are planned or underway in Des Moines totaling over \$1.6 billion in public and private investment. Most of these are located in the downtown area and represent a tremendous stage in the revitalization of Des Moines. The Capital City Vision Project composed of the Iowa Events Center/Iowa Hall of Pride and the Science Center of Iowa, Des Moines downtown library, Higher Learning Center, and the World Food Prize all total \$340 million and are a central component of this development.

In downtown Des Moines, new development in the Court Avenue entertainment district is anticipated with the planned construction of a new entertainment complex. Residential and retail development also is planned for downtown and along the river. The city is continuing to clear land in the Gateway West project area downtown. While some older structures are being retained, and a new downtown library is planned, a number of square blocks of open space will be created. The Gateway area is expected to spur major adjoining commercial development. Allied Insurance Company has begun work on its \$137 million new corporate headquarters project. Wells Fargo Financial has also started construction on its \$70 million headquarters. Other development projects in this area are also under active consideration.

In the Gateway East area of downtown, two new office buildings are under construction and other buildings are being renovated. A renewal of activity in this older section of downtown will bring new life at the foot of the Capitol. The State is also constructing a new parking garage and a new Court facility.

In southern Des Moines, new commercial parks near the airport are becoming the biggest development in the city. In the past five years, 20 projects worth more than \$160 million have begun. When fully developed, private investment of \$700 million is hoped in this area. Recently completed projects include, a new Des Moines Register printing plant, a hotel, office buildings and manufacturing facilities and a United Parcel package distribution center.

Suburban growth is also continuing rapidly. John Deere Credit completed its new \$30 million headquarters in Johnston. West Des Moines and Clive are becoming the focus of upscale retail development in central Iowa. A new regional mall is planned for the Dallas County portion of West Des Moines, located near a new suburban campus of the Des Moines Area Community College. Large retail operations with supportive restaurants and other commercial activity are making the western Polk County suburbs among the fastest growing areas in the state. Ankeny is seeing significant commercial growth along the I-35 corridor and Altoona and Pleasant Hill have steady growth in retail and housing developments.

Numerous transportation improvements are underway in the area. Construction of relocated Highway 5 on the southern edge of the County is continuing. Once completed, there will be a continuous loop around the Des Moines metropolitan area. Des Moines has started construction of the new downtown M L King bypass that will link major central arteries and is expected to improve the potential of the downtown core area. The state is also making initial improvements in the reconstruction of I-235 that runs through the heart of the metropolitan area. This \$450 million project will expand the vehicle lanes and make many safety improvements and is expected to be completed in 2006.

At the Ankeny Airport, the construction of a cross-wind runway and other improvements will help this facility continue its development. This airport is among the fastest growing general aviation airports in the Midwest. This airport is now ranked fourth in the state in terms of number of flights. The Des Moines International Airport is completing its land acquisition for the construction of another major runway and has recently completed its new parking garage.

In the spring of 2000, County voters approved a local option sales tax for schools. Over ten years, it is projected to raise about \$700 million that will be allocated to the school districts within Polk County for new construction and remodeling of existing facilities. This plan will make the local school facilities among the best in the country.

Major Initiatives

The financial condition of Polk County government remains strong. Growth in the tax base and continued revenue from Prairie Meadows has allowed the County to continue to reinforce its fiscal condition. This situation has enabled the County to reduce its direct debt, undertake new projects, and serve a key role in area development efforts.

The Board of Supervisors has generally followed the principles established in the initial gaming revenue use plan approved in 1995. The Plan, updated annually, calls for this new revenue to be used primarily for capital projects, debt elimination, and special one-time purposes. The County continues to avoid using significant amounts to supplement its operations and has eliminated the general fund supplement. Large fund balances have been accumulated as undesignated reserves and funds have also been reserved for planned specific projects. The Board of Supervisors anticipates a period of more restrictive budgets in the near future and is considering actions to restrain growth in expenditures.

The County is near completion of the construction of an \$11 million, 70 bed juvenile detention center to replace its aging detention facility. A combination of gaming revenue, tax funds, and debt are being used to fund the construction. The County has completed construction of a new senior center. This \$2 million project will improve the retail and residential area on the eastern edge of Drake University. Another new senior center is planned in the Beaverdale area in conjunction with the City of Des Moines' construction of a new library.

In August 2001, the County started work on the construction the Iowa Events Center which consists of a new arena, exhibit hall and improvements to Veterans Auditorium. This major project is estimated to cost about \$208 million and will be one of the largest public projects ever undertaken by the County. The County obtained a \$50 million award from the State's Vision Iowa Fund; another \$20 million was awarded to other components of the Capital City Vision Project partners. The County obtained over \$11 million in funding commitments from area municipalities and expects over \$70 million in commitments from the business community for naming rights, suite sales, etc. Additional funding commitments are still being sought as the County finalizes financial arrangements for the Project. Long-term debt financing is expected to be underway in the fall of 2001. This Project is expected to expand the recreational opportunities for central Iowa, improve Des Moines' competitiveness for conventions and trade shows as well as provide a major enhancement for the downtown area.

In 2001, the Board of Supervisors commissioned a task force to provide assistance in reviewing previous recommendations and suggest new methods to control the growth in prisoner population. While some recommendations are being considered, there is a general consensus that additional jail space is needed. The County has retained a consultant to develop plans, options, and cost projections for new jail and court facilities.

The County has started development of a new financial management/human resources software system. This application is expected to greatly improve operational efficiency and increase the quality of available information. Implementation is planned to start in 2002. Other strides in the use of technology are taking place throughout the County including video court hearings, electronic transmission of information, improved mainframe operating performance, and growing use of the internet in public communications and business transactions.

Operationally, the County is continuing to develop strategies for improving service quality and efficiency. A Polk Future effort has been implemented which developed a new mission statement and core values. We are seeking employee input on issues, and are generally developing methods to improve the ways the County conducts business. It is believed that these efforts will have noticeable, long term benefits in the provision of services.

The Mayor of Des Moines has proposed that the City of Des Moines and Polk County be merged into one government. The proposal is for the elected city council and county board be combined into a new county council and govern the two organizations. A petition drive is to start in the fall of 2001 that would lead to the creation of a county charter commission to study the proposal. The commission would have the authority to design a form of merged government for consideration by the voters. Proponents plan for this proposal to be on the ballot in November 2002.

Financial Information

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of the general purpose financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal financial assistance, the County also is responsible for ensuring that an adequate internal control structure is in place to comply with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by County management.

As a part of the County's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended June 30, 2001 provided no instances of material weaknesses in the internal control structure or significant violations of applicable law and regulations.

Budgetary Controls

In addition, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Board of Supervisors.

The State of Iowa requires the passage of an annual budget of total County operating expenditures by program service area. Activities of the General, Special Revenue, Capital Projects, Debt Service and Expendable Trust Funds are included in the annual appropriated budget which is prepared on a cash basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the total program service area level. In addition, individual County official's expenditures cannot exceed the amount, which has been appropriated by the Board. For internal control, administrative budget control is maintained at the level of fund, department, activity and major category of expenditures. The County Board of Supervisors approves all changes to the County budget at the legal and administrative levels of control.

Revenues

Revenues for Polk County's general governmental functions are accounted for in the General, Special Revenue, Capital Projects and Debt Service Funds. Total revenues for general governmental functions during fiscal year 00/01 were \$140,757,678. This amount represents an increase of 1.8% in general governmental revenues from the previous fiscal year. The following is a recap of general governmental revenues by source for fiscal year 00/01:

<u>Revenue Source</u>	<u>6/30/01 Amount</u>	<u>Percent of Total</u>	<u>Percent of Increase (Decrease)</u>
Property Taxes	\$ 70,565,548	50.1%	(1.0%)
Other County Taxes	4,509,363	3.2%	229.5%
Interest and Penalties on Delinquent Taxes	909,208	0.6%	18.4%
Intergovernmental	48,092,123	34.2%	6.2%
Licenses and Permits	680,922	0.5%	(8.7%)
Charges for Services	6,369,485	4.5%	1.8%
Use of Money & Property	8,137,492	5.8%	(22.6%)
Fines, Forfeitures & Defaults	13,374	0.0%	92.7%
Miscellaneous	<u>1,480,163</u>	<u>1.1%</u>	<u>(31.0%)</u>
	<u>\$140,757,678</u>	<u>100.0%</u>	<u>1.8%</u>

The fact that 50% of total general governmental revenues are derived from property taxes illustrates the County's continued dependence on property taxes to finance its general functions. Other County taxes increased due to a new utility tax replacement excise tax. Intergovernmental revenues increased primarily due to increases in federal grants. Use of money and property decreased primarily due to decreases in interest earnings from investments and interest earnings on loans and advances. Miscellaneous revenues decreased primarily due to decreases in contributions/donations and special assessments.

Expenditures

Expenditures for Polk County's general governmental program service areas are accounted for in the General, Special Revenue, Capital Projects and Debt Service Funds. The total expenditures for general governmental expenditures during fiscal year 00/01 were \$184,132,572. This represents an increase of 16.9% in general governmental expenditures from the previous fiscal year. The following is a recap of general governmental expenditures by program service area for fiscal year 00/01:

<u>Program Services</u>	<u>6/30/01 Amount</u>	<u>Percent of Total</u>	<u>Percent of Increase (Decrease)</u>
Public Safety	\$ 30,139,632	16.4%	9.7%
Court Services	2,640,349	1.4%	5.0%
Physical Health and Education	3,956,806	2.1%	4.5%
Mental Health	38,300,218	20.8%	15.8%
Social Services	22,946,543	12.5%	5.5%
County Environment	19,766,095	10.7%	(13.6%)
Roads and Transportation	10,186,787	5.5%	13.3%
State and Local Government Services	4,326,121	2.3%	3.2%
Interprogram Services	14,811,243	8.0%	(24.7%)
Non-program	5,085,402	2.8%	6,973.2%
Debt Service	9,422,856	5.1%	100.0%
Capital Projects	<u>22,550,520</u>	<u>12.2%</u>	167.1%
	<u>\$184,132,572</u>	<u>100.0%</u>	<u>16.9%</u>

Non-program expenditures increased primarily due to a \$4.2 million conduit debt transaction relating to Broadlawns Medical Center. Debt Service expenditures increased primarily due to the flow-through processing of the call of certain bonds relating to Broadlawns debt defeased as part of a 1998 refinancing. Capital projects expenditures increased primarily due to construction of a juvenile detention center and senior center and implementation costs of a new financial management/human resources software system.

Enterprise Funds

The County operates eight active Enterprise Funds. The Air Pollution Fund accounts for the activity of the County's Air Pollution Program in accordance with requirements imposed by the 1990 Federal Clean Air Act. The Convention Complex Fund accounts for the activities of a convention complex. The Veterans Memorial Auditorium Fund accounts for the activities of an entertainment auditorium. The Sanitary Treatment Works Fund accounts for the activities of a small sewer system in the northeast part of the County. The Prairie Meadows Racetrack/Casino Fund accounts for the activities of a horse track and slot machine casino operation. The Jester Park Golf Course Fund accounts for activities of the Jester Park Golf Course owned by the County Conservation Board. The Hamilton Urban Drainage District Fund accounts for storm water user fees and related operations and maintenance expenses of the Hamilton Drain Urban Drainage District. The Iowa Events Center Fund accounts for activities of the proposed Iowa Events Center.

Agency Funds

Agency funds are used to account for assets held by the County as an agent for other governments and private organizations. The County collects property taxes and related State replacement taxes for other local governments, which are then apportioned and remitted to the appropriate local government.

Fund Balance

The total unreserved fund balance of the County (excluding component units) at June 30, 2001 was \$50,398,542. This amount represents a decrease of \$9,738,208 from the June 30, 2000 total unreserved fund balance. The decrease primarily relates to various Capital Projects which includes construction of a juvenile detention center and senior center and implementation costs of a new financial management/human resources software system.

Cash Management

The County's investment policy is to ensure the safety and liquidity of public funds by minimizing credit and market risk. Maintaining a competitive yield of the investment portfolio is also an added strategy.

Unencumbered funds during the fiscal year were invested in those investments authorized by law and included a public agency trust investment pool, federal securities, money market mutual funds, certificates of deposit, and interest bearing bank accounts. The County earned interest revenue of \$7,174,425 on all investments in governmental fund types for the year ended June 30, 2001.

The County has not entered into any derivative financial instruments.

Risk Management

Insurance procurement, loss control, employee safety training, OSHA compliance and claims management are various functions performed by the County's Risk Management Program. The County self-insures its general liability, property, fleet, non-owned aviation, law enforcement professionals, public officials' errors and omissions, fidelity and workers compensation. Self-insurance claim losses are recorded in the General Fund.

In addition, Veterans Memorial Auditorium, Convention Complex and Jester Park Golf Course Enterprise Funds and the Conservation Board Agency Fund purchase commercial insurance for property, boiler and machinery, fleet, liquor, crime(fidelity), umbrella, and general liability coverage.

Effective July 1st, 1999, the County switched from being privately insured to being self-insured for medical and dental insurance coverage. The County's group life insurance is insured by a private insurance company. Claims are recorded in an Internal Service Fund.

Debt Administration

Total outstanding general obligation debt (excluding component units) at June 30, 2001 totaled \$25,179,370.

The continued stability of the County's bond rating enhances the sale of future County bonds by broadening the market and minimizing the interest rate for borrowing. The County's bond ratings at June 30, 2001 are as follows:

Moody's Investor Service	AA1
Standard and Poor's Corporation	AA+
Fitch Investors Service, Inc.	AA+

Under current State statutes, the County's debt limitation is five percent of its gross assessed valuation. As of June 30, 2001, the debt limit was \$789,920,762, providing a very comfortable debt margin of \$616,396,679. The debt margin consists of the debt limit less the County's total liabilities.

The ratio of net general bonded debt to assessed value and net general bonded debt per capita are indicators of the County's debt position to County management, the citizens and investors.

	<u>6/30/01</u>	<u>6/30/00</u>
Net general bonded debt	\$24,762,798	\$20,183,648
Ratio of net general bonded debt to assessed value	.23%	.18%
Net general bonded debt per capita	\$ 66.10	\$ 55.35

Other Information

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Polk County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. A Comprehensive Annual Financial 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. Polk County has received a Certificate of Achievement for the last seven consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for their review.

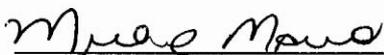
Independent Audit

The Chapter 11 of the Code of Iowa requires an annual independent audit of the County's financial condition and transactions. This requirement has been met and the opinion of the County's external auditors, Deloitte & Touche LLP, is included in this report.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated efforts of the employees of the offices of the County Auditor, County Treasurer and County Manager. We also would like to thank the members of the Board of Supervisors for their interest and support in timely and comprehensive financial reporting.

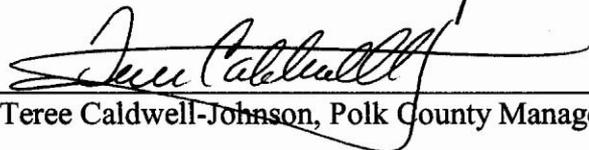
Respectfully submitted,



Michael Mauro, Polk County Auditor



Mary Maloney, Polk County Treasurer



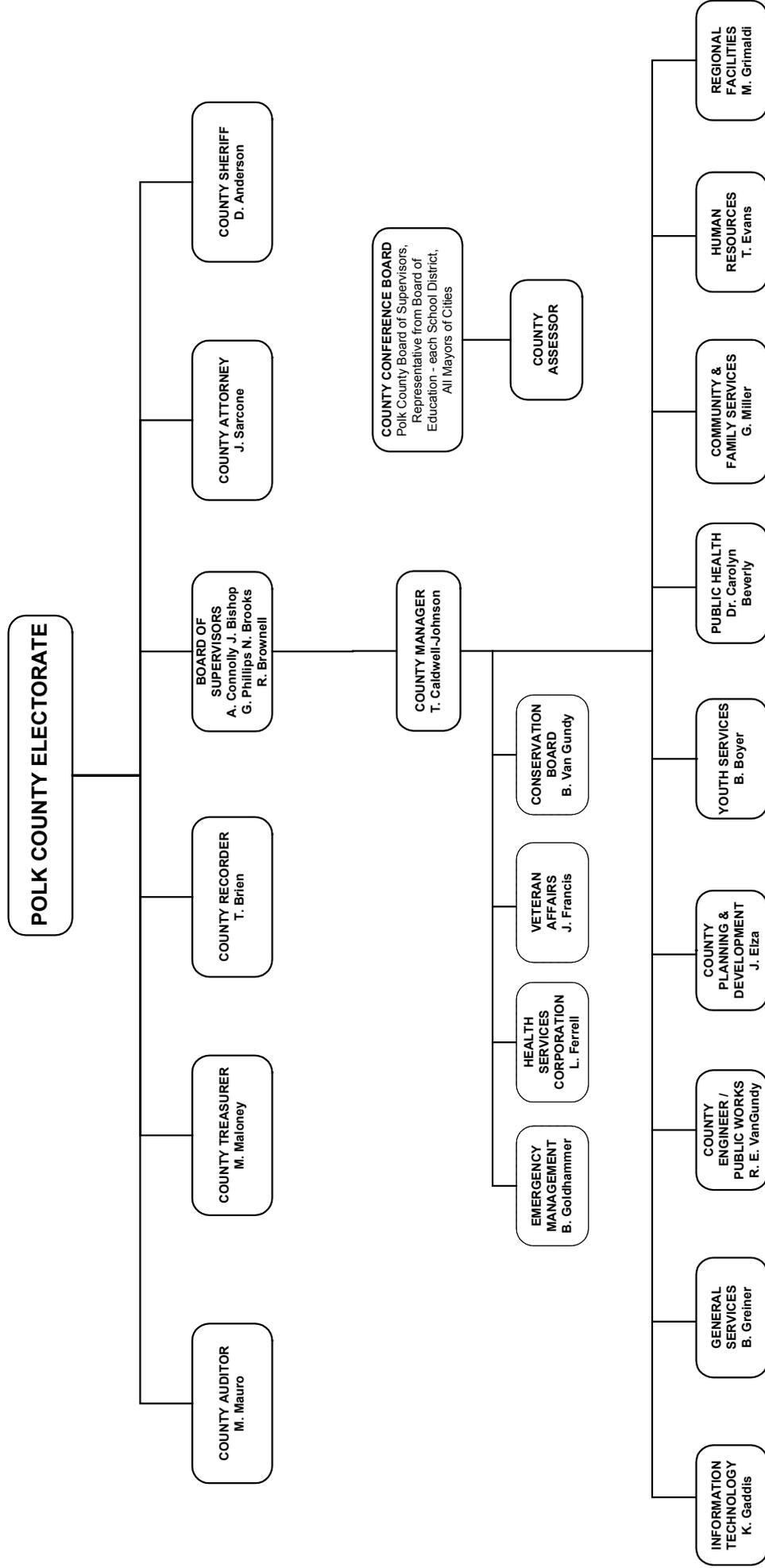
Tere Caldwell-Johnson, Polk County Manager

POLK COUNTY, IOWA

OFFICIALS

Name	Title	Term Expires
Jack R. Bishop	Board of Supervisors	2002
Angela Connolly	Board of Supervisors	2002
Gene Phillips	Board of Supervisors	2002
Robert Brownell	Board of Supervisors	2004
Nathan Brooks	Board of Supervisors	2004
Michael Mauro	County Auditor	2004
Mary Maloney	County Treasurer	2002
Tim Brien	County Recorder	2002
Dennis Anderson	County Sheriff	2004
John Sarcone	County Attorney	2002
Jim Maloney	County Assessor	2004
Teree Caldwell-Johnson	County Manager	Appointed

POLK COUNTY TABLE OF ORGANIZATION



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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Polk County,
Iowa

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Janet A. Drew
President

Jeffrey L. Esser
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to POLK COUNTY, IOWA for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the

highest standards for preparation of state and local government financial reports.

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requirements.

A Certificate of Achievement is valid for a period of one year only. POLK COUNTY has received a Certificate of Achievement for the last seven consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Polk County, Iowa

We have audited the accompanying general purpose financial statements of Polk County, Iowa (County) as of June 30, 2001 and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the County. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 11 of the Code of Iowa. Those standards and Chapter 11 of the Code of Iowa 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 referred to above present fairly, in all material respects, the financial position of the County, as of June 30, 2001, 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 conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules and the Financial Information Required by the State Auditor listed in the foregoing table of contents, are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the County. The accompanying schedule of expenditures of federal awards as listed in the table of contents is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. These financial statements and schedules are also the responsibility of the management of the County. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

The statistical data on pages 131-147 is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the County. Such additional information has not been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2001 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of 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.

Deloitte & Touche LLP

Des Moines, Iowa
December 14, 2001

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POLK COUNTY, IOWA

COMBINED BALANCE SHEET ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT JUNE 30, 2001

	Governmental Fund Types			
	General	Special Revenue	Capital Projects	Debt Service
ASSETS AND OTHER DEBITS:				
Cash and investments	\$ 36,012,580	\$ 38,457,940	\$ 4,225,820	\$ 417,297
Receivables (net of allowances for doubtful accounts):				
Taxes	291,077	100,471	-	2,803
Succeeding year property taxes	60,517,629	19,443,310	-	608,360
Special assessments	20,707	-	-	216,526
Accounts	74,865	78,607	-	-
Notes	-	4,651,576	-	-
Accrued interest	437,053	874	-	745
Due from other funds	1,403,510	78,763	-	-
Due from other governments	2,186,482	1,304,909	-	-
Advances to other funds	571,947	-	-	-
Advances to component unit	-	507,166	-	6,433,054
Inventories	713,492	932,418	-	-
Prepaid items	552,358	-	-	-
Net investment in direct financing lease	-	-	-	-
Investment in joint venture	-	-	-	-
Lease/debt origination costs	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Construction in progress	-	-	-	-
Improvements other than buildings	-	-	-	-
Infrastructure	-	-	-	-
Equipment	-	-	-	-
Vehicles	-	-	-	-
Accumulated depreciation	-	-	-	-
Other debits:				
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of:				
Capital lease	-	-	-	-
Advance to component unit	-	-	-	-
Accrued employee compensation	-	-	-	-
General long-term debt	-	-	-	-
Estimated liability for claims and judgments	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	\$ 102,781,700	\$ 65,556,034	\$ 4,225,820	\$ 7,678,785

See notes to general purpose financial statements

Proprietary Enterprise	Fund Types Internal Service	Fiduciary Fund Type Trust and Agency	Account Groups		Total Primary Government (Memo Only)	Component Unit	Total Reporting Entity (Memo Only)
			General Fixed Assets	General Long Term Debt		Polk County Health Services ("PCHS")	
\$ 7,293,900	\$ 3,448,695	\$ 20,412,665	\$ -	\$ -	\$ 110,268,897	\$ 2,556,866	\$ 112,825,763
-	-	88,212	-	-	482,563	-	482,563
-	-	-	-	-	80,569,299	-	80,569,299
637,399	-	175,418	-	-	1,050,050	-	1,050,050
153,409	102,922	35,527	-	-	445,330	175,350	620,680
-	-	-	-	-	4,651,576	-	4,651,576
21,229	7,776	1,247	-	-	468,924	19,254	488,178
256,621	47,831	1,555	-	-	1,788,280	-	1,788,280
3,285,164	-	73,914	-	-	6,850,469	-	6,850,469
-	-	-	-	-	571,947	-	571,947
-	-	-	-	-	6,940,220	-	6,940,220
159,635	-	-	-	-	1,805,545	-	1,805,545
11,494	265,949	-	-	-	829,801	20,535	850,336
-	-	-	-	-	-	3,962,369	3,962,369
17,829,321	-	-	-	-	17,829,321	-	17,829,321
1,205,698	-	-	-	-	1,205,698	61,773	1,267,471
3,418,079	-	-	7,396,966	-	10,815,045	1,102,092	11,917,137
54,661,029	-	-	53,904,064	-	108,565,093	6,763,341	115,328,434
5,203,710	-	-	-	-	5,203,710	-	5,203,710
8,900,279	-	-	585,811	-	9,486,090	-	9,486,090
3,592,767	-	-	-	-	3,592,767	-	3,592,767
2,824,512	-	-	29,853,200	-	32,677,712	119,775	32,797,487
135,903	-	-	5,847,721	-	5,983,624	-	5,983,624
(20,365,002)	-	-	-	-	(20,365,002)	(2,816,538)	(23,181,540)
-	-	-	-	416,572	416,572	-	416,572
-	-	-	-	583,571	583,571	-	583,571
-	-	-	-	6,433,054	6,433,054	-	6,433,054
-	-	-	-	6,620,636	6,620,636	-	6,620,636
-	-	-	-	12,889,743	12,889,743	9,645,221	22,534,964
-	-	-	-	197,759	197,759	-	197,759
\$ 89,225,147	\$ 3,873,173	\$ 20,788,538	\$ 97,587,762	\$ 27,141,335	\$ 418,858,294	\$ 21,610,038	\$ 440,468,332

(Continued)

POLK COUNTY, IOWA

**COMBINED BALANCE SHEET
ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 2001**

	Governmental Fund Types			
	General	Special Revenue	Capital Projects	Debt Service
LIABILITIES, FUND EQUITY AND OTHER CREDITS:				
LIABILITIES:				
Warrants payable	\$ 1,487,554	\$ 4,410,816	\$ -	\$ -
Vouchers and accounts payable	2,455,337	13,785,170	707,805	-
Wages payable	1,750,526	146,973	-	-
Payroll taxes payable	452,909	38,877	-	-
Interest payable	-	-	-	2,165
Estimated liability for claims and judgments	10,386	-	-	-
Due to other funds	50,493	-	-	-
Due to other governments	-	-	-	-
Advances from other funds	-	570,280	-	-
Advances from primary government	-	-	-	-
Trusts payable	-	-	-	-
Deferred revenues	1,020,932	259,673	-	218,634
Succeeding year property taxes deferred revenues	60,517,629	19,443,310	-	608,360
Advance deposits and ticket sales	-	-	-	-
General obligation bonds payable	-	-	-	-
Notes payable	-	-	-	-
Capital leases payable	-	-	-	-
Compensated absences payable	-	-	-	-
TOTAL LIABILITIES	67,745,766	38,655,099	707,805	829,159
FUND EQUITY AND OTHER CREDITS:				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings	-	-	-	-
Fund balances:				
Reserved for advances to other funds	571,947	-	-	-
Reserved for advances to component unit	-	507,166	-	6,433,054
Reserved for noncurrent notes receivable	-	4,507,476	-	-
Reserved for inventory of supplies	304,492	932,418	-	-
Reserved for supplemental levy purposes	7,567,324	1,155,706	-	-
Reserved for prepaid items	552,358	-	-	-
Unreserved: undesignated	26,039,813	19,798,169	3,518,015	416,572
TOTAL FUND EQUITY AND OTHER CREDITS	35,035,934	26,900,935	3,518,015	6,849,626
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	\$ 102,781,700	\$ 65,556,034	\$ 4,225,820	\$ 7,678,785

See notes to general purpose financial statements

Proprietary Enterprise	Fund Types Internal Service	Fiduciary Fund Type Trust and Agency	Account Groups		Total Primary Government (Memo Only)	Component Unit	
			General Fixed Assets	General Long Term Debt		Polk County Health Services ("PCHS")	Total Reporting Entity (Memo Only)
\$ 250,212	\$ 21,278	\$ 217,374	\$ -	\$ -	\$ 6,387,234	\$ -	\$ 6,387,234
2,076,337	-	324,240	-	-	19,348,889	272,962	19,621,851
138,591	-	102,353	-	-	2,138,443	-	2,138,443
34,665	-	24,931	-	-	551,382	-	551,382
20,949	-	-	-	-	23,114	62,162	85,276
-	1,384,766	-	-	197,759	1,592,911	-	1,592,911
379,263	-	1,358,524	-	-	1,788,280	-	1,788,280
1,854,683	-	17,648,718	-	-	19,503,401	-	19,503,401
-	-	1,667	-	-	571,947	-	571,947
-	-	-	-	-	-	6,940,220	6,940,220
-	-	41,932	-	-	41,932	-	41,932
-	-	-	-	-	1,499,239	204,750	1,703,989
-	-	-	-	-	80,569,299	-	80,569,299
246,187	-	-	-	-	246,187	-	246,187
6,212,001	-	-	-	18,967,369	25,179,370	2,705,000	27,884,370
5,223,681	-	-	-	772,000	5,995,681	-	5,995,681
-	-	-	-	583,571	583,571	-	583,571
439,741	-	442,826	-	6,620,636	7,503,203	36,928	7,540,131
16,876,310	1,406,044	20,162,565	-	27,141,335	173,524,083	10,222,022	183,746,105
-	-	-	97,587,762	-	97,587,762	5,168,670	102,756,432
17,159,191	-	-	-	-	17,159,191	-	17,159,191
55,189,646	2,467,129	-	-	-	57,656,775	-	57,656,775
-	-	-	-	-	571,947	-	571,947
-	-	-	-	-	6,940,220	-	6,940,220
-	-	-	-	-	4,507,476	-	4,507,476
-	-	-	-	-	1,236,910	-	1,236,910
-	-	-	-	-	8,723,030	-	8,723,030
-	-	-	-	-	552,358	-	552,358
-	-	625,973	-	-	50,398,542	6,219,346	56,617,888
72,348,837	2,467,129	625,973	97,587,762	-	245,334,211	11,388,016	256,722,227
\$ 89,225,147	\$ 3,873,173	\$ 20,788,538	\$ 97,587,762	\$ 27,141,335	\$ 418,858,294	\$ 21,610,038	\$ 440,468,332

(Concluded)

POLK COUNTY, IOWA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT FOR THE YEAR ENDED JUNE 30, 2001

	Governmental Fund Types			
	General	Special Revenue	Capital Projects	Debt Service
REVENUES:				
Property taxes	\$ 52,410,848	\$ 17,596,252	\$ -	\$ 558,448
Other County taxes	3,655,254	827,967	-	26,142
Interest and penalties on delinquent taxes	909,208	-	-	-
Intergovernmental	17,048,970	31,014,156	-	28,997
Licenses and permits	677,882	3,040	-	-
Charges for services	6,017,681	351,804	-	-
Use of money and property	7,375,115	71,129	-	691,248
Fines, forfeitures and defaults	13,374	-	-	-
Miscellaneous	820,186	509,803	-	150,174
Total revenues	88,928,518	50,374,151	-	1,455,009
EXPENDITURES:				
Current:				
Public safety	30,139,632	-	-	-
Court services	2,640,349	-	-	-
Physical health and education	3,411,301	545,505	-	-
Mental health	-	38,300,218	-	-
Social services	21,925,668	1,020,875	-	-
County environment	5,019,937	14,746,158	-	-
Roads and transportation	-	10,186,787	-	-
State and local government services	4,200,419	125,702	-	-
Interprogram services	14,811,243	-	-	-
Non-program	-	5,085,402	-	-
Debt service	6,155,824	-	-	3,267,032
Capital projects	634,013	13,316,282	8,600,225	-
Total expenditures	88,938,386	83,326,929	8,600,225	3,267,032
OTHER FINANCING SOURCES (USES):				
Operating transfers in	2,395,671	25,692,639	5,600,000	1,945,700
Operating transfers out	(4,994,506)	(10,060,368)	-	(149,583)
Capital lease	523,880	-	-	-
Proceeds from general long-term debt	-	11,400,000	-	-
Proceeds from fixed asset sales	452,931	328,107	-	-
Total other financing sources (uses)	(1,622,024)	27,360,378	5,600,000	1,796,117
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES				
	(1,631,892)	(5,592,400)	(3,000,225)	(15,906)
FUND BALANCES, BEGINNING OF YEAR				
	36,645,905	32,372,820	6,518,240	6,865,532
Restatement of fund balance (see Note #1)				
	-	-	-	-
Changes in inventory reserves				
	21,921	120,515	-	-
FUND BALANCES, END OF YEAR				
	\$ 35,035,934	\$ 26,900,935	\$ 3,518,015	\$ 6,849,626

See notes to general purpose financial statements

Fiduciary Fund Type	Total Primary Government (Memo Only)	Component Unit Polk County Health Services ("PCHS")	Total Reporting Entity (Memo Only)
\$ -	\$ 70,565,548	\$ -	\$ 70,565,548
-	4,509,363	-	4,509,363
-	909,208	-	909,208
-	48,092,123	2,423,902	50,516,025
-	680,922	-	680,922
-	6,369,485	66,445	6,435,930
35,112	8,172,604	1,058,271	9,230,875
174,987	188,361	-	188,361
1,580	1,481,743	50,493	1,532,236
211,679	140,969,357	3,599,111	144,568,468
278,922	30,418,554	-	30,418,554
-	2,640,349	-	2,640,349
-	3,956,806	-	3,956,806
-	38,300,218	3,005,868	41,306,086
-	22,946,543	-	22,946,543
-	19,766,095	-	19,766,095
-	10,186,787	-	10,186,787
-	4,326,121	-	4,326,121
-	14,811,243	-	14,811,243
-	5,085,402	-	5,085,402
-	9,422,856	-	9,422,856
100,056	22,650,576	-	22,650,576
378,978	184,511,550	3,005,868	187,517,418
100,000	35,734,010	-	35,734,010
(150,000)	(15,354,457)	-	(15,354,457)
-	523,880	-	523,880
-	11,400,000	-	11,400,000
91,941	872,979	-	872,979
41,941	33,176,412	-	33,176,412
(125,358)	(10,365,781)	593,243	(9,772,538)
751,331	83,153,828	6,006,450	89,160,278
-	-	(380,347)	(380,347)
-	142,436	-	142,436
\$ 625,973	\$ 72,930,483	\$ 6,219,346	\$ 79,149,829

POLK COUNTY, IOWA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 AMENDED BUDGET AND ACTUAL (BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2001

	General Fund			
	Amended Budget	Actual	Variance	Actual as a % of Amended Budget
REVENUES:				
Property taxes	\$ 52,488,507	\$ 52,421,389	\$ (67,118)	99.87%
Other County taxes	3,876,033	3,640,066	(235,967)	93.91%
Interest and penalty on delinquent taxes	749,000	919,775	170,775	122.80%
Intergovernmental	17,352,672	17,123,596	(229,076)	98.68%
Licenses and permits	758,030	693,275	(64,755)	91.46%
Charges for services	5,927,249	5,938,250	11,001	100.19%
Use of money and property	13,092,604	13,130,508	37,904	100.29%
Fines, forfeitures and defaults	15,030	13,579	(1,451)	90.35%
Miscellaneous	966,003	834,386	(131,617)	86.38%
Proceeds from fixed asset sales	60,000	449,618	389,618	749.36%
Total receipts	<u>95,285,128</u>	<u>95,164,442</u>	<u>(120,686)</u>	<u>99.87%</u>
EXPENDITURES:				
Current:				
Public safety	31,123,602	30,031,257	1,092,345	96.49%
Court services	2,824,054	2,606,876	217,178	92.31%
Physical health and education	3,594,454	3,426,884	167,570	95.34%
Social services	22,065,277	21,075,379	989,898	95.51%
County environment	5,252,038	5,059,365	192,673	96.33%
State and local government services	4,363,667	4,209,668	153,999	96.47%
Interprogram services	21,161,238	19,909,248	1,251,990	94.08%
Debt service	6,155,824	6,155,824	-	100.00%
Capital projects	1,541,105	621,689	919,416	40.34%
Total disbursements	<u>98,081,259</u>	<u>93,096,190</u>	<u>4,985,069</u>	<u>94.92%</u>
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	<u>(1,839,561)</u>	<u>(2,026,365)</u>	<u>(186,804)</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS				
	<u>\$ (4,635,692)</u>	41,887	<u>\$ 4,677,579</u>	
RECONCILIATION TO GAAP BASIS:				
Basis differences:				
Increase (decrease) in accrual basis assets		(879,776)		
(Increase) decrease in accrual basis liabilities		<u>(794,003)</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis		(1,631,892)		
Fund balance at beginning of year - GAAP basis		36,645,905		
Changes in inventory reserves		<u>21,921</u>		
Fund balance at end of year - GAAP basis		<u>\$ 35,035,934</u>		

See notes to general purpose financial statements

(Continued)

POLK COUNTY, IOWA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AMENDED BUDGET AND ACTUAL (BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2001**

	Special Revenue Funds			
	Amended Budget	Actual	Variance	Actual as a % of Amended Budget
REVENUES:				
Property taxes	\$ 17,620,441	\$ 17,599,780	\$ (20,661)	99.88%
Other County taxes	889,711	828,027	(61,684)	93.07%
Intergovernmental	30,333,476	30,800,186	466,710	101.54%
Licenses and permits	3,000	3,040	40	101.33%
Charges for services	441,721	351,559	(90,162)	79.59%
Use of money and property	2,092,888	2,123,712	30,824	101.47%
Miscellaneous	526,592	556,051	29,459	105.59%
Proceeds from general long-term debt	12,900,000	12,074,692	(825,308)	93.60%
Proceeds from fixed asset sales	75,000	251,579	176,579	335.44%
Total receipts	<u>64,882,829</u>	<u>64,588,626</u>	<u>(294,203)</u>	<u>99.55%</u>
EXPENDITURES:				
Current:				
Physical health and education	545,505	545,505	-	100.00%
Mental health	37,372,072	37,303,099	68,973	99.82%
Social services	1,170,000	873,318	296,682	74.64%
County environment	27,933,587	24,230,109	3,703,478	86.74%
Roads and transportation	11,240,752	10,671,342	569,410	94.93%
State and local government services	129,500	125,702	3,798	97.07%
Non-program services	5,100,000	5,015,688	84,312	98.35%
Capital projects	15,626,419	11,437,979	4,188,440	73.20%
Total disbursements	<u>99,117,835</u>	<u>90,202,742</u>	<u>8,915,093</u>	<u>91.01%</u>
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	<u>14,149,561</u>	<u>14,359,801</u>	<u>210,240</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS				
	<u>\$ (20,085,445)</u>	<u>(11,254,315)</u>	<u>\$ 8,831,130</u>	
RECONCILIATION TO GAAP BASIS:				
Basis differences:				
Increase (decrease) in accrual basis assets		(689,452)		
(Increase) decrease in accrual basis liabilities		<u>6,351,367</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis		(5,592,400)		
Fund balance at beginning of year - GAAP basis		32,372,820		
Changes in inventory reserves		<u>120,515</u>		
Fund balance at end of year - GAAP basis		<u>\$ 26,900,935</u>		

See notes to general purpose financial statements

(Continued)

POLK COUNTY, IOWA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AMENDED BUDGET AND ACTUAL (BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2001**

	Capital Projects Funds			
	Amended Budget	Actual	Variance	Actual as a % of Amended Budget
EXPENDITURES:				
Capital projects	\$ 10,681,433	\$ 8,164,674	\$ 2,516,759	76.44%
Total disbursements	<u>10,681,433</u>	<u>8,164,674</u>	<u>2,516,759</u>	<u>76.44%</u>
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	<u>5,600,000</u>	<u>5,600,000</u>	-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS	<u>\$ (5,081,433)</u>	(2,564,674)	<u>\$ 2,516,759</u>	
RECONCILIATION TO GAAP BASIS:				
Basis difference:				
(Increase) decrease in accrual basis liabilities		<u>(435,551)</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis		(3,000,225)		
Fund balance at beginning of year - GAAP basis		<u>6,518,240</u>		
Fund balance at end of year - GAAP basis		<u>\$ 3,518,015</u>		

See notes to general purpose financial statements

(Continued)

POLK COUNTY, IOWA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AMENDED BUDGET AND ACTUAL (BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2001**

	Debt Service Funds			
	Amended Budget	Actual	Variance	Actual as a % of Amended Budget
REVENUES:				
Property taxes	\$ 555,052	\$ 558,561	\$ 3,509	100.63%
Other County taxes	27,673	26,144	(1,529)	94.47%
Intergovernmental	29,913	28,997	(916)	96.94%
Use of money and property	1,356,189	1,380,723	24,534	101.81%
Miscellaneous	185,000	190,786	5,786	103.13%
Total receipts	<u>2,153,827</u>	<u>2,185,211</u>	<u>31,384</u>	<u>101.46%</u>
EXPENDITURES:				
Debt service	3,787,531	3,787,018	513	99.99%
Total disbursements	<u>3,787,531</u>	<u>3,787,018</u>	<u>513</u>	<u>99.99%</u>
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	<u>1,687,394</u>	<u>1,796,117</u>	<u>108,723</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS				
	<u>\$ 53,690</u>	194,310	<u>\$ 140,620</u>	
RECONCILIATION TO GAAP BASIS:				
Basis differences:				
Increase (decrease) in accrual basis assets		(208,051)		
(Increase) decrease in accrual basis liabilities		<u>(2,165)</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis		(15,906)		
Fund balance at beginning of year - GAAP basis		<u>6,865,532</u>		
Fund balance at end of year - GAAP basis		<u>\$ 6,849,626</u>		

See notes to general purpose financial statements

(Continued)

POLK COUNTY, IOWA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 AMENDED BUDGET AND ACTUAL (BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2001

	Expendable Trust Funds			
	Amended Budget	Actual	Variance	Actual as a % of Amended Budget
REVENUES:				
Intergovernmental	\$ 4,920	\$ -	\$ (4,920)	0.00%
Use of money and property	33,000	34,514	1,514	104.59%
Fines, forfeitures and defaults	160,000	159,465	(535)	99.67%
Miscellaneous	-	500	500	N/A
Proceeds from fixed asset sales	53,900	91,941	38,041	170.58%
Total receipts	<u>251,820</u>	<u>286,420</u>	<u>34,600</u>	<u>113.74%</u>
EXPENDITURES:				
Current:				
Public safety	277,374	265,392	11,982	95.68%
Capital projects	307,135	100,056	207,079	32.58%
Total disbursements	<u>584,509</u>	<u>365,448</u>	<u>219,061</u>	<u>62.52%</u>
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	<u>(50,000)</u>	<u>(50,000)</u>	-	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS	<u>\$ (382,689)</u>	<u>(129,028)</u>	<u>\$ 253,661</u>	
RECONCILIATION TO GAAP BASIS:				
Basis differences:				
Increase (decrease) in accrual basis assets		17,200		
(Increase) decrease in accrual basis liabilities		<u>(13,530)</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis		(125,358)		
Fund balance at beginning of year - GAAP basis		<u>751,331</u>		
Fund balance at end of year - GAAP basis		<u>\$ 625,973</u>		

See notes to general purpose financial statements

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POLK COUNTY, IOWA

**COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2001**

	Enterprise	Internal Service	Total (Memo Only)
REVENUES:			
Air pollution control permits	\$ 190,493	\$ -	\$ 190,493
Grant revenue, operating	651,906	-	651,906
Charges for services	200,755	7,111,555	7,312,310
Revenue from racetrack/casino	27,175,000	-	27,175,000
Event/building rental income	2,461,686	-	2,461,686
Parking income	741,180	-	741,180
Concession sales	3,048,502	-	3,048,502
Commissions income	312,520	-	312,520
PFMS user fee on ticket sales	144,499	-	144,499
Recreational fees	1,236,494	-	1,236,494
Miscellaneous	259,914	38,577	298,491
Total revenues	<u>36,422,949</u>	<u>7,150,132</u>	<u>43,573,081</u>
EXPENSES:			
Personal services	5,061,162	-	5,061,162
Supplies	580,647	-	580,647
Communication/telephone	461,198	-	461,198
Professional services	615,385	-	615,385
Public utility services	738,469	-	738,469
Repair and maintenance services	327,717	-	327,717
Other services/charges	2,917,685	425,908	3,343,593
Direct event expense	400,971	-	400,971
Cost of goods sold - concession	606,896	-	606,896
Fine Host management expense	675,646	-	675,646
Insurance	-	7,245,879	7,245,879
Miscellaneous	830,798	-	830,798
Depreciation	3,182,223	-	3,182,223
Total expenses	<u>16,398,797</u>	<u>7,671,787</u>	<u>24,070,584</u>
OPERATING INCOME (LOSS)	<u>20,024,152</u>	<u>(521,655)</u>	<u>19,502,497</u>
NONOPERATING REVENUES (EXPENSES):			
Federal/state grants	448,602	-	448,602
Interest revenue	625,953	254,629	880,582
Interest expense	(585,173)	-	(585,173)
Net joint venture activity	(339,645)	-	(339,645)
Total nonoperating revenues (expenses)	<u>149,737</u>	<u>254,629</u>	<u>404,366</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>20,173,889</u>	<u>(267,026)</u>	<u>19,906,863</u>

POLK COUNTY, IOWA

**COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2001**

	Enterprise	Internal Service	Total (Memo Only)
CAPITAL CONTRIBUTIONS AND TRANSFERS:			
Capital contributions	\$ 5,000,000	\$ -	\$ 5,000,000
Capital transfers out	(5,000,000)	-	(5,000,000)
Contributions from property owners	17,661	-	17,661
Operating transfers in	2,985,659	-	2,985,659
Operating transfers out	(23,335,212)	(30,000)	(23,365,212)
Total capital contributions and transfers	<u>(20,331,892)</u>	<u>(30,000)</u>	<u>(20,361,892)</u>
NET INCOME (LOSS)	(158,003)	(297,026)	(455,029)
RETAINED EARNINGS, BEGINNING OF YEAR	<u>55,347,649</u>	<u>2,764,155</u>	<u>58,111,804</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 55,189,646</u>	<u>\$ 2,467,129</u>	<u>\$ 57,656,775</u>

See notes to general purpose financial statements

POLK COUNTY, IOWA

**COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2001**

	Enterprise	Internal Service	Total (Memo Only)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 8,725,017	\$ 7,123,087	\$ 15,848,104
Cash received from air pollution control permits	190,493	-	190,493
Cash received from operating grants	682,571	-	682,571
Cash received from racetrack/casino	27,075,000	-	27,075,000
Cash paid to suppliers for goods and services	(5,461,886)	(7,576,836)	(13,038,722)
Cash paid to employees	(5,106,827)	-	(5,106,827)
Net cash flows from operating activities	<u>26,104,368</u>	<u>(453,749)</u>	<u>25,650,619</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from non-operating grants	448,602	-	448,602
Operating transfers in	2,985,659	-	2,985,659
Operating transfers out	(23,335,212)	(30,000)	(23,365,212)
Cash paid to other funds	(388,485)	-	(388,485)
Cash received from other funds	50,359	(47,831)	2,528
Net cash flows from noncapital financing activities	<u>(20,239,077)</u>	<u>(77,831)</u>	<u>(20,316,908)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds of general obligation debt (net of discount)	696,950	-	696,950
Issuance costs paid on long-term debt	(5,370)	-	(5,370)
Principal paid on long-term debt	(1,562,184)	-	(1,562,184)
Interest paid on long-term debt	(552,226)	-	(552,226)
Capital contributions from property owners	17,661	-	17,661
Capital contributions from other funds	5,000,000	-	5,000,000
Capital transfers out	(5,000,000)	-	(5,000,000)
Purchase of fixed assets	(5,464,460)	-	(5,464,460)
Net cash flows from capital and related financing activities	<u>(6,869,629)</u>	<u>-</u>	<u>(6,869,629)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	639,016	246,853	885,869
Net cash flows from investing activities	<u>639,016</u>	<u>246,853</u>	<u>885,869</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(365,322)	(284,727)	(650,049)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>7,659,222</u>	<u>3,733,422</u>	<u>11,392,644</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 7,293,900</u>	<u>\$ 3,448,695</u>	<u>\$ 10,742,595</u>

POLK COUNTY, IOWA

**COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2001**

	Enterprise	Internal Service	Total (Memo Only)
RECONCILIATION OF OPERATING INCOME TO NET CASH			
FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 20,024,152	\$ (521,655)	\$ 19,502,497
Components of operating income not included in operating activities:			
Depreciation	3,182,223	-	3,182,223
Amortization	778,739	-	778,739
Income from vendor applied against obligation owed to vendor	(35,300)	-	(35,300)
Adjustments to reconcile operating income to net cash flows from operating activities:			
(Increase) decrease in taxes receivable	92,240	-	92,240
(Increase) decrease in accounts receivable	(28,049)	(76,218)	(104,267)
(Increase) decrease in due from other governments	178,581	-	178,581
(Increase) decrease in inventories	(2,360)	-	(2,360)
(Increase) decrease in prepaids items	9,520	-	9,520
Increase (decrease) in warrants payable	175,771	5,337	181,108
Increase (decrease) in vouchers/accounts payable and accrued expenses	1,671,805	-	1,671,805
Increase (decrease) in due to other governments	60,050	-	60,050
Increase (decrease) in wages payable	(25,592)	-	(25,592)
Increase (decrease) in payroll taxes payable	(2,257)	-	(2,257)
Increase (decrease) in compensated absences payable	(17,816)	-	(17,816)
Increase (decrease) in advance deposits and ticket sales	42,661	-	42,661
Increase (decrease) in estimated liability for claims and judgments	-	138,787	138,787
Net cash flows from operating activities	<u>\$ 26,104,368</u>	<u>\$ (453,749)</u>	<u>\$ 25,650,619</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Net joint venture activity	\$ (339,645)	\$ -	\$ (339,645)
Disposal of fully depreciated assets	64,249	-	64,249
Vendor's income applied against obligation	35,300	-	35,300
Receivable to reduce current medical claims	-	49,173	49,173

See notes to general purpose financial statements

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POLK COUNTY, IOWA

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Polk County was formed in 1846 and operates under a plural executive-administrator form of government. The County provides a broad scope of services to its citizens, operating through various organizational entities ranging from elected departments to administrative departments to appointed commissions.

The governing body is composed of a five-member Board of Supervisors elected on a partisan basis and has both legislative and administrative powers. The basic functions of the Board are to investigate matters relating to the County's administrative departments, oversee the budget process for the entire County and respond to individual constituent inquiries and/or complaints.

Other elected officials operate independently and equally with the Board. These officials are the Auditor, Treasurer, Recorder, Sheriff and County Attorney.

Financial Reporting Entity

As required by generally accepted accounting principles (GAAP), the County's financial statements present all the fund types and account groups of the County and its component units, legally separate entities for which the County is financially accountable. Each discretely presented component unit is reported in a separate column in the County's combined financial statements to emphasize they are legally separate from the County.

Discretely Presented Component Units - Based on the foregoing criteria, the combined financial data of Polk County Health Services, Inc. and Polk County Health Services Foundation, collectively referred to as "PCHS," as of and for the year ended June 30, 2001, is included in the County's financial statements. PCHS has been designated by the Polk County Board of Supervisors to serve as the Code of Iowa mandated regional planning council and single point of entry for services to persons with mental illness, mental retardation or developmental disabilities. PCHS administers the allocation of approximately \$41 million each year for mental health services for the County. Although PCHS is a separate legal entity and appoints its own Board of Directors, it is fiscally dependent on the County. The County provides a significant portion of its financial support of PCHS and annually approves its overall budget.

PCHS is presented as a governmental fund type. PCHS is a 501(c)(3) entity which uses both governmental and proprietary methods of accounting. Since its principal operations are primarily governmental, the County has converted PCHS financial statements to be presented as a governmental fund type. As a result, the County recorded an amount to be provided for the retirement of general long-term debt in the amount of \$9,645,221 and an investment in general fixed assets in the amount of \$5,168,670. This resulted in a restatement of PCHS fund balance in the amount of \$(380,347).

Disclosure has been provided for the notes payable to primary government; however, other disclosures have been deemed unnecessary due to immateriality. Complete financial statements of PCHS can be obtained from their administrative offices, 218 Sixth Avenue, Des Moines, IA 50309.

Basis of Presentation - Fund Accounting

The accounts of the County are organized on the basis of funds and account groups. Each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses.

The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the County:

Governmental Fund Types

Governmental Funds are those through which most general governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income. The following are the County's 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.

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 and trust funds).

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

Proprietary Fund Types

Proprietary Funds are used to account for the County's ongoing organization and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance. The following are the County's Proprietary Fund Types:

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises: (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - 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 governmental unit, or to other governmental units, on a cost-reimbursement basis. The County has one internal service fund that accounts for employee insurance.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The following are the County's Fiduciary Fund Types:

Trust and Agency Funds - Trust and Agency Funds include expendable trust and agency funds. Expendable trust funds are accounted for and reported essentially in the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

Account Groups

Account groups are used to establish accounting control and accountability for the County's general fixed assets and general long-term liabilities. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations. The following are the County's account groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the County, other than those accounted for in the proprietary funds and trust funds.

General Long-Term Debt Account Group - This account group is established to account for all long-term liabilities of the County except those accounted for in the proprietary funds and trust funds.

Significant Accounting Policies

Measurement Focus: Governmental Fund Types and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means that, generally, only current assets and current liabilities are included on their balance sheets. Their reported fund balances are considered a measure of "available spendable resources." Governmental Fund Type and Expendable Trust Fund Type 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.

Proprietary Fund Types 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. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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.

Governmental Fund Types and Expendable Trust Funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when they become both measurable and available. Measurable means when the revenue can be reasonably estimated. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are recorded when the liability is incurred except for unmatured interest on general long term debt which is recognized when due. Claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues susceptible to accrual under the modified accrual basis of accounting are property tax, intergovernmental revenue, charges for service and interest revenue. Revenues from licenses and permits, fines and forfeitures, refunds and reimbursements and other miscellaneous sources are generally recognized when they are received in cash as they are generally not measurable until actually received.

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

Proprietary Fund Types are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. In accordance with Governmental Accounting Standards Board Statement No. 20, the County has elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989 to Proprietary Fund Types.

Budgetary and Appropriation Data: In accordance with the Code of Iowa and provisions of the Iowa Administrative Code, annual budgets are adopted for the General, Special Revenue, Capital Projects, Debt Service and Expendable Trust Fund Types on the cash basis (budgetary basis) by the Board of Supervisors, following required public notice and hearing. The Board of Supervisors then appropriates by resolution the amounts by program service area deemed necessary for each of the different County offices and departments. Appropriations as adopted or amended lapse at the end of the fiscal year. Thus, no encumbrances exist at year end.

A budget amendment must be prepared and adopted in the same manner as the original budget. The County budget was amended as prescribed and the amended amounts are shown in the financial statement presentation. Supplemental appropriations are provided when unanticipated revenues become available or when unanticipated program expenditures are needed. These supplemental appropriations were not material in relation to the originally adopted amounts.

County management may amend detail line-item budgets as long as the total budget for each program service area does not exceed the budgeted level of authorized expenditures.

The legal level of control (the level of which expenditures may not legally exceed appropriations) is program service area for budgeted governmental and expendable trust funds in total, rather than by individual fund type. Formal and legal budgetary control is based on 12 major classes of expenditures known as program service areas. These 12 program service areas are: public safety, court services, physical health and education, mental health, social services, county environment, roads and transportation, state and local government services, interprogram services, nonprogram, debt service and capital projects. Legal budgetary control is also based upon the appropriation to each office or department, in accordance with State of Iowa statute.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Extension Office, by the County Agricultural Extension Council; for Joint Disaster Services, by the Joint Disaster Services Administration; and for the County Assessor, by the County Assessor Conference Board.

The combined statement of revenues, expenditures and changes in fund balances-amended budget and actual (budgetary basis) - all governmental fund types and expendable trust funds has been presented on a budgetary basis. The statement contains a reconciliation of the excess or deficiency of revenues and other financing sources over expenditures and other financing uses - budgetary basis to the GAAP basis.

The following table, which includes all General, Special Revenue, Capital Projects, Debt Service, and Expendable Trust Funds, demonstrates legal compliance:

Program Service Area	Amended Budget	Expenditures (Budgetary Basis)	Favorable (Unfavorable) Variance
Public Safety	\$ 31,400,976	\$ 30,296,649	\$ 1,104,327
Court Services	2,824,054	2,606,876	217,178
Physical Health and Education	4,139,959	3,972,389	167,570
Mental Health	37,372,072	37,303,099	68,973
Social Services	23,235,277	21,948,697	1,286,580
County Environment	33,185,625	29,289,474	3,896,151
Roads and Transportation	11,240,752	10,671,342	569,410
State and Local Government Services	4,493,167	4,335,370	157,797
Interprogram Services	21,161,238	19,909,248	1,251,990
Non-program	5,100,000	5,015,688	84,312
Debt Service	9,943,355	9,942,842	513
Capital Projects	<u>28,156,092</u>	<u>20,324,398</u>	<u>7,831,694</u>
Total	<u>\$212,252,567</u>	<u>\$195,616,072</u>	<u>\$ 16,636,495</u>

Cash and Cash Equivalents: For the purposes of the statement of cash flows, the Proprietary Fund Types consider all highly-liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Cash and Investments: The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this commingled pool is displayed on the combined balance sheet as "Cash and Investments." Monies that are not required for immediate obligations are invested under the management of the County Treasurer. Income earned from the investment of pooled cash is recorded in the General Fund, except for interest income allocated to enterprise funds and where specifically required by law to be recorded in other funds. Investments are shown at quoted fair value, except for investments which have a remaining maturity at time of purchase of one year or less, which are shown at amortized cost. In addition, investments in the Public Agency Trust Investment Pool are valued at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

Property Taxes: The County proposed property tax levy was approved during the Board of Supervisors' session held in March of 2000 on the assessed valuation of property located in the County as of January 1, 1999, which was the assessment date. Assessed values are established annually for the various types of property by the County and are reduced by certain percentages based on the type of property to determine the taxable value. Taxes levied on property then became liens as of July 1, 2000. Taxes were receivable in two installments on September 30, 2000, and March 31, 2001. The County bills and collects property taxes for all taxing units in the County. Tax monies remitted to the County and subsequently disbursed to other taxing units are accounted for in the Trust and Agency Fund Types.

In accordance with Governmental Accounting Standards Board Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," effective in fiscal year 2001, the succeeding year property tax receivable (including utility excise tax receivable) represents taxes certified by the Board of

Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred and will not be recognized as revenue until the year for which it is levied.

Allowances for Doubtful Accounts: An allowance for doubtful accounts, which offsets the total gross receivables, is calculated based upon historical collection data, specific account analysis and management's judgment.

Due From/To Other Funds: During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from other funds" and "Due to other funds" on the balance sheet. Cash overdrafts, short-term interfund loans and the current portion of long-term interfund loans are also included in these line items. At year end, all interfund receivables and payables, and the related revenues and expenditures, are recorded.

Advances To/From Other Funds: The noncurrent portion of long-term interfund loans are reported as advances on the balance sheet. In Governmental Fund Types, advances are equally offset by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Due From Other Governments: Due from other governments represents state tax credits due from the State of Iowa, various shared revenues, grants and reimbursements.

Inventories: All inventories are stated at cost (first-in, first-out method). For governmental funds, the cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventories are equally offset by a fund balance reserve, or deferred revenues in the case of the Supplemental Foods Program commodities, which indicates that they are not available to liquidate current obligations. The County maintains material inventory balances in its proprietary funds.

Fixed Assets: General fixed assets are recorded as expenditures in the Governmental Fund Types and are capitalized in the General Fixed Assets Account Group. Such assets are recorded at historical cost or, in the case of contributed assets, at estimated fair value at the time of acquisition. Public domain general fixed assets (i.e., roads, bridges, curbs, streets, sidewalks and similar assets) are not capitalized. General fixed assets are not depreciated. On disposal, the related cost is removed from the accounts. Maintenance and repairs are recorded as expenditures in the Governmental Fund Types as incurred and are not capitalized. Interest costs incurred during the construction of fixed assets are capitalized.

Fixed assets of Proprietary Fund Types are capitalized at historical cost or, in the case of contributed assets, at estimated fair value at the time of acquisition. Assets are depreciated over the following estimated useful lives using the straight-line method:

Equipment	3-15 years
Vehicles	7 years
Building	15-30 years
Infrastructure	40 years
Improvements other than buildings	20-40 years

On disposal, the related cost and accumulated depreciation are removed from their respective accounts. Maintenance and repairs are recorded as expenses as incurred and are not capitalized.

Construction in progress is capitalized at historical cost, however, depreciation will not be taken until construction is complete.

Due to Other Governments: Due to other governments represents taxes and other revenues collected by the County that will be remitted to other governments.

Advance Deposits/Ticket Sales: Advanced deposits represent rent deposits, advance payments for electric and telephone usage and ticket sales paid by customers for future events.

Deferred Revenues: Although certain revenues are measurable, they are not available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Deferred revenues represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collectible within the current period or soon enough to be used to pay liabilities of the current period. Deferred revenues also occur when resources are received before they have been earned, as when grant monies are received prior to the incurrence of qualifying expenditures. Deferred revenues consist of property taxes receivable and other receivables not collected within sixty days after year end, unearned grant advances and undistributed food commodities.

Bond Discounts/Issuance Costs: For governmental fund types, bond discounts are recognized as an expenditure during the current period. Bond proceeds are reported as other financing sources. For proprietary fund types, bond discounts as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line amortization method since the results are not significantly different from the effective interest method. Unamortized bond discounts are reported as a deduction from long-term debt. Issuance costs are reported as deferred charges.

Compensated Absences: County employees accumulate vacation and sick leave days for subsequent use, which are not forfeited on retirement, death or termination of employment. Accumulation of vacation hours is limited to 240 hours. Employees may accumulate sick leave to a maximum of 1,040 hours. Payment of sick leave is limited to 20% to 40% of the accumulation on termination of employment based on length of service. Upon termination, an employee must have at least four years of service in order to be paid for sick leave. For the County, the current portion of the accumulated vacation pay is considered immaterial; therefore, no expenditure or liability has been reported in the County's governmental funds. The County's liability for compensated absences and the salary-related payments as of June 30, 2001, is recorded in the General Long-Term Debt Account Group. For the County's proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within those funds as leave is earned. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2001.

Estimated Liability for Claims and Judgments: Potential claims and judgments which are probable and can be reasonably estimated are recorded at year end. For Governmental Fund Types, estimated liabilities expected to be liquidated with expendable available financial resources are recorded as a fund liability. The balance of the liability is reported in the General Long-Term Debt Account Group. For Proprietary Fund Types, the estimated liabilities are recorded as a fund liability.

Fund Equity: Contributed capital for years prior to June 30, 2001 is recorded in a Proprietary Fund Type that has received contributions from other funds or taxpayers. Reserves represent those portions of County equity that have been legally segregated for specific purposes or are not appropriable for expenditure. Designated fund balances represent tentative plans for financial resource utilization in a future period.

Total (Memo Only) Columns: The total columns on the general purpose financial statements are captioned "(Memo Only)" to indicate that they are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in

accordance with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Use of Estimates: The preparation of general purpose financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements: In June of 1999, GASB issued Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments. GASB Statement No. 34, which is required to be adopted by Polk County in its fiscal year ending June 30, 2002, establishes new financial reporting requirements for state and local governments throughout the United States. The County has not yet determined the impact of GASB Statement No. 34.

2. CASH AND INVESTMENTS

The County is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit and other evidences of deposit at federally insured depository institutions approved by the Board of Supervisors and the Treasurer of the State of Iowa; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district. The County has not entered into any derivative financial instruments.

The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this commingled pool is displayed on the combined balance sheet as “Cash and Investments.” Monies that are not required for immediate obligations are invested under the management of the County Treasurer.

As of June 30, 2001, the cash and investments of the County consisted of:

Cash and cash items in vault	\$ 50,577
Cash on hand not yet deposited	88,275
Bank account deposits	57,357,661
Investments	<u>52,772,384</u>
Total	<u>\$110,268,897</u>

Deposits:

The County's deposits at June 30, 2001, had a carrying value of \$57,357,661. The bank balance at June 30, 2001, was entirely covered by Federal depository insurance, collateralized with securities or letters of credit held by the County or the County's agent in the County's name, or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The County elected to maintain a non-interest bearing certificate of deposit with Bank of America and Wells Fargo in the average total of \$441,245 in order to avoid banking service charges. This is considered a compensating balance.

Investments:

For reporting purposes, the carrying amount of investments are classified in these categories of credit risk:

- (1) Insured or registered, or securities held by the County or its agents in the County's name.
- (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.
- (3) Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent, but not in the County's name.

	Category			Carrying Amount	Fair Value
	1	2	3		
Commercial Paper	\$10,590,777	\$ -	\$ -	\$ 10,590,777	\$ 10,590,777
Annuity	-	-	-	71,534	71,534
Open-end Mutual Funds	-	-	-	<u>42,110,073</u>	<u>42,110,073</u>
Total				<u>\$ 52,772,384</u>	<u>\$ 52,772,384</u>

Because the County's annuity investment and open-ended mutual funds do not meet the definition of a security in accordance with GASB Statement No. 3, it is exempt from categorization.

The County's investments in the Public Agency Trust Investment Pool are valued at amortized cost of \$11,215,000 pursuant to Rule 2a-7 under the Investment Company Act of 1940 and are not subject to risk categorization.

3. DUE FROM/TO OTHER FUNDS

Amounts due from/to other funds at June 30, 2001, were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 1,403,510	\$ 50,493
Special Revenue:		
MH/MR/DD Services	60,138	-
Rural Services	17,826	-
County Recorder Records Management	799	-
Enterprise:		
Convention Complex	-	776
Veteran Memorial Auditorium	776	-
Prairie Meadows Racetrack/Casino	-	330,027
Jester Park Golf Course	255,845	48,460
Internal Service Fund	47,831	-
Trust and Agency:		
Elected Officials - Attorney	-	4,719
Elected Officials - Auditor	-	5,149
Elected Officials - Board of Supervisors - Other	-	15,895
Elected Officials - County Conservation Board	-	306,534
Elected Officials - Recorder	-	589,714
Elected Officials - Sheriff	1,555	191,305
Other Agency - Treasurer's Tax Redemption	-	12,780

Other Agency - Motor Vehicle	-	214,436
Other Agency - Treasurer's Cashier Escrow	-	2,911
Other Agency - Employee Activities	-	15,081
Total	<u>\$ 1,788,280</u>	<u>\$ 1,788,280</u>

4. ADVANCES TO/FROM OTHER FUNDS

Advances to/from other funds result from established long-term interfund loans, as evidenced by existing agreements. Such agreements bear interest at rates ranging from 0% to 6%. The long-term portion of individual fund loan balances at June 30, 2001, were as follows:

General Fund interfund loans receivable from the following funds:		
Secondary Roads Fund		\$570,280
Trust and Agency:		
Drainage Districts		<u>1,667</u>
Total		<u>\$571,947</u>

The schedule of annual principal maturities for interfund loans is as follows:

	Secondary Roads	Drainage Districts	Total
Due during the year ending June 30:			
2002	\$ 570,280	\$ 833	\$ 571,113
2003	<u>-</u>	<u>834</u>	<u>834</u>
Total	<u>\$570,280</u>	<u>\$ 1,667</u>	<u>\$ 571,947</u>

5. FIXED ASSETS

General Fixed Assets Account Group

Changes in the General Fixed Assets Account Group for the year ended June 30, 2001 are as follows:

	Balances at July 1, 2000	Additions	Deletions	Balances at June 30, 2001
Land	\$ 6,881,746	\$ 515,220	\$ -	\$ 7,396,966
Building	42,943,347	10,960,717	-	53,904,064
Improvements other than buildings	543,880	41,931	-	585,811
Equipment	26,835,252	4,172,973	(1,155,025)	29,853,200
Vehicles	<u>5,641,051</u>	<u>886,627</u>	<u>(679,957)</u>	<u>5,847,721</u>
Total	<u>\$ 82,845,276</u>	<u>\$16,577,468</u>	<u>\$(1,834,982)</u>	<u>\$ 97,587,762</u>

6. INVESTMENT IN JOINT VENTURE

Polk County is a participating member of a joint venture with the City of Des Moines whereby the City issued general obligation bonds to finance construction and operation of a Wastewater Reclamation Authority ("WRA") sewer system to serve the greater Des Moines metropolitan area. The County is responsible for the costs of the WRA project associated with serving the unincorporated area of the County. A user charge system has been established by the County to provide funds to construct and maintain the County's sanitary treatment works. Complete financial statements of the WRA can be obtained from the City of Des Moines, East First and Locust, Des Moines, Iowa 50309.

At June 30, 2001, WRA's equity in the project was \$261,810,881, of which 6.81% or \$17,829,321 is the County's equity portion in the project. The financial statements of the Sanitary Treatment Works Enterprise Fund of the County include the County's interest in the joint venture.

The County also has WRA related debt outstanding as part of the joint venture. A supplement to the original underlying WRA agreements approved by the constituent communities during the year ended June 30, 1998 approved the County's utilization of gaming enterprise revenues to fund WRA obligations. This action converted previously deferred debt into outstanding debt for a variety of outstanding WRA debt issues. It is anticipated that gaming revenues from the Prairie Meadows Racetrack/Casino Enterprise Fund will be utilized to service the majority of the debt in future years.

The County's share of WRA principal outstanding at June 30, 2001 totaled \$4,908,681. At June 30, 2001, the County's share of combined annual debt maturities for all WRA issues is as follows:

Due during the year ending June 30:		
2002		\$ 485,507
2003		514,168
2004		504,320
2005		350,565
2006		368,194
Thereafter		<u>2,685,927</u>
Total		<u>\$ 4,908,681</u>

7. LONG-TERM DEBT

General Long-Term Debt Account Group

Changes in the General Long-Term Debt Account Group of the County for the year ended June 30, 2001 are as follows:

Description	Balances at July 1, 2000	Additions	Deletions	Balances at June 30, 2001
General obligation bonds payable	\$ 13,965,217	\$ 7,200,000	\$(2,197,848)	\$ 18,967,369
Notes payable	325,000	800,000	(353,000)	772,000
Capital leases payable	428,051	523,880	(368,360)	583,571
Accrued compensated absences	6,072,122	5,149,165	(4,600,651)	6,620,636
Claims, liabilities, and judgments	<u>187,206</u>	<u>440,469</u>	<u>(429,916)</u>	<u>197,759</u>
Total	<u>\$ 20,977,596</u>	<u>\$14,113,514</u>	<u>\$ (7,949,775)</u>	<u>\$ 27,141,335</u>

The General Long-Term Debt Account group is comprised of the following individual issues:

General Obligation Bonds Payable

Original Amount	Date Issued	Issue	Interest Rates	Due Dates	Date Callable	Interest Date	Amount Outstanding
\$ 3,225,000	03/15/93	General Purpose	3.30-5.75%	Ser.'94-'03	06/01/01	Semiannual	\$ 300,000
2,715,000	12/01/94	General Purpose	5.50-5.75%	Ser.'96-'05	N/A	Semiannual	665,000
5,065,000	05/01/98	General Purpose	4.5-4.875%	Ser.'98-'11	N/A	Semiannual	3,962,369
2,850,000	05/01/98	General Purpose	4.625-5%	Ser.'98-'14	N/A	Semiannual	2,445,000
4,780,000	12/01/99	General Purpose	4.3-5%	Ser.'99-'10	N/A	Semiannual	4,395,000
7,200,000	06/01/01	General Purpose	3.8-4.625%	Ser.'01-12	N/A	Semiannual	<u>7,200,000</u>
							<u>\$ 18,967,369</u>

Notes Payable

During the year ended June 30, 2001, the County issued \$800,000 of general obligation capital loan notes as part of the Iowa Drinking Water State Revolving Fund Program to finance the NW 84th Avenue Water Main Project. Due to participation in this program, the proceeds of this debt is reported as state and federal grant revenue in the Bond Revolving Special Revenue fund.

Original Amount	Date Issued	Issue	Interest Rates	Due Dates	Date Callable	Interest Date	Amount Outstanding
\$ 800,000	08/09/00	NW 84 th Water Main	3.530%	Ser.'01-'19	N/A	Semiannual	\$ 772,000

The annual requirements to pay principal and interest on all outstanding debt are as follows:

	Bonds Payable		Notes Payable	
	Principal	Interest	Principal	Interest
During the year ending June 30:				
2002	\$ 1,163,262	\$ 859,914	\$ 29,000	\$ 26,740
2003	1,824,176	804,961	30,000	25,698
2004	1,735,089	723,794	31,000	24,622
2005	1,829,985	647,164	32,000	23,510
2006	1,710,893	565,974	34,000	22,345
Thereafter	<u>10,703,964</u>	<u>1,713,446</u>	<u>616,000</u>	<u>164,462</u>
Total	<u>\$ 18,967,369</u>	<u>\$ 5,315,253</u>	<u>\$ 772,000</u>	<u>\$ 287,377</u>

There were no due and unredeemed bonds or notes at June 30, 2001. In addition, there was no special assessment debt at June 30, 2001. Management does not believe an arbitrage liability exists at June 30, 2001.

During the year ended June 30, 1998, the County issued \$7,915,000 of general obligation refunding bonds. The proceeds of Series A of the refunding bonds were used for the following: (1) refunding the callable portion of the 1992 general obligation corporate purpose notes that related to a prior refunding of Polk County Health Services, Inc. (PCHS) Notes of Broadlawns Medical Center: \$4,030,000 and (2) refunding the callable portion of the 1992 general obligation corporate purpose notes that related to a conduit debt obligation of Broadlawns Medical Center: \$1,035,000. The \$1,035,000 relating to Broadlawns continues to be classified as a conduit debt obligation. The proceeds of Series B of the 1998 refunding bonds in the amount of \$2,850,000 were loaned by the County to PCHS and used to refund the

PCHS Residential Care Facility Revenue Bonds, Series 1991. Broadlawns Medical Center and PCHS will repay amounts to the County equal to and on the same payment schedule as the payments the County will make on the general obligation refunding bonds.

During the year ended June 30, 2000, the County issued \$4,780,000 of general obligation bonds. The proceeds of these bonds were used for the construction costs for new juvenile detention facility and housing program grants to Neighborhood Finance Corporation and Housing Trust.

During the year ended June 30, 2001, the County issued \$7,900,000 of general obligation bonds. Of this amount, \$7,200,000 is reported as a obligation in the general long term debt account group and \$700,000 is reported in Sanitary Treatment Works Enterprise Fund. The proceeds of these bonds were used to provide funds for various essential County-purpose projects which includes a contribution to the Housing Trust Fund and other County capital projects.

Also, during the year ended June 30, 2001, \$11,400,000 proceeds from general long-term debt consists of \$7,200,000 general obligation bonds and \$4,200,000 conduit debt relating to Broadlawns.

Enterprise Funds

Convention Complex/Veterans Memorial Auditorium Enterprise Funds

During the year ended June 30, 1997, the County borrowed \$10,000,000 in the form of ten-year general obligation bonds. The proceeds of the bonds dated December 1, 1996 were used to provide funds for the acquisitions of and capital improvements to the Convention Complex and Veterans Memorial Auditorium. The bonds bear an interest rate of 4.3% - 4.6% which is payable semiannually. These bonds are reflected in the Convention Complex and Veterans Memorial Auditorium Enterprise Funds at \$1,104,833 and \$4,410,218 respectively.

The annual requirements to pay principal and interest on the bonds are as follows:

	Principal	Interest
During the year ending June 30:		
2002	\$ 1,000,000	\$ 250,975
2003	1,050,000	205,975
2004	1,100,000	158,725
2005	1,175,000	109,225
2006	<u>1,225,000</u>	<u>56,350</u>
Total	<u>5,550,000</u>	<u>\$ 781,250</u>
Less: unamortized discount	<u>(34,949)</u>	
Grand Total	<u>\$ 5,515,051</u>	

Sanitary Treatment Works Enterprise Fund

The County borrowed \$1,300,000 in the form of ten-year general obligation loan notes during the year ended June 30, 1993. The proceeds of these notes, which are dated May 1, 1993, were used to provide funds for an extension of the County sewer system into an area known as the UPI Sanitary Sewer District and are reflected in the County's Sanitary Treatment Works Enterprise Fund. The notes, which will be paid from this fund, bear an interest rate of 2.25% - 5.20% which is payable semiannually. The annual requirements to pay principal and interest on this debt are as follows:

	Principal	Interest
During the year ending June 30:		
2002	\$ 125,000	\$ 12,742
2003	100,000	7,180
2004	<u>90,000</u>	<u>2,340</u>
Total	<u>\$ 315,000</u>	<u>\$ 22,262</u>

During the year ended June 30, 2001, the County borrowed \$700,000 in the form of ten-year general obligation bonds. The proceeds of the bonds dated June 1, 2001 were used to provide funds for the NW 54th Sewer Project. The bonds bear an interest rate of 3.8% - 4.45% which is payable semiannually. This bond is reflected in the Sanitary Treatment Works Enterprise Fund at \$696,950.

	Principal	Interest
During the year ending June 30:		
2002	\$ 70,000	\$ 28,140
2003	70,000	25,480
2004	70,000	22,820
2005	70,000	20,160
2006	70,000	17,500
Thereafter	<u>350,000</u>	<u>45,290</u>
Total	<u>700,000</u>	<u>\$ 159,390</u>
Less: unamortized discount	<u>(3,050)</u>	
Grand Total	<u>\$ 696,950</u>	

The remaining debt of the Sanitary Treatment Works Enterprise Fund represents \$4,908,681 outstanding June 30, 2001, relating to the County's investment in joint venture. Note six further describes the County's investment in joint venture and illustrates the annual debt maturities at June 30, 2001.

Polk County Health Services, Inc. (PCHS) Component Unit

Changes in bonds and notes payable for PCHS for the year ended June 30, 2001 are as follows:

	Balances at July 1, 2000	Additions	Deletions	Balances at June 30, 2001
Notes payable	\$ 2,805,000	\$ -	\$ (100,000)	\$2,705,000
Due to Polk County	<u>7,461,923</u>	<u>-</u>	<u>(521,703)</u>	<u>6,940,220</u>
Total	<u>\$ 10,266,923</u>	<u>\$ -</u>	<u>\$ (621,703)</u>	<u>\$9,645,220</u>

Notes Payable to Primary Government

At June 30, 2001, Polk County Health Services, Inc. (PCHS) a component unit of the County, has six notes payable totaling \$6,940,220 to the County, the primary government. The notes consist of the following:

- A note payable issued on August 1, 1992 in the amount of \$920,000 with principal payments being made annually and interest payments being made semiannually through 2001.

- A note payable issued on May 1, 1998, in the amount of \$2,850,000 with principal payments being made annually and interest payments being made semiannually through 2014. This note refinanced the PCHS Residential Care Facility Revenue Bonds, Series 1991.
- A note payable issued on May 1, 1998 in the amount of \$4,030,000 with principal payments being made annually and interest payments being made semiannually through 2011. This note refinanced a portion of the 1992 General Obligation Notes issued by the County.
- A note payable issued in the amount of \$331,635 with principal payments being made annually and interest payments being made semiannually through 2011. This note relates to the homes purchased by PCHS for the Convalescent Home for Children.
- A note payable issued in the amount of \$281,829 with principal payments being made annually and interest payments being made semiannually through 2019. This note relates to homes purchased for Link Associates.
- A note payable issued in the amount of \$125,335 with principal payments being made annually and interest payments made semiannually through 2020. This note relates to homes purchased for Mainstream House.

An advance to component unit has been recorded in the following funds at June 30, 2001, based on where related underlying debt will be paid:

MH/MR/DD Services Fund	\$ 507,166
Debt Service Fund	<u>6,433,054</u>
Total	<u>\$ 6,940,220</u>

The advance to component unit shown in the Debt Service Fund is offset by a reserve in the Fund Balance section due to the noncurrent nature of the advance. As a result, only the unreserved undesignated fund balance of the Debt Service Fund is shown in the General Long Term Debt Account Group as amount available in debt service funds.

The annual requirements to pay principal and interest on this debt are as follows:

	Principal	Interest
During the year ending June 30:		
2002	\$ 517,138	\$ 315,497
2003	518,219	293,617
2004	540,011	270,198
2005	570,806	245,790
2006	592,651	219,977
Thereafter	<u>4,201,395</u>	<u>749,649</u>
Total	<u>\$ 6,940,220</u>	<u>\$ 2,094,728</u>

8. CONDUIT DEBT OBLIGATIONS

As of June 30, 2001, there were various conduit debt obligations outstanding. The aggregate principal amount payable for such debt was \$11,656,173.

Broadlawns Medical Center - General Obligation Notes Payable

During the year ended June 30, 1997, the County borrowed \$2,515,000 in the form of ten-year general obligation capital loan notes on behalf of Broadlawns Medical Center to provide funds for equipment purchases and parking lot improvements.

During the year ended June 30, 1998, the County issued \$7,915,000 of thirteen-year general obligation refunding bonds. Of the proceeds of these bonds, \$1,035,000 was issued on behalf of Broadlawns Medical Center refunding the callable portion of the 1992 general obligation notes issued during the year ended June 30, 1993.

Also, during the year ended June 30, 1998, the County borrowed \$775,000 in the form of ten-year general obligation capital loan notes on behalf of Broadlawns Medical Center to provide funds for renovations and improvements.

During the year ended June 30, 2001, the County borrowed \$4,200,000 in the form of twelve-year general obligation capital loan notes on behalf of Broadlawns Medical Center to provide funds for various capital improvements.

Broadlawns will repay all of the above loans with interest in amounts equal to and on the same payment schedule as the payments the County will make on the above debt obligations.

Although the debt obligations bear the name of the County, the County has no obligation for such debt beyond the resources provided by the loans with Broadlawns Medical Center on whose behalf they are issued. Accordingly, obligations are not recorded as liabilities in the accompanying financial statements.

Camp Township

During the year ended June 30, 1996, the County borrowed \$165,000 in the form of ten-year general obligation capital loan notes on the behalf of Camp Township to provide funds to purchase a fire truck and related equipment. The loan will be served by a property tax levy. Camp Township will repay the loan with interest in amounts equal to and on the same payment schedule as the payments the County will make on the general obligation capital loan notes.

Although the general obligation note bears the name of the County, the County has no obligation for such debt beyond the resources provided by Camp Township on whose behalf it is issued. Accordingly, the general obligation note is not reported as a liability in the accompanying financial statements.

Transglobal Rail, Inc./Iowa Department of Economic Development

During the year ended June 30, 1997, the County served as a pass-through entity between the Iowa Department of Economic Development (IDED) and Transglobal Rail, Inc. to assist Transglobal Rail in creating new jobs. IDED provided Transglobal Rail a \$62,500 ten-year zero percent loan with Community Economic Betterment Account (CEBA) funds via a loan agreement with Polk County and Transglobal Rail. Transglobal Rail is required to repay the County, who in turn is required to repay IDED.

Although the note bears the name of the County, the County has no obligation for such debt beyond the resources provided by Transglobal Rail on whose behalf it is issued. Accordingly, the loan is not reported as a liability in the accompanying financial statements.

City of Des Moines

During the year ended June 30, 1998, the County issued \$5,565,000 of ten-year general obligation urban renewal bonds on behalf of the City of Des Moines to provide funds for an intermodal transportation facility commonly referred to as a Park and Ride Facility. The City will repay the loan with interest in amounts equal to and on the same payment schedule as the payments the County will make on the general obligation urban renewal bonds.

Although the general obligation urban renewal bonds bear the name of the County, the County has no obligation for such debt beyond the resources provided by the City of Des Moines on whose behalf the bonds were issued. Accordingly, the bonds are not reported as a liability in the accompanying financial statements.

Ramark Holdings, L.L.C./Iowa Department of Economic Development

During the year ended June 30, 2001, the county served as a pass-through entity between the Iowa Department of Economic Development (IDED) and Ramark Holdings, L.L.C. to assist Ramark Holdings in creating new jobs. IDED provided Ramark Holdings a \$120,000 seven-year zero percent loan with Community Economic Betterment Account (CEBA) funds via a loan agreement with Polk County and Ramark Holdings. Ramark Holdings is required to repay IDED directly.

Although the note bears the name of the County, the County has no obligation for such debt beyond the resources provided by Ramark Holdings on whose behalf it is issued. Accordingly, the loan is not reported as a liability in the accompanying financial statements.

Other

The County actively encourages industrial and commercial enterprises to locate and remain in the County by, among other things, the issuance of industrial development revenue bonds pursuant to the Code of Iowa Chapter 419, Municipal Support of Projects. These bonds do not constitute an indebtedness of, or a charge against, the general credit or taxing powers of the County. All issues are prepared under the direction of Polk County. The issues which have been sold as of June 30, 2001 amounted to \$185,870,000.

9. LEASE COMMITMENTS

Capital Leases

The County has entered into agreements to purchase equipment through capital lease agreements. Assets acquired and liabilities incurred through such agreements are accounted for in the General Fixed Assets and General Long-Term Debt Account Groups. Equipment with a carrying value of \$904,526 relating to the outstanding capital leases has been recorded in the General Fixed Assets Group.

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the total minimum lease payments as of June 30, 2001:

Due during the year ending June 30:	
2002	\$ 276,615
2003	252,785
2004	<u>93,816</u>
Total minimum lease payments	623,216
Less amount representing interest	<u>(39,645)</u>
Present value of total minimum lease payments	<u>\$ 583,571</u>

Operating Leases

The County leases building facilities for certain County department offices and equipment on a long-term basis. Rental expense for the year ended June 30, 2001 was \$1,434,005. Following is a schedule of minimum future rentals or noncancellable operating leases in effect at June 30, 2001:

Due during the year ending June 30:	
2002	\$ 1,465,206
2003	896,671
2004	727,037
2005	527,776
2006	527,776
Thereafter	<u>2,016,386</u>
Total	<u>\$ 6,160,852</u>

The above schedule represents operating leases in effect at June 30, 2001. As part of the normal course of business, the County continues to negotiate and/or renegotiate various operating leases.

10. RESERVES OF FUND BALANCES

Reserved Fund Balances

Reservations or restrictions of equity represent amounts that are not appropriable or are legally segregated for a specific purpose.

Reserved for advances to other funds - This account is used to segregate a portion of fund balance for advances to other funds, the noncurrent portion of interfund loans receivable, to indicate that they do not constitute available financial resources and, therefore, are not available for appropriation.

Reserved for advances to component unit - This account is used to segregate a portion of fund balances for advances to component unit, the noncurrent portion of the advance, to indicate that they do not constitute available financial resources and, therefore, are not available for appropriation.

Reserved for noncurrent notes receivable - This account is used to segregate a portion of fund balance for the noncurrent portion of notes receivable to indicate that they do not constitute available financial resources and, therefore, are not available for appropriation.

Reserved for inventory of supplies - This account is used to segregate a portion of fund balance in the amount of the inventory of supplies carried as an asset, as it does not represent available and spendable resources for the fund's current operations.

Reserved for supplemental levy purposes - This account is used to segregate the fund balances of the General Supplemental Fund (a sub-fund of the General Fund) and the Rural Supplemental Fund (a sub-fund of the Rural Basic) in accordance with Code of Iowa Section 331.424 (1) & (2).

Reserved for prepaid items - This account is used to segregate a portion of fund balance for prepaid items to indicate that they do not constitute available financial resources and, therefore, are not available for appropriation.

11. OPERATING TRANSFER RECONCILIATION

The following is a schedule of operating transfers of Polk County:

	Transfers In	Transfers Out
General Fund	\$ 2,395,671	\$ 4,994,506
Special Revenue Funds	25,692,639	10,060,368
Capital Projects Funds	5,600,000	-
Debt Service Funds	1,945,700	149,583
Expendable Trust Funds	100,000	150,000
Enterprise Funds	2,985,659	23,335,212
Internal Service Funds	<u>-</u>	<u>30,000</u>
Total	<u>\$ 38,719,669</u>	<u>\$ 38,719,669</u>

12. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, as amended on August 20, 1996. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation assets are held in trust for the exclusive benefit of participants (or their beneficiaries in the event of the participant's death) upon termination, retirement, death, or an unforeseeable emergency. The County provides neither administrative services to the plan nor investment advice for the plan.

13. PENSION AND RETIREMENT BENEFITS

The County contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 3.70% of their annual covered salary, and the County is required to contribute 5.75% of annual covered payroll except for law enforcement employees, in which case the percentages are 5.59% and 8.39% respectively. Contribution requirements are established by State statute. The County's contribution to IPERS for the years ended June 30, 2001, 2000, and 1999 were \$3,141,111, \$2,925,691, and \$2,804,995, respectively, equal to the required contributions for each year.

14. RISK MANAGEMENT

The Polk County Risk Management Program includes the following functions: insurance procurement, loss control, employee safety training, OSHA compliance, and claims management. Additional responsibilities include hazardous waste management and underground fuel storage tank monitoring.

Self-Insurance Fund

The County's Risk Management Program blends self-insurance coverages with selected conventional insurance coverages. The County self-insures its general liability, property, fleet, law enforcement professionals, public officials' errors and omissions, fidelity, and workers' compensation exposure. Conventionally insured exposure exists for medical professional (malpractice) coverage, with a policy limit of \$1,000,000 per claim and \$3,000,000 aggregate, also non-owned aviation insurance with a \$5,000,000 policy limit.

The County has established a sub-fund within the General Fund to account for the County's exposures to loss from property/casualty, workers' compensation, unemployment compensation, and long-term disability self-insurance programs. The following table displays the self-insurance exposure, policy limits, self-insured retention (SIR) levels, and losses in excess of SIR levels:

Exposure	Policy Limits	Self-Insured Retention	Losses in Excess of Retention
General Liability	\$ 10,000,000	\$ 2,000,000	None
Property	119,345,668	100,000	None
Fleet	10,000,000	2,000,000	None
Law enforcement	10,000,000	2,000,000	None
Public officials	10,000,000	2,000,000	None
Fidelity bond	5,000,000	50,000	None
Workers' compensation	Statutory/1,000,000	250,000	None
Non-owned aviation	5,000,000	-0-	None

In addition, Veterans Memorial Auditorium, Convention Complex, and Jester Park Golf Course Enterprise Funds and the Conservation Board Agency Fund purchase commercial insurance for property, boiler and machinery, fleet, liquor, crime (fidelity), umbrella, and general liability.

There have been no significant reductions in insurance coverage during the year ended June 30, 2001. No settlements in excess of insurance coverage have occurred in the last three fiscal years.

Liabilities are reported when it is probable that a loss will occur and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering recent claims' settlement trends, including frequency and amount of payouts and other economic and social factors. All losses are paid from the General Supplemental Self-Insurance Fund (a sub-fund within the General Fund).

There was no current portion of these claims to be recorded in the General Fund as of June 30, 2001. This amount was determined based on actual claim payments subsequent to year-end rather than on discounted estimates. The noncurrent portion of estimated liability for claims and judgments is recorded in the General Long-Term Debt Account Group. Changes in the estimated claims liability for the years ended June 30, 2001 and 2000 are as follows:

	Fiscal Year Ended	
	June 30, 2001	June 30, 2000
Beginning balance	\$ 187,206	\$ 503,063
Current year claims and changes in estimates	440,469	298,414
Claim payments	<u>(429,916)</u>	<u>(614,271)</u>
Ending balance	<u>\$ 197,759</u>	<u>\$ 187,206</u>

Employee-Insurance Fund

The County has established an Internal Service Fund to account for its employee medical and dental benefits and other benefits such as early retirement incentives. Effective July 1, 1999, the Employee Insurance fund switched from being privately insured to being self-insured for medical and dental insurance. The County's group life insurance coverage is insured by a private insurance company. Changes in the estimated liability for probable losses recorded in the Employee Insurance Service Fund for the years ended June 30, 2001 and 2000 are as follows:

	Fiscal Year Ended	
	June 30, 2001	June 30, 2000
Beginning balance	\$ 1,245,979	\$ 1,874,715
Current year claims and changes in estimates	5,900,144	4,947,286
Claim payments	<u>(5,761,357)</u>	<u>(5,576,022)</u>
Ending balance	<u>\$ 1,384,766</u>	<u>\$ 1,245,979</u>

Early retirement program incentive payments of \$189,774 were made from the Employee-Insurance Fund during the year ended June 30, 2001. In addition a liability of \$648,000 for early retirement incentives payable in the future was recorded as part of the estimated liability for claims and judgments at June 30, 2001.

15. COMMITMENTS AND CONTINGENCIES

Commitments

The County has made the following commitments of current and future resources, as follows. It is anticipated that necessary future resources will be provided by transfers from the Prairie Meadows Racetrack/Casino Enterprise Fund, general obligation bond proceeds and other sources:

Equipment Reserve Special Revenue Fund:	
Mobile Data Computer Network	\$ 203,000
Family Services Special Revenue Fund:	
Legal Aid Society of Polk County	\$ 250,000
Iowa Comprehensive Human Services-Employment Program	250,000
Child Care Subsidies	150,000
Neighborhood Development Corporation	300,000
Metro Transit Authority-Opportunities Through Transit	<u>110,000</u>
Total	\$ 1,060,000
Economic Development Special Revenue Fund:	
Equitable of Iowa-Economic Incentive	\$ 180,000
Allied Insurance-Economic Incentive	10,000,000
Ankeny Sports Complex Foundation	100,000
Choose Des Moines Communities Program	250,000
Highland Park Streetscape Project	200,000
Saylor Road (86 th Street)	1,239,000
Masonic Temple Restoration	500,000
MLK Environmental Study	114,000
NE 66 th Intersection Study	<u>5,335,000</u>
Total	\$ 17,918,000

Capital Improvements Projects Special Revenue Fund:	
New Senior Center	\$ 179,000
Law Enforcement Communication Building	209,000
Courthouse Annex	684,000
Jester Park Lodge	<u>496,000</u>
Total	\$ 1,568,000
Juvenile Facility Capital Projects Fund:	
New Juvenile Detention Facility	\$ 2,520,000
Air Pollution Enterprise Fund:	
Building Addition	\$ 65,000

Contingencies

There are currently numerous lawsuits against the County seeking damages for various reasons. With the exception of the estimated liability for claims and judgments as discussed in Note 14, the outcome and eventual liability of the County, if any, from these lawsuits and from any unasserted claims is not known at this time. County officials believe the outcome of these matters will not have a material effect on the County's financial statements.

The County participates in a number of federally assisted grant programs. The programs are subject to financial and compliance audits. The amount of expenditures, if any, which may be disallowed by the granting agencies is not determinable at this time; however, County officials do not believe that such amounts would be significant.

16. FUND BALANCE/RETAINED EARNING DEFICITS

Individual fund balance deficits and retained earning deficits for the year ended June 30, 2001 are as follows:

Special Revenue:	
Secondary Roads	\$ (2,953,808)
Enterprise:	
Convention Complex	(1,345,300)
Veterans Memorial Auditorium	(2,522,854)

The deficit of the Secondary Roads Fund is expected to be eliminated through future operating transfers from other funds.

The deficits in the Convention Complex and Veterans Memorial Auditorium Funds occurred due to a combination of operational losses, capital related repairs and depreciation. The County expects that ongoing transfers from other funds will be needed to cover debt service, major repairs, and major capital outlay expenditures. The deficit of the Iowa Events Center Fund was caused due to expenses related to preliminary costs on the center. It is anticipated that the deficit will be financed through a variety of funding sources in the future.

17. RACETRACK/CASINO

The County has had agreements with the Racing Association of Central Iowa ("RACI") for several years for the operation of the Prairie Meadows Racetrack facility owned by the County. The Racetrack opened for business on March 1, 1989 as a horse racing facility. Continuing operating losses caused RACI to file for protection under Chapter 11 of the U.S. Bankruptcy Act in November 1991. In May 1993 the United

States Bankruptcy Court confirmed a reorganization plan for RACI. As part of the reorganization plan, the Board of Supervisors approved on June 10, 1993 the sale of \$38,830,000 of General Refunding Bonds for the purpose of prepaying the County's obligation under an existing Lease-Purchase Agreement.

The 1994 Iowa Legislature authorized gambling games at pari-mutuel racetracks, subject to County voter approval. On May 17, 1994, Polk County voters approved a measure authorizing gambling games at the Prairie Meadows Racetrack. In accordance with Chapter 99F of the Code of Iowa the gambling games consist of slot machines. The Code of Iowa also requires the gambling games measure to be submitted again to the voters in the Fall, 2002 general election and at each subsequent eight-year interval thereafter.

The Racetrack Facility was remodeled during the year ended June 30, 1995 to facilitate the operation of the slot machine casino. The casino facility opened April 1, 1995. The total cost of the casino project was approximately \$25,290,000 for construction and other start-up costs, and was financed via a revenue bond issue of \$26,645,000.

RACI operating results have exceeded projections since the opening of the casino on April 1, 1995. The resulting high level of cash flow payments allowed the County to defease the \$26,645,000 of revenue bonds on December 15, 1995 and to defease \$35,515,000 in outstanding general obligation bonds on March 31, 1997.

On September 12, 1997, the County entered into the current five-year lease with RACI that commenced on January 1, 1998. The lease was approved by the Iowa Racing and Gaming Commission on September 20, 1997.

Under the lease, the County receives a rental fee of \$1,000,000 per month. In addition, the County either has received or will receive quarterly distributions of RACI net receipts in the following annual calendar year amounts:

1998	\$13,500,000
1999	15,000,000
2000	15,000,000
2001	15,500,000
2002	16,000,000

Net receipts are defined under the lease as gross receipts less reasonable expenses, taxes, leasehold improvements, and capital outlay.

Other provisions of the lease called for title to slot machines, related gaming equipment and all other furniture and equipment to be transferred to RACI at no additional cost, and for RACI to pay the County \$4,000,000 relating to working capital furnished to RACI in 1995. The equipment and working capital transfers occurred during the period of January 1, 1998 through June 30, 1998.

The 1998 equipment transfer offset by the working capital transfer is considered to be a lease origination cost relating to the new lease. The lease origination cost has been capitalized and is being amortized on a straight-line basis over the five-year term of the lease.

RACI has made \$37,000,000 of improvements to the racetrack/casino facility since the inception of the lease through June 30, 2001. The improvements will revert to the County upon termination of the lease.

18. IOWA EVENTS CENTER PROJECT

The County continues to develop plans for the Iowa Events Center (Events Center), which consists of a new arena, exhibit hall and improvements to Veterans Auditorium. This major project is estimated to cost \$208 million and would be financed by a combination of public and private revenues. The intent is to use

gaming revenues from the Racetrack/Casino Enterprise fund to offset the County's debt service costs for building the facility.

Examples of private revenues anticipated to be used for the project include facility naming rights and other contractually obligated income such as suite leases and sponsorships. These funds will be used to pay a portion of the debt service on bonds to be issued.

A key element of the public revenue for the project is assistance from the State of Iowa through the Vision Iowa program. In July 2001, the Vision Iowa board awarded a total of \$70 million in a combination grant and forgivable loan to the Capital City Vision Project, which includes the Events Center. \$50 million of the assistance would be for the Events Center and \$5 million would be for the Iowa Hall of Pride to be located within the new arena. The remaining \$15 million of assistance would go towards construction of a new facility for the Science Center of Iowa. The Board of Supervisors has authorized the County Manager to enter into contract negotiations with the Vision Iowa Board concerning these awards.

In August 2001, the Board of Supervisors authorized taking additional action for the issuance of up to \$151,000,000 of General Obligation Bonds for the Events Center. A lawsuit challenging the County's authority to issue the bonds was subsequently filed. The County's position was upheld at the District Court level. The plaintiff has appealed the case to the Iowa Supreme Court. A Supreme Court ruling is expected by early 2002. The County anticipates a favorable outcome to the lawsuit.

In October 2001, the Board of Supervisors authorized taking additional action for the issuance of up to \$90,000,000 of General Obligation Bonds and directed the sale of \$45,000,000 of these bonds on December 4, 2001. The \$90 million represents the portion of the project that may be financed as an essential County purpose and is considered outside the scope of the above legal action.

On December 4, 2001 the County issued the \$45,000,000 of General Obligation Essential County Purpose bonds. The proceeds of the bonds will be used to defray various project costs accounted for in the Iowa Events Center Enterprise Fund.

No major construction contracts have yet been issued for the Events Center Project. However, the following large contracts relating to the project have been issued to date:

Vendor	Contract Amount
HOK Sports Facilities Group - design services	\$14,450,000
Weitz/Turner - construction management services	5,255,000
Marsh USA - insurance services	3,268,997
Corell Contractor, Inc - utility sitework	3,995,575

It is anticipated construction will begin on the Iowa Events Center in 2002 with occupancy of the facilities in 2004.

19. SUBSEQUENT EVENTS

Collection and Subsequent Disbursement of Partial Repayment of Pass-Through Grant

In September, 2001 the County received a \$984,096 partial repayment of an Economic Development Community Development Block Grant from R. R. Donnelley Printing Company, L.P. as the result of Donnelley's decision to cease operations in Des Moines in 2002. The repayment was deposited in the Grant Pass-Through Fund and then subsequently paid to the Iowa Department of Economic Development in conformity with the provisions of the original block grant agreement from 1995.

Offer to Purchase Racetrack/Casino

In October, 2001 the Racing Association of Central Iowa (RACI) made a written offer to purchase the Prairie Meadows Racetrack and Casino from the County. In summary, the offer calls for a purchase price of \$75,000,000 to be paid to the County over a period of ten years. In addition, the offer commits RACI to make payments of future net operating receipts to the County to the extent that in combination with the purchase payments would provide the County a total of \$15,000,000 in overall payments per year for ten years. The County has taken no action regarding this offer.

Enterprise Resource Planning (ERP) Project

The County is in the process of implementing a County-wide ERP computer system to replace existing systems for financial management and human resources processes. This eighteen-month project began in April 2001, and envisions a Winter 2002 go live date for basic financial applications and a Spring 2002 go live date for human resources applications. Other modules such as fixed assets will be implemented later in 2002.

The overall project budget for the ERP implementation is \$3,475,000. The project will be financed through a combination of gaming revenues, bond proceeds and fund balances.

Iowa Events Center Project

See Note 18 regarding the Iowa Events Center Project subsequent events.

20. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The County maintains eight Enterprise Funds, which account for the activity of the Air Pollution program, Convention Complex, Veterans Memorial Auditorium, Sanitary Treatment Works system, Prairie Meadows Racetrack/Casino, Jester Park Golf Course, Hamilton Urban Drainage District, and Iowa Events Center. Segment information for the year ended June 30, 2001, is as follows:

	Air Pollution	Convention Complex	Veterans Memorial Auditorium	Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Jester Park Golf Course	Hamilton Urban Drainage District	Iowa Events Center	Total
Operating revenues	\$ 847,409	\$ 2,683,493	\$ 4,087,604	\$ 105,957	\$ 27,175,025	\$ 1,245,864	\$ 147,857	\$ 129,740	\$ 36,422,949
Depreciation expense	36,931	92,637	447,864	90,804	2,348,392	165,595	-	-	3,182,223
Net operating income (loss)	97,993	(196,147)	(1,065,883)	(361,224)	21,781,574	(74,967)	106,564	(263,758)	20,024,152
Federal/state grants	-	-	-	443,682	-	4,920	-	-	448,602
Capital contributions	-	-	-	-	-	-	-	5,000,000	5,000,000
Capital transfers out	-	-	-	-	(5,000,000)	-	-	-	(5,000,000)
Contributions from property owners	-	-	-	17,661	-	-	-	-	17,661
Operating transfers in	-	959,120	1,375,880	650,659	-	-	-	-	2,985,659
Operating transfers out	(223,436)	-	-	-	(23,111,776)	-	-	-	(23,335,212)
Net income (loss)	(98,823)	748,570	144,237	191,232	(5,983,865)	(40,668)	123,995	4,757,319	(158,003)
Fixed assets additions	58,730	24,129	33,827	61,491	-	79,978	-	5,209,710	5,467,865
Fixed assets (deletions)	-	-	-	-	-	(64,249)	-	-	(64,249)
Net working capital	495,548	768,009	182,646	2,519,537	2,578,825	443,694	347,157	(517,452)	6,817,964
Total assets	705,551	2,319,728	6,367,813	23,442,647	47,769,863	1,737,724	347,399	6,534,422	89,225,147
Notes payable	-	-	-	5,223,681	-	-	-	-	5,223,681
G.O.bonds payable	-	1,104,833	4,410,218	696,950	-	-	-	-	6,212,001
Total equity	584,044	664,832	1,467,014	17,464,761	45,585,153	1,543,618	347,157	4,692,258	72,348,837

GENERAL FUND

The General Fund accounts for all sources and uses of financial resources applicable to the general operations of County government that are not properly accounted for in another fund. In addition, all self-insurance activities are accounted for in the General Fund. All general operating revenues that are not restricted or designated as to use are recorded in the General Fund. Revenues are derived primarily from taxes and intergovernmental revenues.

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POLK COUNTY, IOWA

**GENERAL FUND
BALANCE SHEET
JUNE 30, 2001**

ASSETS:

Cash and investments	\$ 36,012,580
Receivables (net of allowances for doubtful accounts):	
Taxes	291,077
Succeeding year property taxes	60,517,629
Special assessments	20,707
Accounts	74,865
Accrued interest	437,053
Due from other funds	1,403,510
Due from other governments	2,186,482
Advances to other funds	571,947
Inventories	713,492
Prepaid items	552,358

TOTAL ASSETS \$ 102,781,700

LIABILITIES AND FUND EQUITY:

LIABILITIES:

Warrants payable	\$ 1,487,554
Vouchers payable	2,455,337
Wages payable	1,750,526
Payroll taxes payable	452,909
Estimated liability for claims and judgments	10,386
Due to other funds	50,493
Deferred revenues	1,020,932
Succeeding year property taxes deferred revenues	60,517,629

TOTAL LIABILITIES 67,745,766

FUND EQUITY:

Fund balances:	
Reserved for advances to other funds	571,947
Reserved for inventory of supplies	304,492
Reserved for supplemental levy purposes	7,567,324
Reserved for prepaid items	552,358
Unreserved and undesignated	26,039,813

TOTAL FUND EQUITY 35,035,934

TOTAL LIABILITIES AND FUND EQUITY \$ 102,781,700

POLK COUNTY, IOWA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2001

REVENUES:	
Property taxes	\$ 52,410,848
Other County taxes	3,655,254
Interest and penalties on delinquent taxes	909,208
Intergovernmental:	
State shared revenues - franchise tax	356,649
State grants and reimbursements	2,111,547
State tax replacement credits against levied taxes	2,284,231
State tax replacement credits other than against levied taxes	1,224,513
Federal grants and entitlements	6,302,418
Contributions and reimbursements from other governmental units	4,753,995
Payments in lieu of taxes	15,617
Total intergovernmental	<u>17,048,970</u>
Licenses and permits	677,882
Charges for services:	
County Recorder	2,184,200
County Treasurer (auto license, use tax, postage and other)	2,497,915
County Sheriff	440,394
Governmental fees	530,581
Recreational fees	198,441
Health fees	166,150
Total charges for services	<u>6,017,681</u>
Use of money and property:	
Interest on investments	6,412,048
Land and building rent	69,520
Other uses of money and property	893,547
Total use of money and property	<u>7,375,115</u>
Fines, forfeitures and defaults	13,374
Miscellaneous	<u>820,186</u>
Total revenues	<u>88,928,518</u>

POLK COUNTY, IOWA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2001

EXPENDITURES:

Current:

Public safety	\$ 30,139,632
Court services	2,640,349
Physical health and education	3,411,301
Social services	21,925,668
County environment	5,019,937
State and local government services	4,200,419
Interprogram services	14,811,243
Debt service	6,155,824
Capital projects	634,013
Total expenditures	<u>88,938,386</u>

OTHER FINANCING SOURCES (USES):

Operating transfers in	2,395,671
Operating transfers out	(4,994,506)
Capital leases	523,880
Proceeds from fixed asset sales	452,931
Total other financing sources (uses)	<u>(1,622,024)</u>

EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING
SOURCES OVER EXPENDITURES AND OTHER FINANCING USES

(1,631,892)

FUND BALANCE, BEGINNING OF YEAR

36,645,905

Change in inventory reserve

21,921

FUND BALANCE, END OF YEAR

\$ 35,035,934

POLK COUNTY, IOWA
GENERAL FUND
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001

Public Safety Service Area:

Law enforcement:	
Uniformed patrol services	\$ 2,899,818
Investigations	1,378,348
Contract law enforcement	321,392
Law enforcement communications	984,637
Adult correctional services	17,243,832
Administration	864,542
Total law enforcement	<u>23,692,569</u>
Legal services:	
Criminal prosecution	5,810,451
Medical examinations	483,061
Total legal services	<u>6,293,512</u>
Emergency services:	
Ambulance services	61,755
Emergency management	91,796
Total emergency services	<u>153,551</u>
Total public safety	<u>30,139,632</u>

Court Services Service Area:

Assistance to district court system:	
Physical operations	531,957
Research and other assistance	392,625
Bailiffs	427,857
Total assistance to district court system	<u>1,352,439</u>
Court proceedings:	
Detention services	36,267
Service of civil papers	1,015,990
Total court proceedings	<u>1,052,257</u>
Juvenile justice administration:	
Juvenile victim restitution	65,918
Court-appointed attorneys and court costs for juveniles	169,735
Total juvenile justice administration	<u>235,653</u>
Total court services	<u>2,640,349</u>

Physical Health and Education Service Area:

Physical health services:	
Personal and family health services	912,538
Communicable disease prevention and control services	1,572,912
Sanitation	668,773
Health administration	257,078
Total physical health services	<u>3,411,301</u>
Total physical health and education services	<u>3,411,301</u>

POLK COUNTY, IOWA
GENERAL FUND
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001

Social Services Area:

Services to poor:	
Administration	\$ 1,620,040
General welfare services	<u>5,265,423</u>
Total services to poor	<u>6,885,463</u>
Services to military veterans:	
Administration	249,191
General services to veterans	<u>1,166,113</u>
Total services to military veterans	<u>1,415,304</u>
Children's and family services:	
Youth guidance	5,455,904
Family protective services	<u>3,053,589</u>
Total children's and family services	<u>8,509,493</u>
Services to other adults:	
Service to the elderly	2,825,481
Other social services	<u>1,497,439</u>
Total services to other adults	<u>4,322,920</u>
Chemical dependency:	
Treatment services	325,745
Preventive services	<u>466,743</u>
Total chemical dependency	<u>792,488</u>
Total social services	<u>21,925,668</u>

County Environment Service Area:

Environmental quality:	
Natural resources conservation	585,295
Weed eradication	<u>258,796</u>
Total environmental quality	<u>844,091</u>
Conservation and recreation services:	
Administration	762,229
Maintenance and operations	1,503,890
Recreation and environmental education	4,122
Total conservation and recreation services	<u>2,270,241</u>
Animal control - Animal shelter	<u>185,295</u>
County development:	
Land use and building controls	842,966
Housing rehabilitation and development	<u>877,344</u>
Total County development	<u>1,720,310</u>
Total County environment	<u>5,019,937</u>

(Continued)

POLK COUNTY, IOWA
GENERAL FUND
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001

State and Local Government Services Service Area:

Representation services program:	
Elections administration	\$ 1,173,897
Local elections	138,635
Township officials	46,115
Total representation services program	<u>1,358,647</u>
State administrative services:	
Motor vehicle registrations and licensing	1,674,859
Recording of public documents	1,166,913
Total state administrative services	<u>2,841,772</u>
Total state and local government services	<u>4,200,419</u>

Interprogram Services Service Area:

Policy and administration:	
Administrative management services	760,544
Treasury management services	1,500,391
Other policy and administration	516,785
Total policy and administration	<u>2,777,720</u>
Central services:	
General services	7,239,463
Data processing services	3,708,990
Total central services	<u>10,948,453</u>
Risk management services:	
Tort liability	519,225
Safety of workplace	528,459
Unemployment compensation	37,386
Total risk management services	<u>1,085,070</u>
Total interprogram services	<u>14,811,243</u>

Debt Service Service Area:

Principal	5,610,000
Interest	545,824
Total debt service area	<u>6,155,824</u>

Capital Projects Service Area:

Conservation land acquisition and development	634,013
Total capital projects	<u>634,013</u>
Total expenditures	<u>\$ 88,938,386</u>

(Concluded)

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for financial resources that are restricted as to use by the Federal or State governments and special purpose funds established by the County Board of Supervisors.

MH/MR/DD Services - Accounts for mental health services as mandated by the Code of Iowa.

Rural Services - Accounts for taxes levied to benefit the rural residents of the County.

Equipment Reserve - Accounts for transfers from other funds earmarked for equipment expenditures.

Family Services - Accounts for transfers from Prairie Meadows Racetrack/Casino Enterprise Fund earmarked for family and human services.

Secondary Roads - Accounts for secondary road services provided by the County. Revenues are derived from State revenues and interfund transfers.

County Recorder Records Management - Accounts for recording fees which are earmarked for records management.

Economic Development - Accounts for various economic development projects.

Capital Improvements Projects - Accounts for various capital improvements projects.

REAP - Accounts for monies received under the State Resource Enhancement and Protection Act.

Housing Development - Accounts for revenues earmarked for housing development activities.

Contingency Reserve - Accounts for transfers from Prairie Meadows Racetrack/Casino Enterprise Fund and other revenues earmarked for future contingencies.

Bond Revolving - Accounts for proceeds of general obligation bonds, conduit debt transactions, and future similar debt proceeds that are legally restricted for specific expenditures. This fund serves as a clearing fund for bond proceeds and appropriate expenditures (i.e. bond proceeds relating to construction are transferred to Capital Projects Funds).

POLK COUNTY, IOWA

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	MH/MR/DD Services	Rural Services	Equipment Reserve	Family Services	Secondary Roads
ASSETS:					
Cash and investments	\$ 12,132,688	\$ 1,863,099	\$ 3,158,144	\$ 2,393,580	\$ 313,594
Receivables (net of allowances for doubtful accounts):					
Taxes	69,449	31,022	-	-	-
Succeeding year property taxes	14,439,175	5,004,135	-	-	-
Accounts	2,079	-	-	-	76,528
Notes	-	-	-	-	-
Accrued interest	-	-	-	-	-
Due from other funds	60,138	17,826	-	-	-
Due from other governments	782,185	7,869	35,668	-	340,937
Advances to component unit	507,166	-	-	-	-
Inventories	-	-	-	-	932,418
TOTAL ASSETS	\$ 27,992,880	\$ 6,923,951	\$ 3,193,812	\$ 2,393,580	\$ 1,663,477
LIABILITIES AND FUND EQUITY (DEFICIT):					
LIABILITIES:					
Warrants payable	\$ 4,023,226	\$ 2,136	\$ 181,036	\$ 7,810	\$ 45,304
Vouchers payable	6,793,770	14,109	189,812	165,776	3,854,486
Wages payable	9,340	2,009	-	-	135,624
Payroll taxes payable	2,487	36,390	-	-	-
Advances from other funds	-	-	-	-	570,280
Deferred revenues	200,129	47,953	-	-	11,591
Succeeding year property taxes deferred revenues	14,439,175	5,004,135	-	-	-
TOTAL LIABILITIES	25,468,127	5,106,732	370,848	173,586	4,617,285
FUND EQUITY (DEFICIT):					
Fund balances (deficit):					
Reserved for advances to component unit	507,166	-	-	-	-
Reserved for noncurrent notes receivable	-	-	-	-	-
Reserved for inventory of supplies	-	-	-	-	932,418
Reserved for supplemental levy purposes	-	1,155,706	-	-	-
Unreserved: undesignated	2,017,587	661,513	2,822,964	2,219,994	(3,886,226)
TOTAL FUND EQUITY (DEFICIT)	2,524,753	1,817,219	2,822,964	2,219,994	(2,953,808)
TOTAL LIABILITIES AND FUND EQUITY (DEFICIT)	\$ 27,992,880	\$ 6,923,951	\$ 3,193,812	\$ 2,393,580	\$ 1,663,477

County Recorder Records Management	Economic Development	Capital Improvements Projects	REAP	Housing Development	Contingency Reserve	Bond Revolving	Total
\$ 216,989	\$ 5,060,052	\$ 5,977,691	\$ 153,155	\$ 2,000,000	\$ 5,000,000	\$ 188,948	\$ 38,457,940
-	-	-	-	-	-	-	100,471
-	-	-	-	-	-	-	19,443,310
-	-	-	-	-	-	-	78,607
-	4,651,576	-	-	-	-	-	4,651,576
406	-	-	285	-	-	183	874
799	-	-	-	-	-	-	78,763
-	-	114,551	23,699	-	-	-	1,304,909
-	-	-	-	-	-	-	507,166
-	-	-	-	-	-	-	932,418
\$ 218,194	\$ 9,711,628	\$ 6,092,242	\$ 177,139	\$ 2,000,000	\$ 5,000,000	\$ 189,131	\$ 65,556,034
\$ -	\$ 16,581	\$ 118,523	\$ -	\$ -	\$ -	\$ 16,200	\$ 4,410,816
-	2,324,728	398,083	-	-	-	44,406	13,785,170
-	-	-	-	-	-	-	146,973
-	-	-	-	-	-	-	38,877
-	-	-	-	-	-	-	570,280
-	-	-	-	-	-	-	259,673
-	-	-	-	-	-	-	19,443,310
-	2,341,309	516,606	-	-	-	60,606	38,655,099
-	-	-	-	-	-	-	507,166
-	4,507,476	-	-	-	-	-	4,507,476
-	-	-	-	-	-	-	932,418
-	-	-	-	-	-	-	1,155,706
218,194	2,862,843	5,575,636	177,139	2,000,000	5,000,000	128,525	19,798,169
218,194	7,370,319	5,575,636	177,139	2,000,000	5,000,000	128,525	26,900,935
\$ 218,194	\$ 9,711,628	\$ 6,092,242	\$ 177,139	\$ 2,000,000	\$ 5,000,000	\$ 189,131	\$ 65,556,034

POLK COUNTY, IOWA

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2001

	MH/MR/DD Services	Rural Services	Equipment Reserve	Family Services	Secondary Roads
REVENUES:					
Property taxes	\$ 13,157,798	\$ 4,438,454	\$ -	\$ -	\$ -
Other County taxes	654,421	173,546	-	-	-
Intergovernmental:					
State shared revenues	-	-	-	-	4,249,889
State grants and reimbursements	16,475,891	-	18,734	2,400	-
State tax replacement credits against levied taxes	573,465	215,542	-	-	-
State tax replacement credits other than against levied taxes	145,982	575,458	-	-	401,897
Federal grants and entitlements	1,401,096	72,471	1,153,274	-	22,969
Contributions and reimbursements from other governmental units	4,270,592	-	12,857	-	82,919
Payments in lieu of taxes	99	378	-	-	6,547
Total intergovernmental	22,867,125	863,849	1,184,865	2,400	4,764,221
Licenses and permits	-	-	-	-	3,040
Charges for services	-	-	-	-	249,825
Use of money and property	15,831	-	1,015	-	-
Miscellaneous	304,776	12,742	22,145	-	131,608
Total revenues	36,999,951	5,488,591	1,208,025	2,400	5,148,694
EXPENDITURES:					
Current:					
Physical Health and Education Service Area:					
Educational services	-	545,505	-	-	-
Total physical health and education	-	545,505	-	-	-
Mental Health Service Area:					
Persons with mental health problems - mental illness:					
Information and education	200,197	-	-	-	-
General administration	288,559	-	-	-	-
Coordination services	26,380	-	-	-	-
Personal and environmental support	769,502	-	-	-	-
Treatment services	1,350,337	-	-	-	-
Vocational and day services	28,001	-	-	-	-
Licensed/certified living arrangements	39,517	-	-	-	-
Institutional/hospital services	179,800	-	-	-	-
Persons with chronic mental illness:					
Information and education	33,932	-	-	-	-
General administration	196,419	-	-	-	-
Coordination services	2,025,031	-	-	-	-
Personal and environmental support	2,977,442	-	-	-	-
Treatment services	272,253	-	-	-	-
Vocational and day services	672,801	-	-	-	-
Licensed/certified living arrangements	2,977,206	-	-	-	-
Institutional/hospital services	1,100,797	-	-	-	-
Persons with mental retardation:					
Information and education	84,967	-	-	-	-
General administration	460,303	-	-	-	-
Coordination services	2,609,284	-	-	-	-
Personal and environmental support	2,364,288	-	-	-	-
Treatment services	10,400	-	-	-	-
Vocational and day services	3,128,332	-	-	-	-
Licensed/certified living arrangements	13,023,131	-	-	-	-
Institutional/hospital services	1,832,346	-	-	-	-
Persons with developmental disabilities:					
Information and education	16,072	-	-	-	-
General administration	33,022	-	-	-	-
Coordination services	158,931	-	-	-	-
Personal and environmental support	514,580	-	-	-	-
Treatment services	(92)	-	-	-	-
Vocational and day services	264,319	-	-	-	-
Licensed/certified living arrangements	662,161	-	-	-	-
Total mental health	38,300,218	-	-	-	-

County Recorder Records Management	Economic Development	Capital Improvements Projects	REAP	Housing Development	Contingency Reserve	Bond Revolving	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,596,252
-	-	-	-	-	-	-	827,967
-	-	-	-	-	-	-	4,249,889
-	-	-	88,461	300,000	-	152,627	17,038,113
-	-	-	-	-	-	-	789,007
-	-	-	-	-	-	-	1,123,337
-	-	-	-	-	-	647,373	3,297,183
-	-	143,235	-	-	-	-	4,509,603
-	-	-	-	-	-	-	7,024
-	-	143,235	88,461	300,000	-	800,000	31,014,156
-	-	-	-	-	-	-	3,040
101,979	-	-	-	-	-	-	351,804
14,209	-	-	6,443	-	-	33,631	71,129
-	27,721	2,861	-	-	-	7,950	509,803
116,188	27,721	146,096	94,904	300,000	-	841,581	50,374,151
-	-	-	-	-	-	-	545,505
-	-	-	-	-	-	-	545,505
-	-	-	-	-	-	-	200,197
-	-	-	-	-	-	-	288,559
-	-	-	-	-	-	-	26,380
-	-	-	-	-	-	-	769,502
-	-	-	-	-	-	-	1,350,337
-	-	-	-	-	-	-	28,001
-	-	-	-	-	-	-	39,517
-	-	-	-	-	-	-	179,800
-	-	-	-	-	-	-	33,932
-	-	-	-	-	-	-	196,419
-	-	-	-	-	-	-	2,025,031
-	-	-	-	-	-	-	2,977,442
-	-	-	-	-	-	-	272,253
-	-	-	-	-	-	-	672,801
-	-	-	-	-	-	-	2,977,206
-	-	-	-	-	-	-	1,100,797
-	-	-	-	-	-	-	84,967
-	-	-	-	-	-	-	460,303
-	-	-	-	-	-	-	2,609,284
-	-	-	-	-	-	-	2,364,288
-	-	-	-	-	-	-	10,400
-	-	-	-	-	-	-	3,128,332
-	-	-	-	-	-	-	13,023,131
-	-	-	-	-	-	-	1,832,346
-	-	-	-	-	-	-	16,072
-	-	-	-	-	-	-	33,022
-	-	-	-	-	-	-	158,931
-	-	-	-	-	-	-	514,580
-	-	-	-	-	-	-	(92)
-	-	-	-	-	-	-	264,319
-	-	-	-	-	-	-	662,161
-	-	-	-	-	-	-	38,300,218

(Continued)

POLK COUNTY, IOWA

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2001

	MH/MR/DD Services	Rural Services	Equipment Reserve	Family Services	Secondary Roads
Social Services Service Area:					
Services to poor - administration	\$ -	\$ -	\$ -	\$ 1,020,875	\$ -
Total social services	-	-	-	1,020,875	-
County Environment Service Area:					
Environmental quality:					
National resources conservation	-	82,461	-	-	-
Total environmental quality	-	82,461	-	-	-
County development:					
Housing rehabilitation and development	-	260,793	-	-	-
Economic development	-	-	-	-	-
Total County development	-	260,793	-	-	-
Total County environment	-	343,254	-	-	-
Roads and Transportation Service Area:					
Secondary roads administration and engineering:					
Administration	-	114,751	-	-	985,880
Engineering	-	-	-	-	74,425
Roadway maintenance:					
Bridges and culverts	-	-	-	-	33,390
Roads	-	-	-	-	3,842,431
Snow and ice control	-	-	-	-	315,097
Traffic controls	-	-	-	-	273,756
Road clearing	-	468,725	-	-	-
General roadway expenditures:					
New equipment	-	-	-	-	287,852
Equipment operations	-	349,229	-	-	3,204,714
Tools, materials and supplies	-	-	-	-	16,908
Real estate and buildings	-	-	-	-	67,802
Mass transit - air transportation	-	151,827	-	-	-
Total roads and transportation	-	1,084,532	-	-	9,102,255
State and Local Government Services Area:					
State administrative services - recording of public documents	-	-	-	-	-
Non-Program Service Area - Other County enterprises	-	-	-	-	-
Capital Projects Service Area:					
Roadway construction	-	-	-	-	2,457,052
Conservation land acquisition and development	-	-	-	-	-
Other capital projects	-	-	6,283,592	-	-
Total capital projects	-	-	6,283,592	-	2,457,052
Total expenditures	38,300,218	1,973,291	6,283,592	1,020,875	11,559,307
OTHER FINANCING SOURCES (USES):					
Operating transfers in	-	25,965	6,275,000	-	4,975,057
Operating transfers out	-	(3,034,403)	-	-	-
Proceeds from general long-term debt	-	-	-	-	-
Proceeds from fixed assets sales	-	-	66,054	-	174,368
Total other financing sources (uses)	-	(3,008,438)	6,341,054	-	5,149,425
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(1,300,267)	506,862	1,265,487	(1,018,475)	(1,261,188)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	3,825,020	1,310,357	1,557,477	3,238,469	(1,813,135)
Change in inventory reserve	-	-	-	-	120,515
FUND BALANCES (DEFICIT), END OF YEAR	\$ 2,524,753	\$ 1,817,219	\$ 2,822,964	\$ 2,219,994	\$ (2,953,808)

County Recorder Management	Economic Development	Capital Improvements Projects	REAP	Housing Development	Contingency Reserve	Bond Revolving	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,020,875
-	-	-	-	-	-	-	1,020,875
-	-	-	-	-	-	-	82,461
-	-	-	-	-	-	-	82,461
-	-	-	-	2,300,000	-	-	2,560,793
-	12,102,904	-	-	-	-	-	12,102,904
-	12,102,904	-	-	2,300,000	-	-	14,663,697
-	12,102,904	-	-	2,300,000	-	-	14,746,158
-	-	-	-	-	-	-	1,100,631
-	-	-	-	-	-	-	74,425
-	-	-	-	-	-	-	33,390
-	-	-	-	-	-	-	3,842,431
-	-	-	-	-	-	-	315,097
-	-	-	-	-	-	-	273,756
-	-	-	-	-	-	-	468,725
-	-	-	-	-	-	-	287,852
-	-	-	-	-	-	-	3,553,943
-	-	-	-	-	-	-	16,908
-	-	-	-	-	-	-	67,802
-	-	-	-	-	-	-	151,827
-	-	-	-	-	-	-	10,186,787
125,702	-	-	-	-	-	-	125,702
-	-	-	-	-	-	5,085,402	5,085,402
-	-	-	-	-	-	-	2,457,052
-	-	-	7,901	-	-	-	7,901
-	-	4,567,737	-	-	-	-	10,851,329
-	-	4,567,737	7,901	-	-	-	13,316,282
125,702	12,102,904	4,567,737	7,901	2,300,000	-	5,085,402	83,326,929
-	4,980,000	5,436,617	-	3,000,000	1,000,000	-	25,692,639
-	-	-	-	-	-	(7,025,965)	(10,060,368)
-	-	-	-	-	-	11,400,000	11,400,000
-	-	87,685	-	-	-	-	328,107
-	4,980,000	5,524,302	-	3,000,000	1,000,000	4,374,035	27,360,378
(9,514)	(7,095,183)	1,102,661	87,003	1,000,000	1,000,000	130,214	(5,592,400)
227,708	14,465,502	4,472,975	90,136	1,000,000	4,000,000	(1,689)	32,372,820
-	-	-	-	-	-	-	120,515
\$ 218,194	\$ 7,370,319	\$ 5,575,636	\$ 177,139	\$ 2,000,000	\$ 5,000,000	\$ 128,525	\$ 26,900,935

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CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for resources designated to construct or acquire general fixed assets and major improvements. Revenues are derived primarily from the sale of general obligation bonds and notes, intergovernmental revenues, transfers from other funds and earnings on investments.

Courthouse Annex - Accounts for capital projects relating to the proposed courthouse annex and the related task force.

Juvenile Facility - Accounts for capital projects relating to new juvenile facility construction project.

POLK COUNTY, IOWA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	Courthouse Annex	Juvenile Facility	Total
ASSETS:			
Cash and investments	\$ 1,190,657	\$ 3,035,163	\$ 4,225,820
TOTAL ASSETS	\$ 1,190,657	\$ 3,035,163	\$ 4,225,820
LIABILITIES AND FUND EQUITY:			
LIABILITIES:			
Vouchers payable	\$ 6,027	\$ 701,778	\$ 707,805
TOTAL LIABILITIES	6,027	701,778	707,805
FUND EQUITY:			
Fund balance - unreserved and undesignated	1,184,630	2,333,385	3,518,015
TOTAL FUND EQUITY	1,184,630	2,333,385	3,518,015
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,190,657	\$ 3,035,163	\$ 4,225,820

POLK COUNTY, IOWA

**CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2001**

	Courthouse Annex	Juvenile Facility	Total
EXPENDITURES - CAPITAL PROJECTS	\$ 489,903	\$ 8,110,322	\$ 8,600,225
OTHER FINANCING SOURCES (USES):			
Operating transfer in	-	5,600,000	5,600,000
Total other financing sources (uses)	-	5,600,000	5,600,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(489,903)	(2,510,322)	(3,000,225)
FUND BALANCES, BEGINNING OF YEAR	1,674,533	4,843,707	6,518,240
FUND BALANCES, END OF YEAR	\$ 1,184,630	\$ 2,333,385	\$ 3,518,015

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DEBT SERVICE FUNDS

The Debt Service Funds account for the payment of interest and principal on general obligation bonds and notes. Debt service revenues are principally derived from property taxes, special assessments and other operating revenues.

NW 84th Water Main Debt Service – Accounts for debt service relating to a Drinking Water State Revolving Fund loan for NW 84th Avenue Water Main project.

Hamilton Drain Debt Service - Accounts for debt service for the Hamilton Drain bond issue supported by property taxes and special assessments.

Debt Service - Accounts for debt service for general obligation bond issues supported by County-wide tax levies.

Camp Township General Obligation - Accounts for the debt service for the Camp Township General Obligation debt issues supported by taxation of the residents of Camp Township.

POLK COUNTY, IOWA

**DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	NW 84th Water Main Debt Service	Hamilton Drain Debt Service	Debt Service	Total
ASSETS:				
Cash and investments	\$ 241,537	\$ -	\$ 175,760	\$ 417,297
Receivables (net of allowances for doubtful accounts):				
Taxes	-	-	2,803	2,803
Succeeding year property taxes	-	-	608,360	608,360
Special assessments	-	216,526	-	216,526
Accrued interest	448	271	26	745
Advance to component unit	-	-	6,433,054	6,433,054
TOTAL ASSETS	\$ 241,985	\$ 216,797	\$ 7,220,003	\$ 7,678,785
LIABILITIES AND FUND EQUITY:				
LIABILITIES:				
Interest payable	\$ 2,165	\$ -	\$ -	\$ 2,165
Deferred revenues	-	215,955	2,679	218,634
Succeeding year property taxes deferred revenues	-	-	608,360	608,360
TOTAL LIABILITIES	2,165	215,955	611,039	829,159
FUND EQUITY:				
Reserved for advances to component unit	-	-	6,433,054	6,433,054
Fund balances - unreserved and undesignated	239,820	842	175,910	416,572
TOTAL FUND EQUITY	239,820	842	6,608,964	6,849,626
TOTAL LIABILITIES AND FUND EQUITY	\$ 241,985	\$ 216,797	\$ 7,220,003	\$ 7,678,785

POLK COUNTY, IOWA

DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2001

	NW 84th Water Main Debt Service	Hamilton Drain Debt Service	Debt Service	Camp Township Debt Service	Total
REVENUES:					
Property taxes	\$ -	\$ -	\$ 558,448	\$ -	\$ 558,448
Other County taxes	-	-	26,142	-	26,142
State tax replacement credits against levied taxes	-	-	23,162	-	23,162
State tax replacement credits other than against levied taxes	-	-	5,831	-	5,831
Payments in lieu of taxes	-	-	4	-	4
Use of money and property	15,117	8,524	662,377	5,230	691,248
Miscellaneous	49,556	100,618	-	-	150,174
Total revenues	64,673	109,142	1,275,964	5,230	1,455,009
EXPENDITURES - DEBT SERVICE:					
Principal	28,000	970,000	1,060,000	-	2,058,000
Interest	19,962	73,339	1,110,501	5,230	1,209,032
Total expenditures	47,962	1,043,339	2,170,501	5,230	3,267,032
OTHER FINANCING SOURCES (USES):					
Operating transfer in	-	1,043,340	902,360	-	1,945,700
Operating transfer out	-	(149,583)	-	-	(149,583)
Total other financing sources (uses)	-	893,757	902,360	-	1,796,117
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	16,711	(40,440)	7,823	-	(15,906)
FUND BALANCES, BEGINNING OF YEAR	223,109	41,282	6,601,141	-	6,865,532
FUND BALANCES, END OF YEAR	\$ 239,820	\$ 842	\$ 6,608,964	\$ -	\$ 6,849,626

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ENTERPRISE FUNDS

The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the government's council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Air Pollution - Accounts for activity of the Air Pollution Program in accordance with requirements imposed by the 1990 Federal Clean Air Act. The Air Pollution Program is primarily financed through user charges (air pollution control permits) and federal grant revenue. The Board of Supervisors has decided that periodic determination of net income is appropriate for accountability purposes.

Convention Complex - Accounts for activity of the Convention Complex facility of the Regional Facilities Department.

Veterans Memorial Auditorium - Accounts for activity of the Veterans Memorial Auditorium facility of the Regional Facilities Department.

Sanitary Treatment Works - Accounts for activity of the Sanitary Treatment Works System.

Prairie Meadows Racetrack/Casino - Accounts for activity of Prairie Meadows Racetrack and Casino.

Jester Park Golf Course - Accounts for activity of the golf course operated by the County Conservation Board.

Hamilton Urban Drainage District - Accounts for storm water utility user fees and related operations and maintenance expenses of the Hamilton Drain Urban Drainage District.

Iowa Events Center – Accounts for activity of the proposed Iowa Events Center.

POLK COUNTY, IOWA

**ENTERPRISE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	Air Pollution	Convention Complex	Veterans Memorial Auditorium
ASSETS:			
Cash and investments	\$ 378,853	\$ 1,118,695	\$ 345,026
Receivables (net of allowances for doubtful accounts):			
Special assessments	-	-	-
Accounts	-	80,277	47,941
Accrued interest	860	1,432	570
Due from other funds	-	-	776
Due from other governments	154,661	-	-
Inventories	-	39,946	38,482
Prepaid items	-	3,156	8,338
Investment in joint venture	-	-	-
Lease/debt origination costs	-	2,636	58,370
Land	-	1,718	204,768
Buildings	-	1,049,644	5,959,803
Construction in progress	-	-	-
Improvements other than buildings	-	60,089	194,465
Infrastructure	-	-	-
Equipment	202,005	361,482	1,591,907
Vehicles	119,523	-	16,380
Accumulated depreciation	(150,351)	(399,347)	(2,099,013)
TOTAL ASSETS	\$ 705,551	\$ 2,319,728	\$ 6,367,813
LIABILITIES AND FUND EQUITY (DEFICIT):			
LIABILITIES:			
Warrants payable	\$ 13,486	\$ 95,159	\$ 36,577
Vouchers payable	4,130	193,932	46,133
Wages payable	16,997	29,564	66,406
Payroll taxes payable	4,213	7,353	17,754
Interest payable	-	-	-
Due to other funds	-	776	-
Due to other governments	-	-	-
Advance deposits and ticket sales	-	148,713	91,617
General obligation bonds payable	-	1,104,833	4,410,218
Notes payable	-	-	-
Compensated absences payable	82,681	74,566	232,094
TOTAL LIABILITIES	121,507	1,654,896	4,900,799
FUND EQUITY (DEFICIT):			
Contributed capital	76,613	2,010,132	3,989,868
Retained earnings (deficit)	507,431	(1,345,300)	(2,522,854)
TOTAL FUND EQUITY (DEFICIT)	584,044	664,832	1,467,014
TOTAL LIABILITIES AND FUND EQUITY (DEFICIT)	\$ 705,551	\$ 2,319,728	\$ 6,367,813

Sanitary Treatment Works	Prairie Meadows Racetrack/Casino	Jester Park Golf Course	Hamilton Urban Drainage District	Iowa Events Center	Total
\$ 1,908,399	\$ 1,651,245	\$ 249,713	\$ 335,197	\$ 1,306,772	\$ 7,293,900
637,399	-	-	-	-	637,399
25,191	-	-	-	-	153,409
2,604	12,290	635	638	2,200	21,229
-	-	255,845	-	-	256,621
3,199	3,100,000	-	11,564	15,740	3,285,164
-	-	81,207	-	-	159,635
-	-	-	-	-	11,494
17,829,321	-	-	-	-	17,829,321
5,370	1,139,322	-	-	-	1,205,698
-	3,129,000	76,593	-	6,000	3,418,079
-	47,313,986	337,596	-	-	54,661,029
-	-	-	-	5,203,710	5,203,710
-	7,712,588	933,137	-	-	8,900,279
3,592,767	-	-	-	-	3,592,767
6,892	-	662,226	-	-	2,824,512
-	-	-	-	-	135,903
(568,495)	(16,288,568)	(859,228)	-	-	(20,365,002)
\$ 23,442,647	\$ 47,769,863	\$ 1,737,724	\$ 347,399	\$ 6,534,422	\$ 89,225,147

\$ 119	\$ -	\$ 19,476	\$ 55	\$ 85,340	\$ 250,212
36,187	-	38,944	187	1,756,824	2,076,337
-	-	25,624	-	-	138,591
-	-	5,345	-	-	34,665
20,949	-	-	-	-	20,949
-	330,027	48,460	-	-	379,263
-	1,854,683	-	-	-	1,854,683
-	-	5,857	-	-	246,187
696,950	-	-	-	-	6,212,001
5,223,681	-	-	-	-	5,223,681
-	-	50,400	-	-	439,741
5,977,886	2,184,710	194,106	242	1,842,164	16,876,310
8,026,714	1,966,667	1,089,197	-	-	17,159,191
9,438,047	43,618,486	454,421	347,157	4,692,258	55,189,646
17,464,761	45,585,153	1,543,618	347,157	4,692,258	72,348,837
\$ 23,442,647	\$ 47,769,863	\$ 1,737,724	\$ 347,399	\$ 6,534,422	\$ 89,225,147

POLK COUNTY, IOWA

**ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2001**

	Air Pollution	Convention Complex	Veterans Memorial Auditorium
REVENUES:			
Air pollution control permits	\$ 190,493	\$ -	\$ -
Grant revenue, operating	651,906	-	-
Charges for services	-	-	-
Revenue from racetrack/casino	-	-	-
Event/building rental income	-	1,107,814	1,353,872
Parking income	-	-	741,180
Concession sales	-	1,430,972	1,617,530
Commissions income	-	121,986	190,534
PFMS user fee on ticket sales	-	11,339	133,160
Recreational fees	-	-	-
Miscellaneous	5,010	11,382	51,328
Total revenues	<u>847,409</u>	<u>2,683,493</u>	<u>4,087,604</u>
EXPENSES:			
Personal services	554,057	958,839	2,819,917
Supplies	45,192	96,306	119,764
Advertising/communications/telephone	9,655	17,789	33,013
Professional services	38,946	110,606	259,487
Public utility services	1,537	272,878	369,655
Repairs and maintenance services	6,281	95,455	208,804
Other services/charges	56,714	193,751	229,944
Direct event expense	-	54,188	346,783
Cost of goods sold - concession	-	307,678	299,218
Fine Host management expense	-	675,646	-
Miscellaneous	103	3,867	19,038
Depreciation	36,931	92,637	447,864
Total expenses	<u>749,416</u>	<u>2,879,640</u>	<u>5,153,487</u>
OPERATING INCOME (LOSS)	<u>97,993</u>	<u>(196,147)</u>	<u>(1,065,883)</u>
NONOPERATING REVENUES (EXPENSES):			
Federal/state grants	-	-	-
Interest revenue	26,620	44,665	70,023
Interest expense	-	(59,068)	(235,783)
Net joint venture activity	-	-	-
Total nonoperating revenues (expenses)	<u>26,620</u>	<u>(14,403)</u>	<u>(165,760)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>124,613</u>	<u>(210,550)</u>	<u>(1,231,643)</u>

Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Jester Park Golf Course	Hamilton Urban Drainage District	Iowa Events Center	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,493
-	-	-	-	-	651,906
57,750	-	-	143,005	-	200,755
-	27,175,000	-	-	-	27,175,000
-	-	-	-	-	2,461,686
-	-	-	-	-	741,180
-	-	-	-	-	3,048,502
-	-	-	-	-	312,520
-	-	-	-	-	144,499
-	-	1,236,494	-	-	1,236,494
48,207	25	9,370	4,852	129,740	259,914
105,957	27,175,025	1,245,864	147,857	129,740	36,422,949
107,375	-	603,731	17,243	-	5,061,162
-	-	319,186	-	199	580,647
448	-	9,701	-	390,592	461,198
196,903	700	413	8,330	-	615,385
68,803	-	25,250	346	-	738,469
395	-	5,935	10,847	-	327,717
-	2,284,811	149,758	-	2,707	2,917,685
-	-	-	-	-	400,971
-	-	-	-	-	606,896
-	-	-	-	-	675,646
2,453	759,548	41,262	4,527	-	830,798
90,804	2,348,392	165,595	-	-	3,182,223
467,181	5,393,451	1,320,831	41,293	393,498	16,398,797
(361,224)	21,781,574	(74,967)	106,564	(263,758)	20,024,152
443,682	-	4,920	-	-	448,602
70,421	346,337	29,379	17,431	21,077	625,953
(290,322)	-	-	-	-	(585,173)
(339,645)	-	-	-	-	(339,645)
(115,864)	346,337	34,299	17,431	21,077	149,737
(477,088)	22,127,911	(40,668)	123,995	(242,681)	20,173,889

(Continued)

POLK COUNTY, IOWA

**ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2001**

	Air Pollution	Convention Complex	Veterans Memorial Auditorium
CAPITAL CONTRIBUTIONS AND TRANSFERS:			
Capital contributions	\$ -	\$ -	\$ -
Capital transfers out	-	-	-
Contributions from property owners	-	-	-
Operating transfers in	-	959,120	1,375,880
Operating transfers out	(223,436)	-	-
Total capital contributions and transfers	<u>(223,436)</u>	<u>959,120</u>	<u>1,375,880</u>
NET INCOME (LOSS)	(98,823)	748,570	144,237
RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR	<u>606,254</u>	<u>(2,093,870)</u>	<u>(2,667,091)</u>
RETAINED EARNINGS (DEFICIT), END OF YEAR	<u>\$ 507,431</u>	<u>\$ (1,345,300)</u>	<u>\$ (2,522,854)</u>

Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Jester Park Golf Course	Hamilton Urban Drainage District	Iowa Event Center	Total
\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
-	(5,000,000)	-	-	-	(5,000,000)
17,661	-	-	-	-	17,661
650,659	-	-	-	-	2,985,659
-	(23,111,776)	-	-	-	(23,335,212)
668,320	(28,111,776)	-	-	5,000,000	(20,331,892)
191,232	(5,983,865)	(40,668)	123,995	4,757,319	(158,003)
9,246,815	49,602,351	495,089	223,162	(65,061)	55,347,649
\$ 9,438,047	\$ 43,618,486	\$ 454,421	\$ 347,157	\$ 4,692,258	\$ 55,189,646

(Concluded)

POLK COUNTY, IOWA
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2001

	Air Pollution	Convention Complex	Veterans Memorial Auditorium
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 5,010	\$ 2,765,997	\$ 4,031,670
Cash received from air pollution control permits	190,493	-	-
Cash received from operating grants	682,571	-	-
Cash received from racetrack/casino	-	-	-
Cash paid to suppliers for goods and services	(160,143)	(1,747,942)	(1,896,024)
Cash paid to employees	(540,018)	(941,857)	(2,902,922)
Net cash flows from operating activities	<u>177,913</u>	<u>76,198</u>	<u>(767,276)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from non-operating grants	-	-	-
Operating transfers in	-	959,120	1,375,880
Operating transfers out	(223,436)	-	-
Cash paid to other funds	-	(292,401)	(83,788)
Cash received from other funds	-	80,735	66,214
Net cash flows from noncapital financing activities	<u>(223,436)</u>	<u>747,454</u>	<u>1,358,306</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds of general obligation debt (net of discount)	-	-	-
Issuance costs paid on long-term debt	-	-	-
Principal paid on long-term debt	-	(195,322)	(779,678)
Interest paid on long-term debt	-	(59,068)	(235,783)
Capital contributions from property owners	-	-	-
Capital contributions from other funds	-	-	-
Capital transfers out	-	-	-
Purchase of fixed assets	(55,325)	(24,129)	(33,827)
Net cash flows from capital and related financing activities	<u>(55,325)</u>	<u>(278,519)</u>	<u>(1,049,288)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	26,044	43,233	69,537
Net cash flows from investing activities	<u>26,044</u>	<u>43,233</u>	<u>69,537</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(74,804)	588,366	(388,721)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>453,657</u>	<u>530,329</u>	<u>733,747</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 378,853</u>	<u>\$ 1,118,695</u>	<u>\$ 345,026</u>

Sanitary Treatment Works	Prairie Meadows Racetrack/Casino	Jester Park Golf Course	Hamilton Urban Drainage District	Iowa Events Center	Total
\$ 425,137	\$ 25	\$ 1,246,885	\$ 136,293	\$ 114,000	\$ 8,725,017
-	-	-	-	-	190,493
-	-	-	-	-	682,571
-	27,075,000	-	-	-	27,075,000
(267,073)	(2,225,462)	(541,195)	(23,875)	1,399,828	(5,461,886)
(107,375)	-	(597,412)	(17,243)	-	(5,106,827)
50,689	24,849,563	108,278	95,175	1,513,828	26,104,368
443,682	-	4,920	-	-	448,602
650,659	-	-	-	-	2,985,659
-	(23,111,776)	-	-	-	(23,335,212)
-	(20,736)	24,663	-	(16,223)	(388,485)
-	-	(96,590)	-	-	50,359
1,094,341	(23,132,512)	(67,007)	-	(16,223)	(20,239,077)
696,950	-	-	-	-	696,950
(5,370)	-	-	-	-	(5,370)
(587,184)	-	-	-	-	(1,562,184)
(257,375)	-	-	-	-	(552,226)
17,661	-	-	-	-	17,661
-	-	-	-	5,000,000	5,000,000
-	(5,000,000)	-	-	-	(5,000,000)
(61,491)	-	(79,978)	-	(5,209,710)	(5,464,460)
(196,809)	(5,000,000)	(79,978)	-	(209,710)	(6,869,629)
68,325	367,137	28,941	16,922	18,877	639,016
68,325	367,137	28,941	16,922	18,877	639,016
1,016,546	(2,915,812)	(9,766)	112,097	1,306,772	(365,322)
891,853	4,567,057	259,479	223,100	-	7,659,222
\$ 1,908,399	\$ 1,651,245	\$ 249,713	\$ 335,197	\$ 1,306,772	\$ 7,293,900

(Continued)

POLK COUNTY, IOWA
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2001

	Air Pollution	Convention Complex	Veterans Memorial Auditorium
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 97,993	\$ (196,147)	\$ (1,065,883)
Components of operating income (loss) not included in operating activities:			
Depreciation	36,931	92,637	447,864
Amortization	-	1,928	17,264
Income from vendor applied against obligation owed to vendor	-	-	-
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
(Increase) decrease in special assessments receivable	-	-	-
(Increase) decrease in accounts receivable	-	10,826	(25,895)
(Increase) decrease in due from other governments	30,665	-	-
(Increase) decrease in inventories	-	(13,739)	5,396
(Increase) decrease in prepaid items	-	656	8,864
Increase (decrease) in warrants payable	(1,105)	78,261	17,737
Increase (decrease) in vouchers payable	(610)	13,115	(59,579)
Increase (decrease) in due to other governments	-	-	-
Increase (decrease) in wages payable	1,396	3,386	(32,350)
Increase (decrease) in payroll taxes payable	344	873	(3,691)
Increase (decrease) in compensated absences payable	12,299	12,723	(46,964)
Increase (decrease) in advance deposits and ticket sales	-	71,679	(30,039)
Net cash flows from operating activities	<u>\$ 177,913</u>	<u>\$ 76,198</u>	<u>\$ (767,276)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Net joint venture activity	\$ -	\$ -	\$ -
Disposal of fully depreciated assets	-	-	-
Income from vendor applied against obligation owed to vendor	-	-	-

Sanitary Treatment Works	Prairie Meadows Racetrack/Casino	Jester Park Golf Course	Hamilton Urban Drainage District	Iowa Event Center	Total
\$ (361,224)	\$ 21,781,574	\$ (74,967)	\$ 106,564	\$ (263,758)	\$ 20,024,152
90,804	2,348,392	165,595	-	-	3,182,223
-	759,547	-	-	-	778,739
(35,300)	-	-	-	-	(35,300)
92,240	-	-	-	-	92,240
2,760	-	-	-	(15,740)	(28,049)
259,480	(100,000)	-	(11,564)	-	178,581
-	-	5,983	-	-	(2,360)
-	-	-	-	-	9,520
(1,810)	-	2,293	55	80,340	175,771
3,739	-	2,034	120	1,712,986	1,671,805
-	60,050	-	-	-	60,050
-	-	1,976	-	-	(25,592)
-	-	217	-	-	(2,257)
-	-	4,126	-	-	(17,816)
-	-	1,021	-	-	42,661
\$ 50,689	\$ 24,849,563	\$ 108,278	\$ 95,175	\$ 1,513,828	\$ 26,104,368

\$ (339,645)	\$ -	\$ -	\$ -	\$ -	\$ (339,645)
-	-	64,249	-	-	64,249
35,300	-	-	-	-	35,300

(Concluded)

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FIDUCIARY FUNDS

EXPENDABLE TRUST FUNDS

Expendable Trust Funds account for assets held by the County as trustee. These funds are accounted for in the same manner as Governmental Fund Types.

Conservation Land Acquisition Trust - Accounts for the assets held for County conservation land acquisition and capital improvements projects.

Sheriff Seized Property (State) - Accounts for state proceeds of property seized through law enforcement activities.

Sheriff Seized Property (Federal) - Accounts for federal proceeds of property seized through law enforcement activities.

Attorney Seized Property - Accounts for property seized through law enforcement activities.

AGENCY FUNDS

Elected Officials:

Elected Officials Funds account for the activity of various cash accounts maintained by elected officials and other County departments which have not been remitted to the County Treasurer, who acts as trustee for all pooled cash and investments of the County, or to other individuals and private entities or governments.

Attorney - Accounts for funds associated with crime prevention.

Auditor - Accounts for various trusts monitored by the County.

Board of Supervisors - Other - Accounts for the transactions for the following departments: Public Works, Social Services, General Services, and Health. Accounts for the sale of various permits (building, electrical, etc.) and the sale of County owned property.

County Conservation Board - Accounts for the revenues generated from the operation of the various County parks.

Recorder - Accounts for the recording of deeds and mortgages and the sale of various licenses (hunting, fishing, ATV, boat and snowmobile).

Sheriff - Accounts for fees associated with the servicing of papers, purchasing of gun permits and handling of inmate funds.

FIDUCIARY FUNDS
(Continued)

Other Agency Funds:

Other Agency Funds are clearing accounts that account for funds collected by the County on the behalf of individuals and other governmental entities.

- Benefited Water Districts
- Drainage Districts
- County Assessor Expense
- County Assessor Special Appraisal
- County Assessor FICA
- County Assessor IPERS
- School Districts
- Community College
- Corporations
- Townships
- Fire Districts
- Special Assessments
- Sanitary Districts
- Agricultural Extension
- County Hospital
- Treasurer's Tax Redemption
- Motor Vehicle
- Treasurer's Cashier Escrow
- Property Tax Partial Payments
- State of Iowa
- Des Moines Water Works
- West Des Moines Water Works
- Military Credit
- E911 Service
- Grant Pass-Through
- Credit Card Fee Revolving
- GIMS Implementation
- Joint Disaster Services
- Sheriff's Condemnation
- Relief Clearing
- Employee Activities
- Community Empowerment - Childhood Services
- Community Empowerment - School Readiness

POLK COUNTY, IOWA

**TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	Expendable Trusts	Elected Officials	Other	Total
ASSETS:				
Cash and investments	\$ 631,505	\$ 1,613,384	\$ 18,167,776	\$ 20,412,665
Receivables (net of allowances for doubtful accounts):				
Taxes	-	-	88,212	88,212
Special assessments	-	-	175,418	175,418
Accounts	1,080	155	34,292	35,527
Accrued interest	912	-	335	1,247
Due from other funds	-	1,555	-	1,555
Due from other governments	16,145	3,049	54,720	73,914
TOTAL ASSETS	\$ 649,642	\$ 1,618,143	\$ 18,520,753	\$ 20,788,538
LIABILITIES AND FUND EQUITY:				
LIABILITIES:				
Warrants payable	\$ 10,089	\$ 195	\$ 207,090	\$ 217,374
Vouchers payable	13,580	-	310,660	324,240
Wages payable	-	-	102,353	102,353
Payroll taxes payable	-	-	24,931	24,931
Due to other funds	-	1,113,316	245,208	1,358,524
Due to other governments	-	479,866	17,168,852	17,648,718
Advances from other funds	-	-	1,667	1,667
Trusts payable	-	24,766	17,166	41,932
Compensated absences payable	-	-	442,826	442,826
TOTAL LIABILITIES	23,669	1,618,143	18,520,753	20,162,565
FUND EQUITY:				
Fund balances - unreserved and undesignated	625,973	-	-	625,973
TOTAL FUND EQUITY	625,973	-	-	625,973
TOTAL LIABILITIES AND FUND EQUITY	\$ 649,642	\$ 1,618,143	\$ 18,520,753	\$ 20,788,538

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POLK COUNTY, IOWA
EXPENDABLE TRUST FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	Conservation Land Acquisition Trust	Sheriff Seized Property (State)	Sheriff Seized Property (Federal)	Attorney Seized Property	Total
ASSETS:					
Cash and investments	\$ 241,249	\$ 69,417	\$ 43,844	\$ 276,995	\$ 631,505
Accounts receivable	-	1,080	-	-	1,080
Accrued interest receivable	-	216	83	613	912
Due from other governments	-	-	-	16,145	16,145
TOTAL ASSETS	\$ 241,249	\$ 70,713	\$ 43,927	\$ 293,753	\$ 649,642
LIABILITIES AND FUND EQUITY:					
LIABILITIES:					
Warrants payable	\$ 9,836	\$ 253	\$ -	\$ -	\$ 10,089
Vouchers payable	-	196	13,384	-	13,580
TOTAL LIABILITIES	9,836	449	13,384	-	23,669
FUND EQUITY:					
Fund balances - unreserved and undesignated	231,413	70,264	30,543	293,753	625,973
TOTAL FUND EQUITY	231,413	70,264	30,543	293,753	625,973
TOTAL LIABILITIES AND FUND EQUITY	\$ 241,249	\$ 70,713	\$ 43,927	\$ 293,753	\$ 649,642

POLK COUNTY, IOWA
ELECTED OFFICIALS
COMBINING BALANCE SHEET
JUNE 30, 2001

	Attorney	Auditor	Board of Supervisors - Other	County Conservation Board
ASSETS:				
Cash and investments	\$ 4,719	\$ 185,137	\$ 15,895	\$ 306,534
Accounts receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	\$ 4,719	\$ 185,137	\$ 15,895	\$ 306,534
LIABILITIES:				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	4,719	5,149	15,895	306,534
Due to other governments	-	178,313	-	-
Trusts payable	-	1,675	-	-
TOTAL LIABILITIES	\$ 4,719	\$ 185,137	\$ 15,895	\$ 306,534

Recorder	Sheriff	Total
\$ 888,258	\$ 212,841	\$ 1,613,384
155	-	155
-	1,555	1,555
3,049	-	3,049
<hr/>	<hr/>	<hr/>
\$ 891,462	\$ 214,396	\$ 1,618,143
<hr/>	<hr/>	<hr/>
\$ 195	\$ -	\$ 195
589,714	191,305	1,113,316
301,553	-	479,866
-	23,091	24,766
<hr/>	<hr/>	<hr/>
\$ 891,462	\$ 214,396	\$ 1,618,143
<hr/>	<hr/>	<hr/>

POLK COUNTY, IOWA
OTHER AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	Benefited Water Districts	Drainage Districts	County Assessor Expense	County Assessor Special Appraisal
ASSETS:				
Cash and investments	\$ 57,772	\$ 203,904	\$ 943,600	\$ 164,661
Receivables (net of allowances for doubtful accounts):				
Taxes	-	-	642	102
Special assessments	-	54	-	-
Accounts	-	-	850	-
Accrued interest	-	335	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	\$ 57,772	\$ 204,293	\$ 945,092	\$ 164,763
LIABILITIES:				
Warrants payable	\$ -	\$ 547	\$ 34,249	\$ -
Vouchers payable	-	-	5,423	21,420
Wages payable	-	-	98,987	-
Payroll taxes payable	-	-	24,167	-
Due to other funds	-	-	-	-
Due to other governments	57,772	202,079	373,043	143,343
Advances from other funds	-	1,667	-	-
Trusts payable	-	-	-	-
Compensated absences payable	-	-	409,223	-
TOTAL LIABILITIES	\$ 57,772	\$ 204,293	\$ 945,092	\$ 164,763

County Assessor FICA	County Assessor IPERS	School Districts	Community College	Corporations	Townships	Fire Districts
\$ -	\$ -	\$ 2,256,156	\$ 75,695	\$ 1,905,353	\$ 20,106	\$ 204
42	30	37,660	1,294	41,122	300	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 42	\$ 30	\$ 2,293,816	\$ 76,989	\$ 1,946,475	\$ 20,406	\$ 204
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
42	30	2,293,816	76,989	1,946,475	20,406	204
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 42	\$ 30	\$ 2,293,816	\$ 76,989	\$ 1,946,475	\$ 20,406	\$ 204

(Continued)

POLK COUNTY, IOWA
OTHER AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	Special Assessments	Sanitary Districts	Agricultural Extension	County Hospital
ASSETS:				
Cash and investments	\$ 290,323	\$ 4,742	\$ 4,862	\$ 354,921
Receivables (net of allowances for doubtful accounts):				
Taxes	-	-	85	6,923
Special assessments	171,728	-	-	-
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	\$ 462,051	\$ 4,742	\$ 4,947	\$ 361,844
LIABILITIES:				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Vouchers payable	-	-	-	-
Wages payable	-	-	-	-
Payroll taxes payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	462,051	4,742	4,947	361,844
Advances from other funds	-	-	-	-
Trusts payable	-	-	-	-
Compensated absences payable	-	-	-	-
TOTAL LIABILITIES	\$ 462,051	\$ 4,742	\$ 4,947	\$ 361,844

Treasurer's Tax Redemption	Motor Vehicle	Treasurer's Cashier Escrow	Property Tax Partial Payments	State of Iowa	Des Moines Water Works	Military Tax Credit
\$ 555,906	\$ 7,563,201	\$ 2,911	\$ 137,107	\$ 1,298	\$ 15,587	\$ 65
-	-	-	-	12	-	-
-	-	-	-	-	3,636	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 555,906	\$ 7,563,201	\$ 2,911	\$ 137,107	\$ 1,310	\$ 19,223	\$ 65
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,780	214,436	2,911	-	-	-	-
543,126	7,348,765	-	137,107	1,310	19,223	65
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 555,906	\$ 7,563,201	\$ 2,911	\$ 137,107	\$ 1,310	\$ 19,223	\$ 65

(Continued)

POLK COUNTY, IOWA
OTHER AGENCY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	E911 Service	Credit Card Fee Revolving	GIMS Implementation	Joint Disaster Services
ASSETS:				
Cash and investments	\$ 7,172	\$ 1,208	\$ 830,190	\$ 43,531
Receivables (net of allowances for doubtful accounts):				
Taxes	-	-	-	-
Special assessments	-	-	-	-
Accounts	-	-	-	6,490
Accrued interest	-	-	-	-
Due from other governments	26,202	-	-	9,493
TOTAL ASSETS	\$ 33,374	\$ 1,208	\$ 830,190	\$ 59,514
LIABILITIES:				
Warrants payable	\$ 33,374	\$ -	\$ 11,246	\$ 8,740
Vouchers payable	-	-	-	34,038
Wages payable	-	-	-	3,366
Payroll taxes payable	-	-	-	764
Due to other funds	-	-	-	-
Due to other governments	-	1,208	785,341	12,606
Advances from other funds	-	-	-	-
Trusts payable	-	-	-	-
Compensated absences payable	-	-	33,603	-
TOTAL LIABILITIES	\$ 33,374	\$ 1,208	\$ 830,190	\$ 59,514

Sheriff's Condemnation	Relief Clearing	Employee Activities	Community Empowerment Childhood Services	Community Empowerment School Readiness	Total
\$ 12,166	\$ 561	\$ -	\$ 1,148,275	\$ 1,566,299	\$ 18,167,776
-	-	-	-	-	88,212
-	-	-	-	-	175,418
5,000	-	20,605	1,347	-	34,292
-	-	-	-	-	335
-	-	-	19,025	-	54,720
\$ 17,166	\$ 561	\$ 20,605	\$ 1,168,647	\$ 1,566,299	\$ 18,520,753

\$ -	\$ 561	\$ 1,374	\$ 111,554	\$ 5,445	\$ 207,090
-	-	4,150	92,495	153,134	310,660
-	-	-	-	-	102,353
-	-	-	-	-	24,931
-	-	15,081	-	-	245,208
-	-	-	964,598	1,407,720	17,168,852
-	-	-	-	-	1,667
17,166	-	-	-	-	17,166
-	-	-	-	-	442,826
\$ 17,166	\$ 561	\$ 20,605	\$ 1,168,647	\$ 1,566,299	\$ 18,520,753

(Concluded)

POLK COUNTY, IOWA

**EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2001**

	Conservation Land Acquisition Trust	Sheriff Seized Property (State)	Sheriff Seized Property (Federal)	Attorney Seized Property	Total
REVENUES:					
Use of money and property	\$ -	\$ 11,987	\$ 6,057	\$ 17,068	\$ 35,112
Fines, forfeitures and defaults	19,064	41,489	10,249	104,185	174,987
Miscellaneous	-	913	667	-	1,580
Total revenues	19,064	54,389	16,973	121,253	211,679
EXPENDITURES:					
Public safety	-	76,170	134,347	68,405	278,922
Capital projects	100,056	-	-	-	100,056
Total expenditures	100,056	76,170	134,347	68,405	378,978
OTHER FINANCING SOURCES (USES):					
Operating transfers in	100,000	-	-	-	100,000
Operating transfers out	-	(150,000)	-	-	(150,000)
Proceeds from fixed asset sales	-	53,850	38,091	-	91,941
Total other financing sources (uses)	100,000	(96,150)	38,091	-	41,941
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	19,008	(117,931)	(79,283)	52,848	(125,358)
FUND BALANCES, BEGINNING OF YEAR	212,405	188,195	109,826	240,905	751,331
FUND BALANCES, END OF YEAR	\$ 231,413	\$ 70,264	\$ 30,543	\$ 293,753	\$ 625,973

POLK COUNTY, IOWA

**AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2001**

	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
ELECTED OFFICIALS:				
ASSETS:				
Cash and investments	\$ 1,116,062	\$ 7,922,608	\$ 7,425,286	\$ 1,613,384
Accounts receivable	144	11	-	155
Due from other funds	1,650	-	95	1,555
Due from other governments	2,154	895	-	3,049
TOTAL ASSETS	\$ 1,120,010	\$ 7,923,514	\$ 7,425,381	\$ 1,618,143
LIABILITIES:				
Warrants payable	\$ 61	\$ 134	\$ -	\$ 195
Due to other funds	640,749	472,567	-	1,113,316
Due to other governments	455,643	7,449,604	7,425,381	479,866
Trusts payable	23,557	1,209	-	24,766
TOTAL LIABILITIES	\$ 1,120,010	\$ 7,923,514	\$ 7,425,381	\$ 1,618,143
OTHER AGENCY FUNDS:				
ASSETS:				
Cash and investments	\$ 18,085,735	\$ 479,307,413	\$ 479,225,372	\$ 18,167,776
Receivables:				
Taxes	153,477	-	65,265	88,212
Special assessments	228,857	-	53,439	175,418
Accounts	28,476	5,816	-	34,292
Accrued interest	98	237	-	335
Due from other funds	176,311	-	176,311	-
Due from other governments	29,485	25,235	-	54,720
TOTAL ASSETS	\$ 18,702,439	\$ 479,338,701	\$ 479,520,387	\$ 18,520,753
LIABILITIES:				
Warrants payable	\$ 96,908	\$ 110,182	\$ -	\$ 207,090
Vouchers payable	142,997	167,663	-	310,660
Wages payable	94,490	7,863	-	102,353
Payroll taxes payable	23,010	1,921	-	24,931
Due to other funds	237,726	7,482	-	245,208
Due to other governments	17,675,493	479,009,938	479,516,579	17,168,852
Advances from other funds	2,500	-	833	1,667
Trusts payable	20,141	-	2,975	17,166
Compensated absences payable	409,174	33,652	-	442,826
TOTAL LIABILITIES	\$ 18,702,439	\$ 479,338,701	\$ 479,520,387	\$ 18,520,753

POLK COUNTY, IOWA

**ELECTED OFFICIALS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2001**

	Attorney	Auditor	Board of Supervisors - Other	County Conservation Board
BALANCES AT BEGINNING OF YEAR	\$ 4,765	\$ 186,639	\$ 19,286	\$ 222,024
ADDITIONS:				
Office fees and collections	-	-	-	-
Park fees	-	-	-	253,631
Trust	-	104,849	-	-
Interest on investments	-	8,597	-	-
Mileage	-	-	-	-
Commissary receipts	-	-	-	-
Other	-	-	-	561,561
Total additions	-	113,446	-	815,192
DEDUCTIONS:				
Remittance to State of Iowa	-	-	-	-
Remittance to other funds	-	28,284	-	730,682
Trusts payments	-	86,664	-	-
Other	46	-	3,391	-
Total deductions	46	114,948	3,391	730,682
BALANCES AT END OF YEAR	\$ 4,719	\$ 185,137	\$ 15,895	\$ 306,534

Recorder	Sheriff	Total
\$ 483,796	\$ 203,500	\$ 1,120,010
5,274,780	497,752	5,772,532
-	-	253,631
-	979,319	1,084,168
-	2,212	10,809
-	64,075	64,075
-	176,738	176,738
-	-	561,561
5,274,780	1,720,096	7,923,514
2,754,648	-	2,754,648
2,109,041	733,145	3,601,152
-	976,055	1,062,719
3,425	-	6,862
4,867,114	1,709,200	7,425,381
\$ 891,462	\$ 214,396	\$ 1,618,143

POLK COUNTY, IOWA

**OTHER AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2001**

	Benefited Water Districts	Drainage Districts	County Assessor Expense	County Assessor Special Appraisal	County Assessor FICA
BALANCES AT BEGINNING OF YEAR	\$ 57,872	\$ 206,955	\$ 987,943	\$ 381,936	\$ 74
ADDITIONS:					
Property taxes	-	-	2,950,768	194,264	179,454
State tax credits	-	-	214,254	10,117	9,348
Automobile licenses and use tax	-	-	-	-	-
Assessments	-	6,406	-	-	-
Federal/state grant revenue	-	-	-	-	-
Other	-	12,157	315,947	-	-
Total additions	-	18,563	3,480,969	204,381	188,802
DEDUCTIONS:					
Remittance to other governments	-	-	-	-	-
Other	100	21,225	3,523,820	421,554	188,834
Total deductions	100	21,225	3,523,820	421,554	188,834
BALANCES AT END OF YEAR	\$ 57,772	\$ 204,293	\$ 945,092	\$ 164,763	\$ 42

County Assessor IPERS	School Districts	Community College	Corporations	Townships	Fire Districts	Special Assessments
\$ 46	\$ 1,788,792	\$ 57,764	\$ 1,524,837	\$ 10,421	\$ 132	\$ 549,149
113,115	170,848,308	6,125,763	152,397,328	960,342	22,805	-
5,893	9,062,538	310,319	10,167,671	46,650	1,218	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,723,750
-	-	-	-	-	-	-
119,008	179,910,846	6,436,082	162,564,999	1,006,992	24,023	2,723,750
-	179,405,822	6,416,857	162,143,361	997,007	23,951	2,810,848
119,024	-	-	-	-	-	-
119,024	179,405,822	6,416,857	162,143,361	997,007	23,951	2,810,848
\$ 30	\$ 2,293,816	\$ 76,989	\$ 1,946,475	\$ 20,406	\$ 204	\$ 462,051

(Continued)

POLK COUNTY, IOWA

**OTHER AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2001**

	Sanitary Districts	Agricultural Extension	County Hospital	Treasurer's Tax Redemption	Motor Vehicle
BALANCES AT BEGINNING OF YEAR	\$ 2,443	\$ 3,773	\$ 281,043	\$ 1,049,048	\$ 8,157,295
ADDITIONS:					
Property taxes	427,640	382,599	27,931,638	-	-
State tax credits	17,095	19,931	1,455,041	-	-
Automobile licenses and use tax	-	-	-	-	81,891,188
Assessments	-	-	-	-	-
Federal/state grant revenue	-	-	-	-	-
Other	-	-	-	4,455,278	-
Total additions	444,735	402,530	29,386,679	4,455,278	81,891,188
DEDUCTIONS:					
Remittance to other governments	442,436	401,356	29,305,878	4,948,420	82,485,282
Other	-	-	-	-	-
Total deductions	442,436	401,356	29,305,878	4,948,420	82,485,282
BALANCES AT END OF YEAR	\$ 4,742	\$ 4,947	\$ 361,844	\$ 555,906	\$ 7,563,201

Treasurer's Cashier Escrow	Property Tax Partial Payments	State of Iowa	Des Moines Water Works	West Des Moines Water Works	Military Credit	E911 Service
\$ 5,112	\$ 133,871	\$ 28,628	\$ 18,993	\$ -	\$ 150	\$ -
-	1,075,890	601,589	-	-	-	-
-	-	2,846	-	-	277,646	-
-	-	-	-	-	-	-
-	-	-	106,736	3,623	-	-
-	-	-	-	-	-	104,877
3,257	86	5,982	-	-	-	338,315
3,257	1,075,976	610,417	106,736	3,623	277,646	443,192
5,458	1,072,740	637,735	106,506	3,623	277,731	-
-	-	-	-	-	-	409,818
5,458	1,072,740	637,735	106,506	3,623	277,731	409,818
\$ 2,911	\$ 137,107	\$ 1,310	\$ 19,223	\$ -	\$ 65	\$ 33,374

(Continued)

POLK COUNTY, IOWA

**OTHER AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2001**

	Grant Pass- Through	Credit Card Fee Revolving	GIMS Implementation	Joint Disaster Services	Sheriff's Condemnation
BALANCES AT BEGINNING OF YEAR	\$ -	\$ 959	\$ 853,142	\$ 93,040	\$ 20,141
ADDITIONS:					
Property taxes	-	-	-	-	-
State tax credits	-	-	-	-	-
Automobile licenses and use tax	-	-	-	-	-
Assessments	-	-	-	-	-
Federal/state grant revenue	-	-	-	82,960	-
Other	120,000	10,605	17,970	234,914	15,025
Total additions	120,000	10,605	17,970	317,874	15,025
DEDUCTIONS:					
Remittance to other governments	-	-	-	-	-
Other	120,000	10,356	40,922	351,400	18,000
Total deductions	120,000	10,356	40,922	351,400	18,000
BALANCES AT END OF YEAR	\$ -	\$ 1,208	\$ 830,190	\$ 59,514	\$ 17,166

Relief Clearing	Employee Activities	Community Empowerment Childhood Services	Community Empowerment School Readiness	Total
\$ -	\$ 2,958	\$ 1,009,567	\$ 1,476,355	\$ 18,702,439
-	-	-	-	364,211,503
-	-	-	-	21,600,567
-	-	-	-	81,891,188
-	-	-	-	2,840,515
-	-	1,108,785	1,781,708	3,078,330
65,269	57,245	64,548	-	5,716,598
65,269	57,245	1,173,333	1,781,708	479,338,701
-	-	-	-	471,485,011
64,708	39,598	1,014,253	1,691,764	8,035,376
64,708	39,598	1,014,253	1,691,764	479,520,387
\$ 561	\$ 20,605	\$ 1,168,647	\$ 1,566,299	\$ 18,520,753

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ACCOUNT GROUP SCHEDULES

General Fixed Assets - Accounts for fixed assets used in Governmental Fund Type operations. In accordance with generally accepted accounting principles for counties, depreciation expense is not recorded on general fixed assets.

POLK COUNTY, IOWA

**SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
JUNE 30, 2001**

GENERAL FIXED ASSETS:

Land	\$	7,396,966
Buildings		53,904,064
Improvements other than buildings		585,811
Equipment		29,853,200
Vehicles		5,847,721
		<hr/>

TOTAL GENERAL FIXED ASSETS \$ 97,587,762

INVESTMENT IN GENERAL FIXED ASSETS FROM:

General Fund	\$	33,450,707
Special Revenue Funds		27,124,170
Capital Projects Funds		17,226,680
General obligation bond proceeds		16,089,306
Expendable Trust Funds		1,454,058
Federal and state grants		887,091
Donated funds		1,355,750
		<hr/>

TOTAL INVESTMENT IN GENERAL FIXED ASSETS \$ 97,587,762

POLK COUNTY, IOWA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND PROGRAM
FOR THE YEAR ENDED JUNE 30, 2001

	General Fixed Assets July 1, 2000	Additions	Deductions	General Fixed Assets June 30, 2001
Public Safety:				
Public safety services	\$ 182,097	\$ -	\$ -	\$ 182,097
Adult corrections/temporary housing		-		-
Law enforcement communications	1,031,340	1,053,498		2,084,838
Seized property	1,205,053	188,516	(295,743)	1,097,826
Total	2,418,490	1,242,014	(295,743)	3,364,761
Social Services:				
General welfare/participants	22,223	-	-	22,223
Youth guidance/administration	13,804	-	-	13,804
Youth guidance/intake center	63,630	-	-	63,630
Family protective services/childnet	1,409	-	-	1,409
Total	101,066	-	-	101,066
Roads and Transportation:				
Weed eradication	20,628	-	-	20,628
Conservation road maintenance/clearing		-		-
New equipment	8,312,097	355,381	(997,249)	7,670,229
Equipment operations	12,329	-	(12,329)	-
Real estate and building	426,260	-	-	426,260
Total	8,771,314	355,381	(1,009,578)	8,117,117
County Environment:				
County environment service	171,377	-	-	171,377
Environmental quality/weed eradication		-		-
Conservation administration	225,715	-	-	225,715
Conservation satellite areas operation	82,478	-	-	82,478
Conservation/REAP	223,351	14,439	-	237,790
Conservation equipment	1,500,504	151,945	(24,185)	1,628,264
Total	2,203,425	166,384	(24,185)	2,345,624
State and Local Government Services:				
Election representation services	1,900,415		-	1,900,415
Recording of public documents	294,763	29,252	-	324,015
Total	2,195,178	29,252	-	2,224,430
Interprogram:				
Central services general services	5,639,610	346,583	(505,476)	5,480,717
Data processing services	9,997,497	2,225,369	-	12,222,866
Telephone services	947,129	147,546	-	1,094,675
Risk management tort liability	32,346	77,460	-	109,806
Total	16,616,582	2,796,958	(505,476)	18,908,064
Nonprogram - Financing/Capital Projects:				
Long-term debt service	753,792	-	-	753,792
Conservation land acquisition	5,150,579	555,463	-	5,706,042
Other capital projects	44,634,850	11,432,016	-	56,066,866
Total	50,539,221	11,987,479	-	62,526,700
TOTAL GENERAL FIXED ASSETS	\$ 82,845,276	\$ 16,577,468	\$ (1,834,982)	\$ 97,587,762

POLK COUNTY, IOWA

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND PROGRAM
JUNE 30, 2001

	Land	Buildings	Improvements Other Than Buildings
Public Safety:			
Public safety services	\$ -	\$ 182,097	\$ -
Adult corrections/temporary housing	-	-	-
Law enforcement communications	-	-	-
Seized property	-	-	-
Total	-	182,097	-
Social Services:			
General welfare/participants	-	-	-
Youth guidance/administration	-	-	-
Youth guidance/intake center	-	63,630	-
Family protective services/childnet	-	-	-
Total	-	63,630	-
Roads and Transportation:			
Weed eradication	-	-	-
Conservation road maintenance/clearing	-	-	-
New equipment	-	-	-
Equipment operations	-	-	-
Real estate and building	48,200	378,060	-
Total	48,200	378,060	-
County Environment:			
County environment service	-	171,377	-
Environmental quality/weed eradication	-	-	-
Conservation administration	-	-	-
Conservation satellite areas operation/maintenance	42,750	-	-
Conservation/REAP	176,101	61,689	-
Conservation equipment	-	-	-
Total	218,851	233,066	-
State and Local Government Services:			
Election representation services	-	-	-
Recording of public documents	-	-	-
Total	-	-	-
Interprogram:			
Central services general services	-	-	-
Data processing services	-	-	-
Telephone services	-	-	-
Risk management tort liability	-	-	-
Total	-	-	-
Nonprogram - Financing/Capital Projects:			
Long-term debt service	-	753,792	-
Conservation land acquisition and development	3,907,238	1,570,683	228,121
Other capital projects	3,222,677	50,722,736	357,690
Total	7,129,915	53,047,211	585,811
TOTAL GENERAL FIXED ASSETS	\$ 7,396,966	\$ 53,904,064	\$ 585,811

Equipment	Vehicles	Total
\$ -	\$ -	\$ 182,097
-	-	-
2,084,838	-	2,084,838
725,087	372,739	1,097,826
2,809,925	372,739	3,364,761
-	22,223	22,223
-	13,804	13,804
-	-	63,630
1,409	-	1,409
1,409	36,027	101,066
-	20,628	20,628
-	-	-
6,124,010	1,546,219	7,670,229
-	-	-
-	-	426,260
6,124,010	1,566,847	8,117,117
-	-	171,377
-	-	-
-	225,715	225,715
-	39,728	82,478
-	-	237,790
1,554,370	73,894	1,628,264
1,554,370	339,337	2,345,624
1,900,415	-	1,900,415
324,015	-	324,015
2,224,430	-	2,224,430
3,821,515	1,659,202	5,480,717
12,222,866	-	12,222,866
1,094,675	-	1,094,675
-	109,806	109,806
17,139,056	1,769,008	18,908,064
-	-	753,792
-	-	5,706,042
-	1,763,763	56,066,866
-	1,763,763	62,526,700
\$ 29,853,200	\$ 5,847,721	\$ 97,587,762

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POLK COUNTY, IOWA

**GENERAL GOVERNMENTAL REVENUES BY SOURCE (a)
LAST TEN FISCAL YEARS**

Fiscal Year	(b) Property Taxes	Other County Taxes	Interest and Penalties on Delinquent Taxes	Inter- Governmental	Licenses and Permits	Charges for Services
1992	\$ 57,142,037	\$ 540,571	\$ 2,659,567	\$ 17,472,140	\$ 636,703	\$ 5,254,768
1993	62,685,727	549,963	2,378,510	19,810,593	524,409	5,316,750
1994	65,230,689	508,774	1,863,530	24,738,926	593,116	5,609,406
1995	68,751,188	788,840	1,175,067	24,336,721	600,088	5,552,935
1996	66,253,662	1,132,926	1,017,428	30,726,203	654,476	5,163,683
1997	63,670,089	1,143,218	956,495	34,046,432	669,802	5,305,746
1998	65,455,468	1,215,526	739,202	36,642,560	707,854	6,157,381
1999	68,016,178	1,311,902	811,134	43,852,300	765,201	6,343,380
2000	71,248,333	1,368,612	767,654	45,269,204	745,642	6,258,525
2001	70,565,548	4,509,363	909,208	48,092,123	680,922	6,369,485

(a) General governmental revenues include revenues of the General, Special Revenue, Capital Project, and Debt Service fund types only.

(b) Property Taxes include Net Current Property Taxes and Delinquent Property Tax Revenues.

	Use of Money and Property	Fines Forfeitures and Defaults	Miscellaneous	Total
\$	2,303,189	\$ 2,520	\$ 831,428	\$ 86,842,923
	2,080,015	9,041	762,503	94,117,511
	2,795,963	7,985	2,533,361	103,881,750
	3,577,254	8,975	1,304,350	106,095,418
	4,034,271	8,410	2,806,907	111,797,966
	4,364,251	8,011	1,442,988	111,607,032
	7,332,737	9,242	1,635,683	119,895,653
	8,287,541	7,332	1,622,540	131,017,508
	10,509,159	6,940	2,144,578	138,318,647
	8,137,492	13,374	1,480,163	140,757,678

POLK COUNTY, IOWA

**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (a)
LAST TEN FISCAL YEARS**

Fiscal Year	Public Safety	Court Services	Physical Health and Education	Mental Health	Social Services	County Environment
1992	\$ 11,005,823	\$ 1,661,067	\$ 1,756,329	\$ 23,689,002	\$ 14,662,106	\$ 3,739,421
1993	12,596,492	1,551,323	1,944,315	26,752,362	15,467,016	3,729,583
1994	14,423,191	1,683,597	1,939,138	27,601,207	16,268,301	2,121,984
1995	16,827,513	1,796,056	2,046,316	27,771,009	17,630,072	2,624,138
1996	19,591,221	2,020,696	2,341,168	29,539,969	17,626,817	5,481,459
1997	21,203,665	2,078,687	2,656,995	29,686,857	18,448,880	7,906,198
1998	24,082,208	2,501,781	11,926,614	30,528,863	19,406,652	11,103,434
1999	24,903,238	2,585,918	5,139,848	32,099,383	21,026,630	11,387,322
2000	27,483,971	2,515,374	3,785,271	33,079,339	21,760,512	22,870,923
2001	30,139,632	2,640,349	3,956,806	38,300,218	22,946,543	19,766,095

(a) General governmental expenditures include expenditures of the General, Special Revenue, Capital Projects and Debt Service fund types only.

Roads and Transportation	State and Local Government Services	Inter- Program Services	Non- Program	Debt Service	Capital Projects	Total
\$ 5,967,133	\$ 2,514,028	\$ 12,034,379	\$ 411,009	\$ 3,702,289	\$ 4,911,788	\$ 86,054,374
6,387,215	2,571,541	12,423,169	1,197,841	5,054,715	4,842,932	94,518,504
8,460,722	2,816,486	15,866,758	2,032,281	7,551,314	4,083,155	104,848,134
6,179,781	2,994,601	14,921,123	1,405,522	6,268,857	4,230,133	104,695,121
6,878,644	3,025,785	17,726,356	340,566	7,094,362	4,883,930	116,550,973
9,043,300	3,206,862	16,876,311	3,334,047	4,691,456	11,035,521	130,168,779
7,277,105	3,351,983	22,988,816	1,453,259	3,999,433	4,367,394	142,987,542
10,965,171	4,707,594	19,259,283	5,525,902	4,536,237	10,087,571	152,224,097
8,990,844	4,191,042	19,668,185	71,897	4,712,298	8,441,783	157,571,439
10,186,787	4,326,121	14,811,243	5,085,402	9,422,856	22,550,520	184,132,572

POLK COUNTY, IOWA

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Collection Year	Taxes Levied	(a) Collections on Current Year Taxes		(b) Total Collections	
		Amount	Percent	Amount	Percent
1991/92	\$ 59,917,796	\$ 58,692,631	98.0%	\$ 59,954,273	100.1%
1992/93	65,562,764	64,682,442	98.7%	65,498,282	99.9%
1993/94	68,391,968	67,612,804	98.9%	68,119,591	99.6%
1994/95	72,260,253	71,467,385	98.9%	71,533,741	99.0%
1995/96	69,547,014	68,756,220	98.9%	68,818,606	99.0%
1996/97	66,849,385	66,318,727	99.2%	66,336,698	99.2%
1997/98	68,344,905	67,703,576	99.1%	67,718,333	99.1%
1998/99	71,172,237	70,953,772	99.7%	71,000,757	99.8%
1999/00	74,349,431	74,238,715	99.9%	74,280,775	99.9%
2000/01	73,826,332	73,606,134	99.7%	73,676,130	99.8%

- (a) Current year collection amounts include current tax collections; ag land, personal property, homestead, and elderly tax credits; and state replacement monies and credits.
- (b) Total collections include current year collections (a) plus delinquent tax collections and TIF reimbursements. All collections are on the cash basis.

POLK COUNTY, IOWA

ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY (a) LAST TEN FISCAL YEARS

Assessment Year	Actual Value	Taxable Value	Ratio of Taxable to Actual Value
1992	\$ 10,307,813,633	\$ 8,664,764,873	84.06%
1993	11,079,874,515	8,942,176,395	80.71%
1994	11,531,013,883	9,262,958,116	80.33%
1995	12,915,852,248	9,517,224,807	73.69%
1996	13,425,902,710	9,979,408,610	74.33%
1997	14,734,396,166	10,381,674,251	70.46%
1998	15,166,335,008	10,933,555,088	72.09%
1999	15,798,415,236	10,888,407,669	68.92%
2000	16,231,976,254	11,361,678,924	70.00%
2001	N/A (b)	N/A (b)	N/A (b)

(a) Assessed and actual values are net of the valuation of tax incremental financing district properties.

(b) 2001 Calendar Year Assessment is for taxes due in fiscal year 2002/2003 and is not yet available.

POLK COUNTY, IOWA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (a)(b) LAST TEN FISCAL YEARS

Collection Year	(c) County	Broadlawns Hospital	Area XI College	General School	School House	Corporations
1991/92	7.21206	1.97934	0.47669	13.42414	1.46783	15.39410
1992/93	7.50023	1.89177	0.50664	14.21386	1.48656	16.17685
1993/94	7.65645	2.19673	0.48828	15.01098	1.47853	16.07529
1994/95	7.77238	2.22744	0.48398	15.46553	1.47112	16.19909
1995/96	7.19579	2.24835	0.48988	14.91044	1.46336	16.10600
1996/97	6.64274	2.25639	0.50661	14.49680	1.46208	16.18284
1997/98	6.46462	2.39021	0.47230	15.60574	1.44746	16.24935
1998/99	6.46576	2.49033	0.50551	16.26190	1.44550	16.93966
1999/00	6.41923	2.55357	0.52451	15.51587	1.44609	16.81579
2000/01	6.38346	2.55571	0.54506	16.18308	0.76635	16.57304

(a) Tax rates in dollars per thousand dollars of taxable value.

(b) Table shows tax rates for a resident of Polk County living in the City of Des Moines.

(c) Includes rates for Polk County levies, Agricultural Extension levies, and Hamilton Drain levies.

City Assessor	State	Total
0.43487	0.00500	40.39403
0.50315	0.00500	42.28406
0.49713	0.00500	43.40839
0.50230	0.00500	44.12684
0.46572	0.00500	42.88454
0.57619	0.00500	42.12865
0.32527	0.00500	42.95995
0.33081	0.00500	44.44447
0.30594	0.00500	43.58600
0.31454	0.00500	43.32624

POLK COUNTY, IOWA

LEGAL DEBT MARGIN

Assessed valuation, at 100% of actual valuation (1999)	\$ 15,798,415,236
Multiplied by 5%	<u>5%</u>
Debt limit - 5% of total assessed valuation	789,920,762
Less: Debt applicable to debt limit (Article XI, Constitution of the State of Iowa); Outstanding County indebtedness (a)	<u>173,524,083</u>
Unused legal debt capability	<u><u>\$ 616,396,679</u></u>

(a) Constitutional limit in Article XI of the State Constitution refers to "indebted in any manner".

POLK COUNTY, IOWA

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND
NET GENERAL BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	(a) Population	Assessed Taxable Value	Gross General Bonded Debt	(b) Less Net Debt Service Funds	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt per Capita
1992	327,140	\$ 7,938,090,098	\$ 19,075,000	\$ 224,371	\$ 18,850,629	0.24%	\$ 57.62
1993	327,140	8,467,079,869	58,485,000	555,941	57,929,059	0.68%	177.08
1994	327,140	8,664,764,873	55,340,000	2,330,555	53,009,445	0.61%	162.04
1995	327,140	8,942,176,395	55,175,000	1,919,143	53,255,857	0.60%	162.79
1996	349,560	9,262,958,116	48,455,000	735,145	47,719,855	0.52%	136.51
1997	354,150	9,517,224,807	17,102,091	1,002,482	16,099,609	0.17%	45.46
1998	354,150	9,979,408,610	21,284,081	353,969	20,930,112	0.21%	59.10
1999	359,826	10,381,674,251	18,579,136	20,806	18,558,330	0.18%	51.58
2000	364,672	10,933,555,088	20,448,278	264,630	20,183,648	0.18%	55.35
2001	374,601	10,888,407,669	25,179,370	416,572	24,762,798	0.23%	66.10

(a) Source: Greater Des Moines Chamber of Commerce Federation (Per the Greater Des Moines Area Profile).

(b) Net Debt Service Funds are the unreserved equity in the Debt Service Fund.

POLK COUNTY, IOWA

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES (a)
LAST TEN FISCAL YEARS**

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
1992	\$ 2,480,000	\$ 1,190,866	\$ 3,670,866	\$ 86,054,374	4.27%
1993	2,645,000	1,129,505	3,774,505	94,518,504	3.99%
1994	3,145,000	3,172,395	6,317,395	104,848,134	6.03%
1995	2,400,000	954,826	3,354,826	104,695,121	3.20%
1996	5,325,000	1,044,707	6,369,707	116,550,973	5.47%
1997	3,515,000	676,945	4,191,945	130,168,779	3.22%
1998	2,280,000	805,883	3,085,883	142,987,542	2.16%
1999	2,295,000	1,223,234	3,518,234	152,224,097	2.31%
2000	2,480,000	1,218,522	3,698,522	157,571,439	2.35%
2001	2,058,000	1,209,032	3,267,032	184,132,572	1.77%

(a) Total General Governmental Expenditures includes expenditures of the General, Special Revenue, Capital Projects, and Debt Service fund types only.

POLK COUNTY, IOWA

**SUMMARY OF DIRECT AND OVERLAPPING DEBT
FOR THE YEAR ENDED JUNE 30, 2001**

Name of Governmental Unit	Taxable Valuation Within the County	General Obligation Debt Outstanding	Totals
Polk County	\$ 10,888,407,669	\$ 25,179,370	
Total direct debt			\$ 25,179,370
Cities and towns:			
Alleman	14,113,630	45,000	
Altoona	281,532,059	11,605,000	
Ankeny	831,507,619	28,800,000	
Bondurant	37,591,596	2,305,000	
Clive	615,383,242	9,885,000	
Des Moines	4,621,279,289	248,365,000	
Elkhart	7,046,490	145,000	
Grimes	123,451,558	2,680,000	
Johnston	368,728,576	26,431,444	
Mitchellville	32,756,909	495,000	
Pleasant Hill	169,045,176	5,720,000	
Polk City	39,883,259	82,592	
Runnells	7,308,026	-	
Sheldahl	2,121,827	-	
Urbandale	1,213,061,979	23,625,000	
Windsor Heights	255,236,552	8,470,000	
West Des Moines	1,884,178,588	35,840,000	
Total cities and towns		<u>404,494,036</u>	
School districts:			
Ankeny Community	973,370,005	29,740,000	
Bondurant - Farrar	122,276,790	1,775,000	
Des Moines Independent	4,667,161,813	5,525,000	
Johnston Community	749,695,142	23,195,000	
North Polk Community	141,828,044	3,815,000	
Saydel	370,746,436	7,330,000	
Southeast Polk	623,262,933	5,690,000	
Urbandale Community	747,771,174	11,635,000	
West Des Moines Community	2,828,530,837	25,810,000	
Total school districts		<u>114,515,000</u>	
Other:			
Urbandale Sanitary Sewer	1,083,099,343	9,996,000	
Urbandale/Windsor Heights Sanitary Sewer	285,129,807	200,000	
Total other		<u>10,196,000</u>	
Total overlapping debt			<u>529,205,036</u>
Total direct and overlapping debt			<u>\$ 554,384,406</u>

NOTE: Fiscal year 2001 is matched to 1999 assessment year

POLK COUNTY, IOWA

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	(a) Estimated Population	(a) Per Capita Income	(b) Median Age	Unemployment Statistics (c)			
				Polk County		State of Iowa	United States
				Labor Force	Rate		
1992	327,140	\$ 20,239	32.4	202,900	3.8%	4.6%	6.7%
1993	327,140	20,239	32.4	208,500	4.0%	4.6%	7.4%
1994	327,140	20,239	32.4	207,300	3.5%	4.0%	6.8%
1995	327,140	20,239	32.4	208,600	3.0%	3.7%	6.1%
1996	349,560	25,946	34.3	209,400	3.0%	3.5%	5.6%
1997	354,150	27,160	34.6	215,200	2.9%	3.8%	5.4%
1998	354,150	22,546	35.0	210,700	2.7%	3.3%	4.9%
1999	359,826	27,403	35.2	212,500	2.2%	2.8%	4.5%
2000	364,672	29,527	35.5	210,700	1.9%	2.5%	4.2%
2001	374,601	31,118	34.6	212,900	2.0%	2.6%	4.0%

(a) Source: Greater Des Moines Chamber of Commerce Federation (Per the Greater Des Moines Area Profile).

(b) Source: Greater Des Moines Chamber of Commerce Federation.

(c) Source: Iowa Department of Employment Services.

POLK COUNTY, IOWA

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS**

Calendar Year	Assessed Valuation	Construction (a)				(b) Commercial Bank Deposits
		Residential		Commercial and Industrial		
		Number of Permits	Value	Number of Permits	Value	
1991	\$ 8,467,079,869	1,772	\$ 163,734,066	251	\$ 115,651,711	\$ 5,170,000,000
1992	8,664,764,873	2,494	237,296,594	339	106,763,385	3,733,100,000
1993	8,942,176,395	1,996	249,481,434	394	52,137,524	6,062,000,000
1994	9,262,958,116	1,839	270,905,349	599	105,836,241	3,672,633,000
1995	9,517,224,807	1,849	266,671,340	560	148,972,513	3,907,328,000
1996	9,979,408,610	2,013	280,891,698	618	132,751,755	3,935,252,000
1997	10,381,674,251	1,714	238,960,136	645	174,692,565	5,656,126,000
1998	10,933,555,088	2,399	322,647,562	339	250,531,312	4,923,229,000
1999	10,888,407,669	2,390	334,661,868	293	202,902,200	4,893,948,000
2000	11,361,678,924	2,171	287,865,372	352	182,787,127	5,114,000,000

(a) Source: Various governmental building departments (Altoona, Ankeny, Clive, Des Moines, Johnston, Pleasant Hill, Urbandale, West Des Moines, and unincorporated Polk County.)

(b) Source: Iowa Department of Commerce - Banking Division.

POLK COUNTY, IOWA

**TEN LARGEST TAXPAYERS
1999 TAXABLE VALUATION**

Name	Description of Property	Taxable Valuation	Percentage of Total Valuation
Principal Life Insurance Co.	Commercial	\$ 227,220,403	2.1%
Valley West Mall	Commercial	991,904,500	9.1%
R & R Investors	Commercial	86,417,470	0.8%
Knapp, William	Commercial	70,737,690	0.7%
Polk County	Commercial	63,857,000	0.6%
Mercy Hospital Medical Center	Commercial	63,116,670	0.6%
Mid America Investments	Commercial	62,227,370	0.6%
Ruan Inc.	Commercial	57,509,589	0.5%
Merle Hay Mall	Commercial	54,109,800	0.5%
Pioneer Hi-Bred	Commercial	53,985,218	0.5%
Total assessed valuation of ten principal taxpayers		1,731,085,710	15.9%
Total assessed valuation of other taxpayers		9,157,321,959	84.1%
Total 1999 assessed valuation for taxes due in 2000/2001		\$ <u>10,888,407,669</u>	<u>100.0%</u>

POLK COUNTY, IOWA

MISCELLANEOUS STATISTICAL DATA

Year of Incorporation:	1846
County Seat:	Des Moines
Land Area:	594 Square Miles
Number of Municipalities:	18

TEN LARGEST EMPLOYERS

Name	Business
Principal Life Insurance Co.	Insurance and Financial Services
Des Moines Public Schools	Education
Central Iowa Hospital Corp.	Health Care
Mercy Hospital Medical Center	Health Care
Hy-Vee Food Stores	Retail Food Chain
Minneapolis Postal Service Center	U.S. Postal Service
City of Des Moines	Government
Wal-Mart Inc.	Retail
United Parcel Service	Air Freight
Nationwide Inc.	Insurance

Source: Greater Des Moines Chamber of Commerce Federation Area Profile.

ELECTIONS:

Last general election: (as of November 7, 2000)	
Registered voters	259,623
Votes cast	175,555
Percent	67.62%
Last municipal election: (as of November 2, 1999)	
Registered voters	228,023
Votes cast	54,647
Percent	23.97%

COUNTY EMPLOYEES

Number of full-time employees	1,178
Number of part-time employees	38
Number of seasonal employees (summer help)	135

(Continued)

POLK COUNTY, IOWA

MISCELLANEOUS STATISTICAL DATA

COUNTY SERVICES

Public Safety:	
Number of officers	267
Number of civilian personnel	75
Human Services:	
Number of employees	198
Roads and Engineering:	
Number of employees	78
Administration:	
Number of employees	172

HOSPITALS

Number of hospitals	8
Number of acute care beds	2,220

Source: Greater Des Moines Chamber of Commerce Federation

LEISURE FACILITIES

Area parks	75
Country clubs	10
Golf courses	17
Tennis courts	87
Swimming pools	16
YMCA's	7
YWCA's	1

Other recreational activities and attractions in the area: Iowa Cubs AAA Baseball; Big Twelve Conference basketball, football and wrestling; Missouri Valley Conference basketball; Des Moines Dragons Basketball, Drake Relays; Des Moines Buccaneers ice hockey; water recreation at Gray's Lake, Saylorville Reservoir, Maffitt Reservoir and Des Moines River; Iowa high school basketball, wrestling and track championships; Iowa State Fair; Prairie Meadows Racetrack/Casino; Blank Park Zoo; Adventureland Theme Park; Living History Farms.

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POLK COUNTY, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001

Grantor/Program	CFDA Number	Contract Number	Total Federal Expenditures For Fiscal Year 2001
OFFICE OF NATIONAL DRUG CONTROL POLICY			
Direct Program - Iowa Enforcement Initiative (HIDTA) Grant	07.Unknown	I0PMWP558	\$ 34,809
Direct Program - Iowa Enforcement Initiative (HIDTA) Grant	07.Unknown	I1PMWP558	31,654
			<u>66,463</u>
DEPARTMENT OF AGRICULTURE			
Direct Program - Commodity Supplemental Food Distribution	10.565	N/A	758,004
Direct Program-Restoration & Seeding Wetlands-Chichaqua Bottoms	10.072	65-6114-6-5XX	207,293
Passed through Iowa Department of Human Services:			
Commodity Supplemental Food Program	10.565	N/A	54,184
Commodity Supplemental Food Program	10.565	N/A	174,174
Passed through Iowa Department of Education:			
Child Care Food Program	10.558	77-8050	338,806
Child Care Food Program	10.558	77-8050	929,735
National School Breakfast Program	10.553	77-8810	17,662
National School Lunch Program	10.555	77-8810	26,824
Passed through Aging Resource of Central Iowa			
Title IIIC-1 - Nutrition	10.570	N/A	65,058
Total Department of Agriculture			<u>2,571,740</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Iowa Department of Economic Development			
CDBG: Housing Rehabilitation	14.228	99-HSG-046	72,471
CDBG: Career Link Program	14.228	99-CRL-002	92,833
CDBG: Emergency Generator Grant	14.228	98-DF-015	58,620
Emergency Shelter Grant Program	14.231	99-HES-003	25,250
Passed through City of Des Moines:			
Polk Co. Human Service Planning Alliance-Day Care	(b) 14.218	N/A	85,944
Polk Co. Human Service Planning Alliance-Day Care	(b) 14.218	N/A	60,109
Total Department of Housing and Urban Development			<u>395,227</u>
DEPARTMENT OF JUSTICE			
Direct Program - Local Law Enforcement Block Grant	16.592	99LBVX8709	15,610
Direct Program - State Criminal Alien Assistance Program	16.606	2000-F082-IA-AP	70,041
Direct Program - LLEBG Bullet Proof Vests	16.607	N/A	8,400
Direct Program - LLEBG Bullet Proof Vests	16.607	N/A	7,197
Direct Program - COPS MORE 98 (MDC)	16.710	99CMWX2772	1,033,347
Direct Program - COPS/Universal Hiring (Grimes)	16.710	99UMWX3135	70,581
Direct Program - COPS 1999 Technology Initiative/INS VTC Project	16.710	99CKWX0223	31,583
Passed through Iowa Department of Human Rights:			
Juvenile Drug Court	16.523	DC-S01-1	35,636
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	JAB-99-45	51,295
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	DCAT 2001-344	5,400
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	JAB-00-45	26,577
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	JJ-FY01-01	5,350
Juvenile Justice Youth Development Grant Funds	16.523	JJYD-S01-34	787
Passed through Iowa Department of Justice:			
Victims of Crime Act (VOCA)	16.575	VA-01-033	96,697
Passed through Governor's Alliance of Substance Abuse			
Drug Control Grant	16.579	00A-0281	297,233
Total Department of Justice			<u>1,755,734</u>
DEPARTMENT OF TRANSPORTATION			
Passed through Iowa Department of Public Defense:			
2000 HMEP - Planning	20.703	N/A	1,508
2001 HMEP - Planning	20.703	N/A	167
2000 HMEP - Training	20.703	N/A	4,844
2001 HMEP - Training	20.703	N/A	1,700
Total Department of Transportation			<u>8,219</u>
ENVIRONMENTAL PROTECTION AGENCY			
Passed through Iowa Department of Natural Resources			
Air Pollution Control Implementation Plan Agreement	66.001	2001-7230-02	212,388
Drinking Water State Revolving Fund Program	(c) 66.468	FS-77-98-DWSRF-032	647,373
Total Environmental Protection Agency			<u>859,761</u>

POLK COUNTY, IOWA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001**

Grantor/Program	CFDA Number	Contract Number	Total Federal Expenditures For Fiscal Year 2001
DEPARTMENT OF ENERGY			
Passed through Iowa Department of Human Rights:			
Low Income Home Energy Assistance	81.042	DOE-00-20S	\$ 59,824
Low Income Home Energy Assistance	81.042	DOE-01-20S	50,110
Weatherization Conservation Oil Overcharge	81.042	O/C-01-20S	17,866
Total Department of Energy			<u>127,800</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY			
Passed through Iowa Department of Public Defense:			
Federal Emergency Management Agency	83.534	N/A	396
Federal Emergency Management Agency	83.552	N/A	26,389
2000 SARA - Training	83.552	N/A	9,883
Iowa Hazard Mitigation Grant Program	83.548	996-0231	17,762
Passed through United Way:			
FEMA	83.523	Phase XIX	17,400
Total Federal Emergency Management Agency			<u>71,830</u>
DEPARTMENT OF EDUCATION			
Passed through Iowa Department of Education and DMACC:			
Project Self Sufficiency	84.048	N/A	67,729
Total Department of Education			<u>67,729</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Aging Resource of Central Iowa			
Title IIIB - Transportation	93.044	N/A	122,000
Title IIIB - Well Elderly Clinic	93.044	N/A	10,000
Title III - Elderly Services Chore	93.044	N/A	5,000
Title IIIB - Advocacy/Counseling	93.044	N/A	18,561
Title IIIC-1 - Nutrition	93.045	N/A	216,500
Passed through Iowa Department of Human Services:			
Projects for Assistance in Transition from Homelessness (PATH)	(a) 93.150	01-444-401-6890-2464-04	102,938
Family Development and Self Sufficiency	93.558	FADSS-01-20-FS	432,159
Early Childhood Funding	(b) 93.558	N/A	961,923
Home Energy Assistance Program	93.568	HEAP-01-20S	121,386
Home Energy Assistance Program	93.568	HEAP-02-20S	32,265
Child Care Resource and Referral (SDA)	93.575	ACFS-00-031	529,150
Juvenile Justice Summer Law Intern	93.643	N/A	2,310
Juvenile Justice Summer Law Intern	93.643	N/A	1,285
Local Purchase Allocation MH Block Grant	93.667	N/A	1,401,096
Passed through Iowa Department of Public Health:			
Tuberculosis Elimination	93.116	5880TB02	9,764
Childhood Lead Poisoning	93.197	5881LP29	3,527
Iowa Breast and Cervical Cancer Early Detection Program	93.919	5880NB15	17,360
Iowa Breast and Cervical Cancer Early Detection Program	93.919	5881NB18	69,660
HIV Testing and Counseling	93.940	5880AP13	45,043
AIDS Preventative Health	93.991	5880AS10	671
AIDS Preventative Health	93.991	5881AS10	2,345
Passed through HSPA/Empowerment Board:			
Quality Child Care Initiative	93.558	N/A	128,150
Single Point of Entry	93.558	N/A	65,881
Total Department of Health and Human Services			<u>4,298,974</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 10,223,477</u>

(a) Represents Polk County Health Services grant awards
(b) Represents Polk County Human Services Planning Alliance grant awards
(c) Represents a loan to Polk County and is considered a non-cash award
See notes to schedule of expenditures of federal awards

POLK COUNTY, IOWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2001

1. BASIS OF ACCOUNTING

The schedule of expenditures of federal awards is not prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources.

2. REPORTING ENTITY

The County, for purposes of the schedule of expenditures of federal awards, includes all the funds of the primary government and its component unit.

3. PASS-THROUGH AWARDS

The County receives certain federal awards from pass-through awards from other entities. The amounts received are commingled by the other entities and cannot be separately identified.

The total amount of such pass-through awards is included on the schedule of expenditures of federal awards.

4. NON-CASH AWARDS

The Commodity Supplemental Food Distribution Program - CFDA #10.565 does not involve cash awards. This award is received in donated commodities. The value of commodities distributed during the fiscal year ended June 30, 2001 was \$758,004. At June 30, 2001, the County had commodities on hand with a value of \$409,000.

5. COMPONENT UNIT AWARDS

The schedule of expenditures of federal awards includes awards obtained by Polk County Health Services, Inc., a component unit of Polk County.

6. POLK COUNTY HUMAN SERVICE PLANNING ALLIANCE

Effective April 1, 1999, the County entered into an agreement with the Polk County Human Services Planning Alliance (Planning Alliance) to become its fiscal agent. The Planning Alliance designated the County to act as the fiscal agent for grant moneys and other moneys administered by the Planning Alliance. This agreement indicates that the grant funds of the Planning Alliance will be subject to audit in the same manner and to the same extent as County funds and in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

Included in the Schedule of Expenditures of Federal Awards, the County reflects expenditures under two awards obtained by the Planning Alliance. These are:

The Polk County Human Service Planning Alliance - Day Care	CFDA 14.218	\$146,053
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Passed through Iowa Department of Human Services: Early Childhood Funding	CFDA 93.558	\$961,923
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In addition to the awards above, the County is a subrecipient of the Planning Alliance. Of the \$961,923 expended by the Planning Alliance under the Early Childhood Funding Program, \$303,500 was passed through to Polk County. Of this amount, the County has expended \$194,031 as of June 30, 2001, which is also reflected on the Schedule of Expenditures of Federal Awards.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Supervisors
Polk County, Iowa

We have audited the financial statements of Polk County, Iowa (County) as of and for the year ended June 30, 2001, and have issued our report thereon dated December 14, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 11 of the Code of Iowa.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, 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 tests 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 the County'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 over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the County in a separate letter dated December 14, 2001.

This report is intended for the information of the elected officials and management of Polk County, Iowa and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Perkins & Trench LLP

Des Moines, Iowa
December 14, 2001

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL
CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL
AWARD PROGRAM**

Board of Supervisors
Polk County, Iowa

Compliance

We have audited the compliance of Polk County, Iowa (County) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance 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; Chapter 11 of the Code of Iowa; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, Chapter 11 of the Code of Iowa and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the elected officials and management of Polk County, Iowa, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

Des Moines, Iowa
December 14, 2001

POLK COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2001

Part I - Summary of Auditors' Results

1. The independent auditors' report on the financial statements expressed an unqualified opinion.
2. No reportable conditions in internal control over financial reporting were required to be reported.
3. No instance of noncompliance considered material to the general purpose financial statements was disclosed by the audit.
4. No reportable conditions in internal control over compliance with requirements applicable to major federal programs were required to be reported.
5. The independent auditors' report on compliance with requirements applicable to major federal programs expressed an unqualified opinion.
6. The audit disclosed no findings required to be reported by OMB Circular A-133.

7. The County's major programs were:

Child Care Food Program	CFDA 10.558	<u>\$1,268,541</u>
Drinking Water State Revolving Fund Program	CFDA 66.468	<u>\$ 647,373</u>
Community Policing Grants:		
COPS MORE 98 (MDC)	CFDA 16.710	\$1,033,347
COP/Universal Hiring (Grimes)	CFDA 16.710	70,581
COPS 1999 Technology Initiative/ INS VTC Project	CFDA 16.710	<u>31,583</u>
		<u>\$1,135,511</u>

8. A threshold of \$306,704 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.
9. The County did qualify as a low-risk auditee as that term is defined in OMB Circular A-133.

(Continued)

POLK COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2001

Part II - Financial Statement Findings Section

None

Part III - Federal Award Findings and Questioned Cost Section

None

Part IV - Other Findings Related to Required Statutory Reporting

1. **Official Depositories** - A resolution naming official depositories has been adopted by the Board of Supervisors. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2001.
2. **Certified Budget** - Disbursements during the year ended June 30, 2001 did not exceed the amounts budgeted.
3. **Questionable Expenditures** - We noted no expenditures for parties, banquets or other entertainment for employees during the year ended June 30, 2001, that we believe may constitute an unlawful expenditure from public funds as defined in an Attorney General's opinion dated April 25, 1979.
4. **Travel Expense** - No expenditures of County money for travel expenses of spouses of County officials or employees were noted for the year ended June 30, 2001.
5. **Business Transactions** - No business transactions between the County and County officials or employees were noted for the year ended June 30, 2001.
6. **Bond Coverage** - Surety bond coverage of County officials and employees is in accordance with statutory provisions.
7. **Board Minutes** - No transactions were found that we believe should have been approved in the Board minutes but were not.
8. **Deposits and Investments** - The County has an approved investment policy. Income earned is included under the use of money and property line item in the general purpose financial statements. All of the County's investments earned interest at rates at or above the minimum rate of interest set by the State Rate Setting Committee.
9. **Resource Enhancement and Protection Certification** - The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

(Continued)

POLK COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2001

10. **County Extension Office** - The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This office is administered by an extension council separate and distinct from County operations and, consequently, is not included in the general purpose financial statements. The following schedule is presented to show the disposition of County funds paid to the County Extension Office:

Receipts:		
Allocation from County	\$ 378,098	
Interest/receipts from other sources	<u>276,026</u>	\$ 654,124
Disbursements:		
Salaries	235,623	
FICA, IPERS, and insurance benefits	39,365	
Travel	4,990	
Facility costs	132,103	
Insurance, legal notice, bond, interest	4,316	
Office supplies	13,950	
Communication	9,918	
Equipment and repair	27,157	
Project activity expenses	8,244	
Miscellaneous	1,481	
Fee program expenses	94,739	
Grant and contract programs	<u>129,497</u>	<u>701,383</u>
Excess of receipts over disbursements		(47,259)
Cash balance at beginning of year		<u>147,860</u>
Cash balance at end of year		<u>\$ 100,601</u>

Total expenditures during the year ended June 30, 2001, for the County Extension Office did not exceed the total amount budgeted. However, on an individual line item basis the following items were identified:

	Actual	Budget
Salaries	\$ 235,623	\$ 228,815
FICA, IPERS, and insurance benefits	39,365	34,078
Facility costs	132,103	122,472
Insurance, legal notice, bond, interest	4,316	3,900

Per the Code of Iowa, Section 176A.14, Section 5, "The treasurer of the extension council, within ten days after being elected and before entering upon the duties of the office, shall execute to the extension council a corporate surety bond for an amount not less than \$20,000. The bond shall be continued until the treasurer faithfully discharges the duties of the office. The bond shall be filed with the county auditor of the county of the extension district."

(continued)

In January of 2001, the newly elected treasurer of the extension council was denied bonding by the County Extension Office insurance company. The County Extension Office obtained a position bond on March 8, 2001, which covers the positions of Treasurer for \$70,000 and Chairman of the Council for \$10,000.

The County Extension Office should check with legal counsel to ensure that the position bond is appropriate and that all statutory requirements are complied with.

11. **Joint Disaster Services Office** - The Joint Disaster Services Office serves as the Emergency Management Services Agency for Polk County. The office is under the control of a separate Polk County Emergency Management Board, and is reported as an agency fund in the County's general purpose financial statements. The disbursements for the Joint Disaster Services Office during the year ended June 30, 2001 did not exceed the amounts budgeted.

(Concluded)

POLK COUNTY, IOWA

COMPARISON OF TAXES AND INTERGOVERNMENTAL REVENUES

	1999	2000	2001
Taxes:			
Property taxes	\$ 68,016,178	\$ 71,248,333	\$ 70,565,548
Other County taxes	1,311,902	1,368,612	4,509,363
Total taxes	69,328,080	72,616,945	75,074,911
Intergovernmental:			
Franchise tax (bank franchise/liquor licenses)	393,509	398,302	356,649
Road use tax allocation	3,653,969	4,311,702	4,249,889
State grants and reimbursements	17,029,550	18,658,217	19,149,660
State tax replacement credits against levied taxes	2,984,839	3,056,293	3,096,400
State tax replacement credits other than against levied taxes	2,023,435	2,369,313	2,353,681
Federal grants and entitlements	8,318,794	7,829,646	9,599,601
Contributions and reimbursements from other governmental units	9,416,811	8,613,786	9,263,598
Payments in lieu of taxes	31,393	31,945	22,645
Total intergovernmental	43,852,300	45,269,204	48,092,123
Total	\$ 113,180,380	\$ 117,886,149	\$ 123,167,034

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