



Comprehensive Annual Financial Report

County of Tulare
State of California

**For the Fiscal Year
Ended June 30, 2003**

COUNTY OF TULARE STATE OF CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2003

Prepared for the Board of Supervisors By

**JIMMY R. ALLEN
County Auditor-Controller**

**Under the Direction of:
Carol Pightling, CPA, Chief Accountant**

**COUNTY OF TULARE
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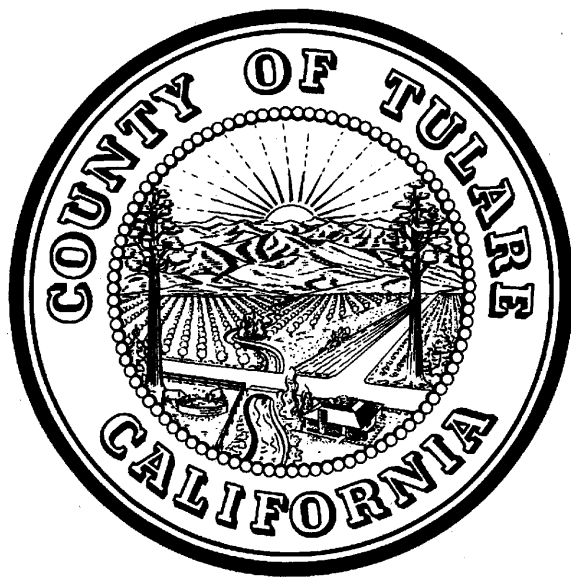
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INTRODUCTORY SECTION

AUDITOR/CONTROLLER

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COUNTY OF TULARE

JIMMY R. ALLEN
Auditor-Controller
(559) 733-6345

JERRY T. MESSINGER
Assistant Auditor-Controller
(559) 733-6345

October 31, 2003

The Honorable Board of Supervisors
The County of Tulare
Administration Building
Visalia, California 93291-4582

Dear Board Members:

The comprehensive annual financial report for the County of Tulare for the year ended June 30, 2003, is hereby submitted in accordance with Section 25253 of the Government Code of the State of California. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and changes in financial position of the various funds and component units of the County of Tulare. All disclosures necessary for an understanding of the County's financial activities have been included. Dollar amounts are expressed in thousands unless otherwise noted.

The comprehensive annual financial report is presented in three sections: Introductory, Financial and Statistical. The Introductory section, which is unaudited, includes this letter of transmittal, an organizational chart, a list of the County of Tulare's principal elected and appointed officials and a reproduction of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. The Financial section includes the unqualified opinion of our independent auditors, management's discussion and analysis, basic financial statements with accompanying notes, and the supplementary information consisting of the combining and individual fund financial statements and schedules. The Statistical section, which is unaudited, includes relevant financial and demographic information depicting the County's historical trends and other significant facts.

This comprehensive annual financial report has been prepared by the Department of the Auditor-Controller in accordance with generally accepted accounting principles (GAAP), as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) through November 30, 1989. Responsibility for the accuracy of the data including all disclosures rests with the County. To provide a reasonable basis for making these representations, management of the County of Tulare has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County of Tulare's financial statements

in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County of Tulare's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe that the data as presented is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of the various funds, and that all disclosures necessary to enable the reader to gain a full understanding of the County's financial affairs have been included.

The financial reporting entity includes all of the funds of the County of Tulare, as well as its component units, including the Tulare County Redevelopment Agency, Terra Bella Sewer Maintenance District, Tulare County Flood Control District, the Tulare County Public Facilities Corporation, Tulare County Public Financing Authority, Tulare County In-Home Supportive Services Public Authority, and First 5 Tulare County. Component units are legally separate entities for which the County is financially accountable.

The County provides a full range of services including police and fire protection; health and sanitation service; social services; the construction and maintenance of highways, streets and infrastructures; recreational activities and cultural events.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Tulare's MD&A can be found immediately following the report of the independent auditor.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

The County of Tulare is a general law county created by the State Legislature in 1852. The County is located in the San Joaquin Valley and the Sierra Nevada provides its eastern boundary line. The County ranks seventh among California counties in land area. The City of Visalia is the County seat with a population of approximately 96,800. The County has a population of approximately 368,025 residents with nearly three million acres under cultivation.

The County is the number one producer of dairy products in the United States, and the nation's second highest-ranking county with regard to total agriculture and livestock production. The climate of the County is such that outstanding citrus crops are produced in great quantity. Among these crops, oranges are the most prominent, with large acreage also devoted to lemons. Thousands of acres of grapes are high on the list for cash income. Table grapes grown here are shipped worldwide, while other grapes are processed for wine making and raisins. The County is also famous for its olives, walnuts, plums, peaches and nectarines, which account for hundreds of millions of dollars in farm income each year. California produces 95 percent of the nation's olives, one-half of which are grown and packaged in the County. The southern San Joaquin Valley has always been famous for the premium long staple cotton, which accounts for more than \$46 million of the agricultural income within the County. The beef industry is also an important component of the County's economy as are turkey and hog production. The County's geographical location presents easy access to markets around the world for all commodities produced.

MAJOR INITIATIVES

For the year. The Board of Supervisors' commitment to effectively serving the residents of Tulare County is demonstrated by the following:

Comprehensive review of the County's General Plan is underway.

Telecommunications improvement projects are underway.

New budget system was developed, implemented, and enhanced on the County intranet.

Maintained an aggressive program to protect grape crops by containing the glassy-winged sharpshooter.

Strengthened commitment to County unincorporated communities by focusing on improved housing, job opportunities, and economic growth.

Improved employee training at all levels of County government to ensure better service to the people of Tulare County. Minimized costs and needless bureaucracy in serving the public and businesses.

For the Future. The Board of Supervisors' continues to prioritize programs to effectively serve the needs of the residents of Tulare County, and the following projects are a demonstration of that commitment:

Restoration of the old Visalia library into a children's library.

Continue the process for a comprehensive review of the County's General Plan.

Implementation of a multi-year capital improvement program.

Continue planning efforts with the state and federal governments to expand Terminus and Success dams in order to provide additional flood protection to the residents of the County.

Continuation of an \$11 million capital project for energy efficiency improvements, which are expected to save approximately \$1 million in, avoided energy costs annually over the long term.

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 adequate accounting data are compiled to allow for the preparation of basic 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: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments of management.

As a recipient of federal, state and local financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the County.

As part of the County's single audit, tests were made of the County's internal control structure and of its compliance with applicable laws and regulations, including those related to federal award programs. Although this testing was not sufficient to support an opinion on the County's internal control system or its compliance with laws and regulations related to non-major federal financial assistance programs, the audit for the year ended June 30, 2003, disclosed no material internal control weaknesses or material violations of laws and regulations.

In addition, the County maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors. Activities of the general fund, special revenue funds, debt service funds, and capital projects funds are included in the annual appropriated budget. The legal level of budgetary control (that is, the level which cannot be exceeded without action by the Board of Supervisors) is the fund level, with the exception of the General Fund in which the legal level of control is the department level. The Administrative Officer may approve transfers of appropriations between expenditure appropriation classifications, within the same budget unit.

The County utilizes an automated accounting system (Advantage Financial) maintained on the County's mainframe computer. The system allows us to restrict each department's expenditures to the amount of the budgeted appropriation. Changes in budget appropriation must be approved by the Board as a transfer from Contingency reserve, transfer from another budget unit, or as an appropriation of unanticipated or over realized revenue. Any unencumbered appropriation balances remaining at the end of the fiscal year automatically lapse except by approval of the County Administrative Officer (CAO). The fund balances along with projected revenues become available for appropriation in the following year.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

EMPLOYEES' RETIREMENT PLAN

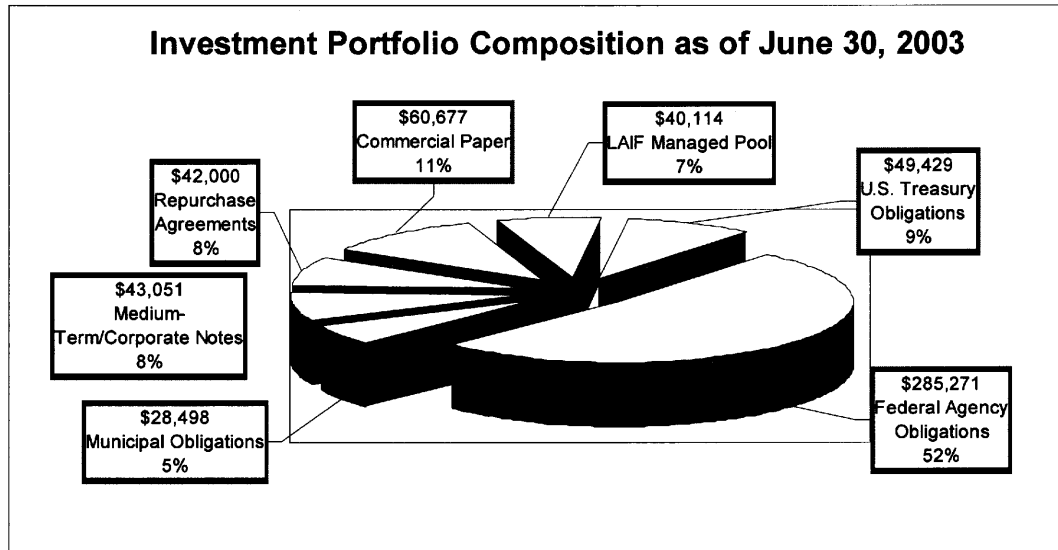
County employees' retirement is provided by the Tulare County Employees' Retirement Association which was established July 1, 1945, pursuant to the provisions of the County Employee Retirement Law of 1937. Substantially all employees are covered by this contributory plan. The independently elected Board consists of nine people who represent a cross section of County employees, both working and retired. The Retirement Association is not considered a component unit of the County of Tulare because membership includes entities which are not part of the County.

Contributions are made to the Employees' Retirement Association by both the County and members on amounts recommended by the actuary. Five years of service is needed for a partial vested interest and ten years of membership and a minimum age of 50 is required for full vesting.

The Board adopted a two-tier retirement plan in 1980 and added a third tier in January 1990 pursuant to Internal Revenue Code Section 415. Employees covered under plans Tier 2 and 3 will receive reduced retirement benefits. With the passage of time, this will represent a significant reduction in cost for Tulare County. A complete financial report is available from the Association.

CASH MANAGEMENT

The County investment policy's primary goal is the Safety and preservation of capital. The second goal is the continual maintenance of Liquidity (or always having the ability to convert sufficient securities to cash to cover the cash flow needs of the County and all its investing agencies, and to meet any contingency needs). The third goal is Yield (or to earn a reasonable rate of return representative of current market conditions and the present phase of the market cycle, while remaining in compliance with all State laws and the Treasurer's formal investment policy).



Over 85.0% of the investments held by the County during the year ended June 30, 2003 are classified in the category of lowest custodial credit risk as defined by the Governmental Accounting Standards Board. Remaining investments were held in the County's name either by the counterparty financial institution's trust department or by a Securities and Exchange Commission-registered brokerage firm. The earned yield (net of treasurer's fees) for the County of Tulare for fiscal year 2002/03 was 3.01%.

RISK MANAGEMENT

The County transitioned from a self-insured program in November 1993 to contracting with multiple HMO's (Health Maintenance Organizations) to provide medical coverage for County employees and retirees.

The County converted from a self-insured program in November 1996 for Workers' Compensation. All losses prior to November 10, 1996 were assumed by an insurer in a loss portfolio transfer with a \$12.5 million limit of liability. Since that time the County has maintained a full statutory insured policy for Workers' Compensation. The County remained self-insured for general liability in fiscal year 2002/03 with a \$1 million self-insured retention. Excess limits, which had been maintained at \$10 million, were increased in January 2003 to \$25 million. As of June 30, 2003, the County's general liability fund has set aside \$5,460. A dividend allowance of \$1,250 was provided to County departments based on the February 2003 Actuarial report.

Aviation liability, including airport operations, and hull coverage is provided on a fully insured basis with a deductible of \$10.

Other coverage for property, medical malpractice and employee dishonesty are provided under pooled insurance programs. Each program carries a deductible or SIR of \$10 or \$25 (Crime Bond).

INDEPENDENT AUDIT

The financial records and transactions of the County and its blended component units for the fiscal year ended June 30, 2003, have been audited by Macias, Gini & Company LLP, a firm of certified public accountants, and their opinion is included in the Financial section of this report.

In addition, the County of Tulare is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996, and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to the single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal control and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Tulare for its comprehensive annual financial report for the fiscal year ended June 30, 2002. This was the seventh consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The 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.

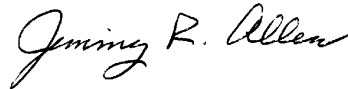
ACKNOWLEDGMENT

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Auditor-Controller's Office, as well as the efforts and input of every department of the County. Each participating member has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

A handwritten signature in black ink, reading "Janet Hogan". The signature is fluid and cursive, with the first name "Janet" and last name "Hogan" clearly distinguishable.

JANET HOGAN
County Administrative Officer

A handwritten signature in black ink, reading "Jimmy R. Allen". The signature is cursive, with "Jimmy" and "R." written in a smaller, more compact style than "Allen".

JIMMY R. ALLEN
Auditor-Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Tulare,
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2002

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.



A handwritten signature in cursive script, reading "Edward Henry".

President

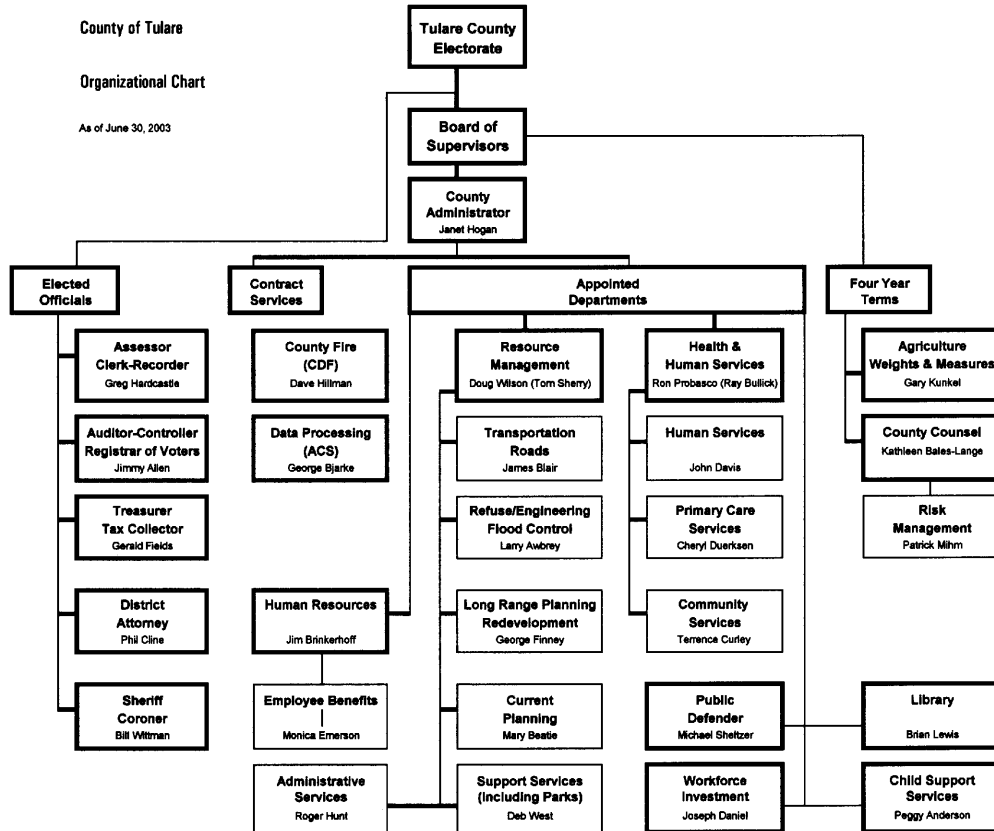
A handwritten signature in cursive script, reading "Jeffrey R. Emery".

Executive Director

County of Tulare

Organizational Chart

As of June 30, 2003



COUNTY OF TULARE
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2003

<u>DEPARTMENT</u>	<u>OFFICIALS</u>	<u>POSITIONS</u>
Agricultural Commissioner	Gary Kunkel	53
* Assessor/Clerk-Recorder	Gregory B. Hardcastle	79
* Auditor-Controller Elections Purchasing	Jimmy R. Allen	37
Board of Supervisors		7
** District No. 1	William Sanders	
** District No. 2	Connie Conway	
** District No. 3	Lali Moheno	
** District No. 4	J. Steven Worthley	
** District No. 5	James E. Maples, Chairman	
Child Support Services	Peggy Anderson	316
Cooperative Extension	Jim Sullins	5
County Administrative Office	Janet Hogan	14
County Counsel Risk Management	Kathleen Bales-Lange	41
* District Attorney Public Administrator	Phillip J. Cline	188
Fire Protection Services	Dave Hillman	23

Footnote:

- Unmarked - Appointed
- * Elective - County at Large
- ** Elective - By District

**COUNTY OF TULARE
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2003**

<u>DEPARTMENT</u>	<u>OFFICIALS</u>	<u>POSITIONS</u>
Health & Human Services Agency	Ronald W. Probasco	1,998
Administrative Services		
Human Services		
Primary Care Services		
Community Services		
Human Resources & Development	Jim Brinkerhoff	19
Library	Brian G. Lewis	32
Probation	Janet M. Honadle	313
Juvenile Detention Facility		
Probation Youth Facility		
Delinquency Prevention & Court Services		
Supervision Services		
Program Planning and Development		
Administrative Services		
Public Defender	Michael Sheltzer	66
Resource Management Agency	Doug Wilson	440
Engineering Services		
Transportation Services		
Long Range Planning		
Support Services		
Administration		
* Sheriff-Coroner	Bill Wittman	654
* Treasurer-Tax Collector	O. Gerald Fields	19
Workforce Investment	Joseph H. Daniel	74
TOTAL ALLOCATED POSITIONS		4,378

Footnote:

- Unmarked - Appointed
- * Elective - County at Large
- ** Elective - By District



FINANCIAL SECTION



Macias, Gini & Company LLP
Certified Public Accountants and
Management Consultants

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To the Board of Supervisors
County of Tulare, California

Independent Auditor's Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Tulare, California (the County), as of and for the fiscal year ended June 30, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the First 5 Tulare County, which represent 100 percent of the assets and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the First 5 Tulare County, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reported dated October 30, 2003 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 15 through 28 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Maciaz Gini & Company LLP

Certified Public Accountants

Fresno, California
October 30, 2003

Management's Discussion and Analysis

As management of the County of Tulare, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County of Tulare for the fiscal year ended June 30, 2003. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

The assets of the County of Tulare exceeded its liabilities at the close of the most recent fiscal year by \$191,144 (*net assets*). Of this amount, \$44,486 (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors.

The County's total net assets, which may serve as a useful indicator of financial position, improved by \$4,565.

As of the close of the current fiscal year, the County of Tulare governmental funds reported combined ending fund balances of \$114,216, an increase of \$1,722 in comparison with the prior year. Approximately \$45,712 is available for spending at the government's discretion (*unreserved fund balance*).

At the end of the current fiscal year, unreserved fund balance for the general fund was \$27,465, or 6.7% of total general fund expenditures.

The County of Tulare's total debt increased by \$2,305 (1.4%) during the current fiscal year.

Overview of Financial Statements

The Comprehensive Annual Financial Report for the County of Tulare consists of three parts - *management's discussion and analysis* (this section), the *basic financial statements*, and an optional section that presents *combining statements and schedules* for nonmajor governmental funds, nonmajor enterprise funds, and internal service funds. This discussion and analysis is intended to serve as an introduction to the County of Tulare's basic financial statements. The County of Tulare's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The two types of financial statements are designed to present two different views of the County.

Government-wide financial statements. The *government-wide financial statements* provide readers with a broad overview of both long-term and short-term information about the County of Tulare's *overall* financial status in a manner similar to a private-sector business. The two government-wide statements report the County's *net assets* and how they have changed. Net assets are one way to measure the County's financial health or position.

The government-wide financial statements of the County are divided into two categories:

Governmental activities - most of the County's basic services are included here, such as fire, public works and general administration, which receive approximately 82.1% of their support from charges for services and operating grants and contributions. Property taxes, sales taxes, and other revenues cover the remaining costs.

Business-type activities - charge fees to users which are intended to recover all or a significant portion of their costs for certain services, such as water and sewer services and solid waste disposal.

The *statement of net assets* presents information on all of the County of Tulare's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of the improvement in the financial position of the County of Tulare.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that are the result of cash flows in prior fiscal periods (e.g., prepayment of retirement contributions) or will result in cash flows in future fiscal periods (e.g., earned-but-unused vacation leave).

The government-wide financial statements include not only the County of Tulare itself (known as the *primary government*), but also seven legally separate organizations for which the elected officials of the County are financially accountable. Financial information for six of these *blended component units* is combined with the financial information presented for the primary government itself. First 5 Tulare County is a *discretely presented component unit*.

The government-wide financial statements can be found in the Basic Financial Statements section following the Management's Discussion and Analysis.

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County of Tulare maintains forty-six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the Tulare County Public Facilities Corporation, and the Tulare County Public Financing Authority, all of which are considered to be major funds. Data from the other forty-three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County of Tulare adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. Similar comparisons for all nonmajor governmental funds are provided in the form of *budget and actual schedules* elsewhere in this report.

The basic governmental fund financial statements can be found following the Government-wide Financial Statements in the Basic Financial Statements section of this report.

Proprietary funds. The County of Tulare maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County of Tulare uses enterprise funds to account for its Solid Waste, Transit, and many sewer and water operations. *Internal service funds* are used to accumulate and allocate costs internally. The County of Tulare uses internal service funds to account for its insurance coverages and two central services. They have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Solid Waste, which is a major fund of the County of Tulare. Data for all nonmajor enterprise funds are combined into a single, aggregated presentation. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, as well. Individual fund data for the nonmajor enterprise funds and the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found in the Fund Financial Statements section of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. They provide information about financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources belong. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County of Tulare's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found in the Fund Financial Statements section of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the Fund Financial Statements in this report.

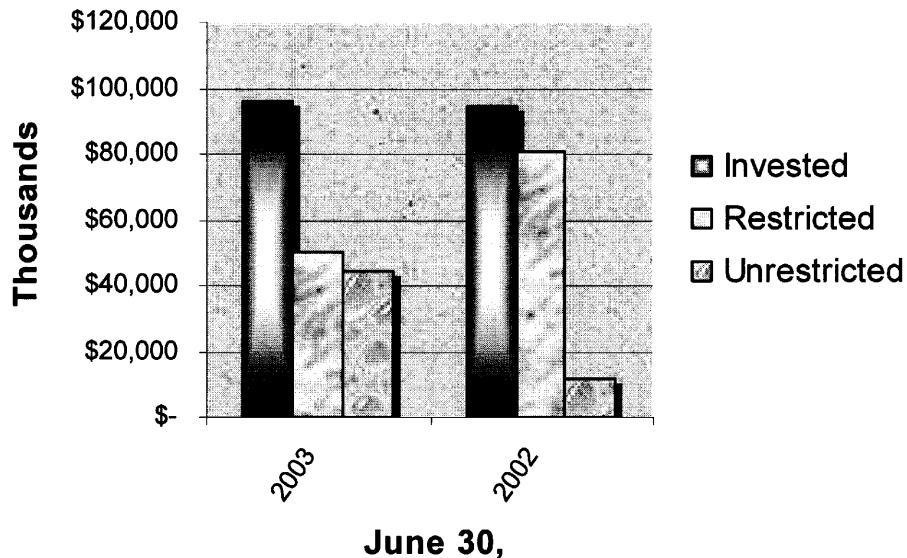
Other information. The combining statements and schedules referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the Notes to the Financial Statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County of Tulare, assets exceeded liabilities by \$191,144 at the close of the most recent fiscal year.

A portion (\$96,121) of the County of Tulare's net assets (50.3%) for the current year, reflects its investment in capital assets (e.g., land, infrastructure, buildings, equipment, and vehicles), less any related, outstanding debt used to acquire those assets. The County of Tulare uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County of Tulare's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Comparison of the Components of Net Assets Government-Wide



An additional portion of the County of Tulare's net assets (\$50,537) represents resources that are subject to external restrictions on how they may be used (*restricted net assets*). The remaining balance of *unrestricted net assets* (\$44,486) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County of Tulare is able to report positive balances in all three categories of net assets for the County as a whole, as well as for its separate governmental and business-type activities

Key elements of the County of Tulare's calculation of net assets for both governmental activities and business-type activities for fiscal year ended June 30, 2003 are as follows:

County of Tulare's Net Assets (amounts expressed in thousands)						
As of June 30,	Governmental Activities		Business-type Activities		Total	
	2003	2002*	2003	2002	2003	2002*
Current and other assets	\$ 233,449	\$ 225,871	\$ 74,404	\$ 72,299	\$ 307,853	\$ 298,170
Capital assets	155,860	160,102	18,032	18,701	173,892	178,803
Total assets	<u>389,309</u>	<u>385,973</u>	<u>92,436</u>	<u>91,000</u>	<u>481,745</u>	<u>476,973</u>
Long-term liabilities outstanding	170,271	170,178	36,935	35,433	207,206	205,611
Other liabilities	82,865	84,070	530	713	83,395	84,783
Total liabilities	<u>253,136</u>	<u>254,248</u>	<u>37,465</u>	<u>36,146</u>	<u>290,601</u>	<u>290,394</u>
Net assets:						
Invested in capital assets, net of related debt	79,735	77,558	16,386	16,998	96,121	94,556
Restricted	45,532	75,598	5,005	5,005	50,537	80,603
Unrestricted	10,906	(21,431)	33,580	32,851	44,486	11,420
Total net assets	<u>\$ 136,173</u>	<u>\$ 131,725</u>	<u>\$ 54,971</u>	<u>\$ 54,854</u>	<u>\$ 191,144</u>	<u>\$ 186,579</u>
* Restated balances. See Note III.D.						

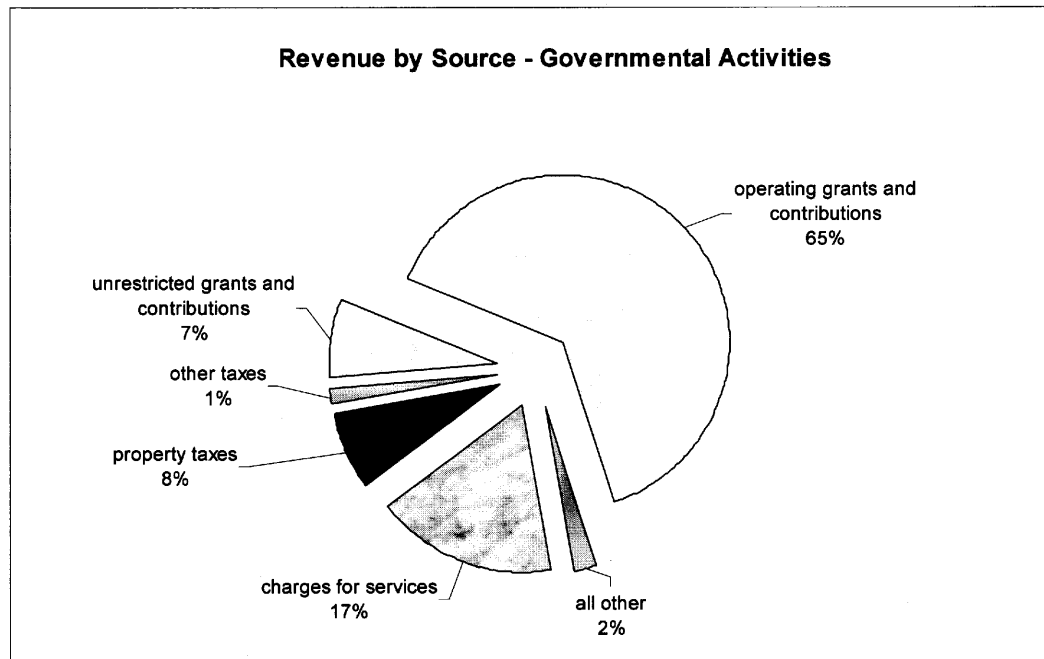
County of Tulare's Changes in Net Assets
(amounts expressed in thousands)

For the fiscal year ended June 30,	Governmental Activities		Business-type Activities		Total	
	2003	2002*	2003	2002	2003	2002*
Revenues:						
Program Revenues:						
Charges for services	\$ 86,685	\$ 71,939	\$ 9,528	\$ 9,144	\$ 96,213	\$ 81,083
Operating grants and contributions	316,850	323,617	135	-	316,985	323,617
General revenues:						
Property taxes	37,394	34,981	22	21	37,416	35,002
Other taxes	6,694	7,231	793	273	7,487	7,504
Grants and contributions not restricted to specific programs	36,829	34,901	-	-	36,829	34,901
Other	10,843	13,165	2,550	3,953	13,393	17,118
Total revenues	<u>495,295</u>	<u>485,834</u>	<u>13,028</u>	<u>13,391</u>	<u>508,323</u>	<u>499,225</u>
Expenses:						
General government	37,409	25,529	-	-	37,409	25,529
Public protection	130,282	132,758	-	-	130,282	132,758
Public ways and facilities	18,699	18,321	-	-	18,699	18,321
Health and sanitation	87,856	82,382	-	-	87,856	82,382
Public assistance	202,308	201,975	-	-	202,308	201,975
Education	3,481	3,380	-	-	3,481	3,380
Culture and recreation	1,839	1,661	-	-	1,839	1,661
Unallocated depreciation	627	571	-	-	627	571
Unallocated interest expense	9,023	9,933	-	-	9,023	9,933
Solid Waste	-	-	10,361	8,980	10,361	8,980
Nonmajor business-type funds	-	-	1,873	1,543	1,873	1,543
Total expenses	<u>491,524</u>	<u>476,510</u>	<u>12,234</u>	<u>10,523</u>	<u>503,758</u>	<u>487,033</u>
Increase in net assets before transfers	<u>3,771</u>	<u>9,324</u>	<u>794</u>	<u>2,868</u>	<u>4,565</u>	<u>12,192</u>
Transfers	<u>677</u>	<u>642</u>	<u>(677)</u>	<u>(642)</u>	<u>-</u>	<u>-</u>
Increase in net assets	<u>4,448</u>	<u>9,966</u>	<u>117</u>	<u>2,226</u>	<u>4,565</u>	<u>12,192</u>
Net assets - July 1	<u>131,725</u>	<u>121,759</u>	<u>54,854</u>	<u>52,628</u>	<u>186,579</u>	<u>174,387</u>
Net assets - June 30	<u>\$ 136,173</u>	<u>\$ 131,725</u>	<u>\$ 54,971</u>	<u>\$ 54,854</u>	<u>\$ 191,144</u>	<u>\$ 186,579</u>

* Restated balances. See Note III D.

The County of Tulare's overall net assets improved by \$4,565 during the current fiscal year. These increases are explained in the governmental and business-type activities discussions below.

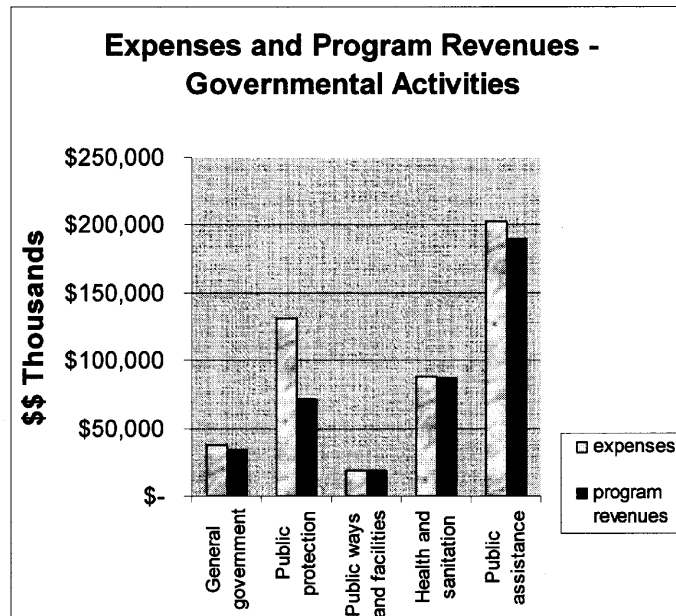
Governmental activities. Governmental activities increased the County of Tulare's current year net assets by \$4,448, accounting for 97.4% of the total growth in the net assets of the County of Tulare, compared to an increase of \$9,966 (81.7 %) for the prior year. Key elements of revenues in governmental activities for the fiscal year ended June 30, 2003 are as follows:



Total revenues for governmental activities increased by \$9,461. Although local charges for services showed a \$14,746 (20%) increase over the prior year (largely due to rate increases), operating grants and contributions for governmental activities decreased by \$6,767 as a result of declining program support from the State level in the area of public assistance.

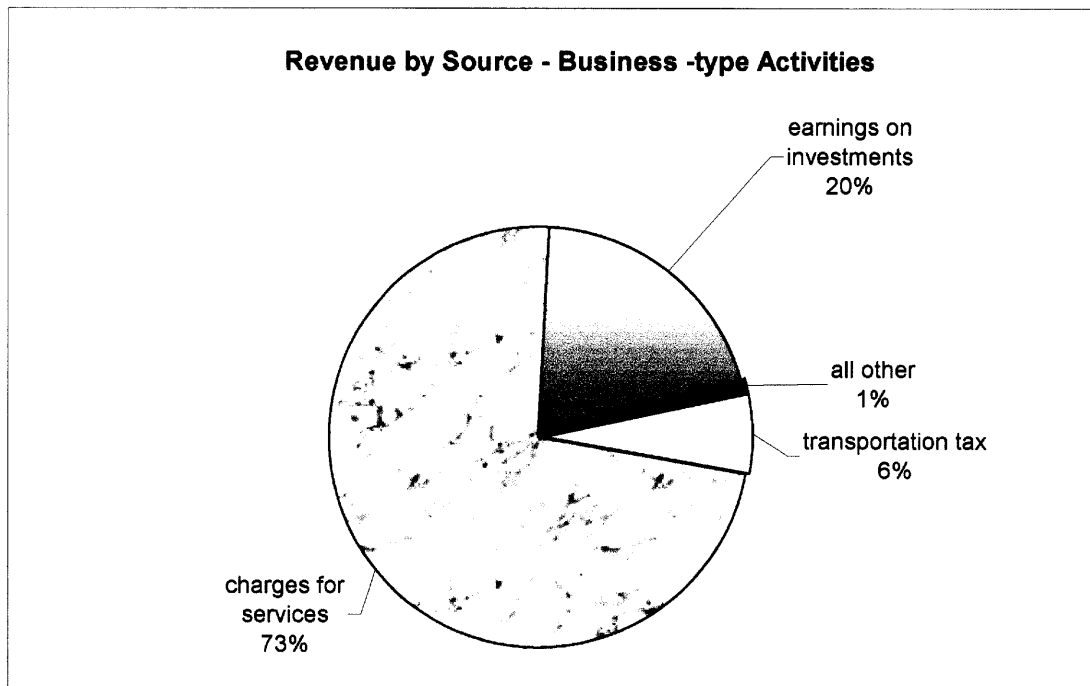
At the same time, governmental activities showed an increase of \$15,014 in overall expenses. Although the County experienced a decrease in the cost of public protection (primarily due to the Sheriff's Department converting a 24-hour-a-day detention facility to a day-only facility), the increased expenses in Health (predominately in community services such as household hazardous waste disposal, dairy inspection, WIC, alcohol & drug education, etc.) more than offset this reduction.

The County also experienced an \$11,880 increase in general government costs due, in great part, to a 33.9% increase in the cost of insurance premiums and the \$4,127 expense for energy management improvements to the County facilities. A comparison of expenses and program revenues for governmental activities for the fiscal year ended June 30, 2003 is as follows: .



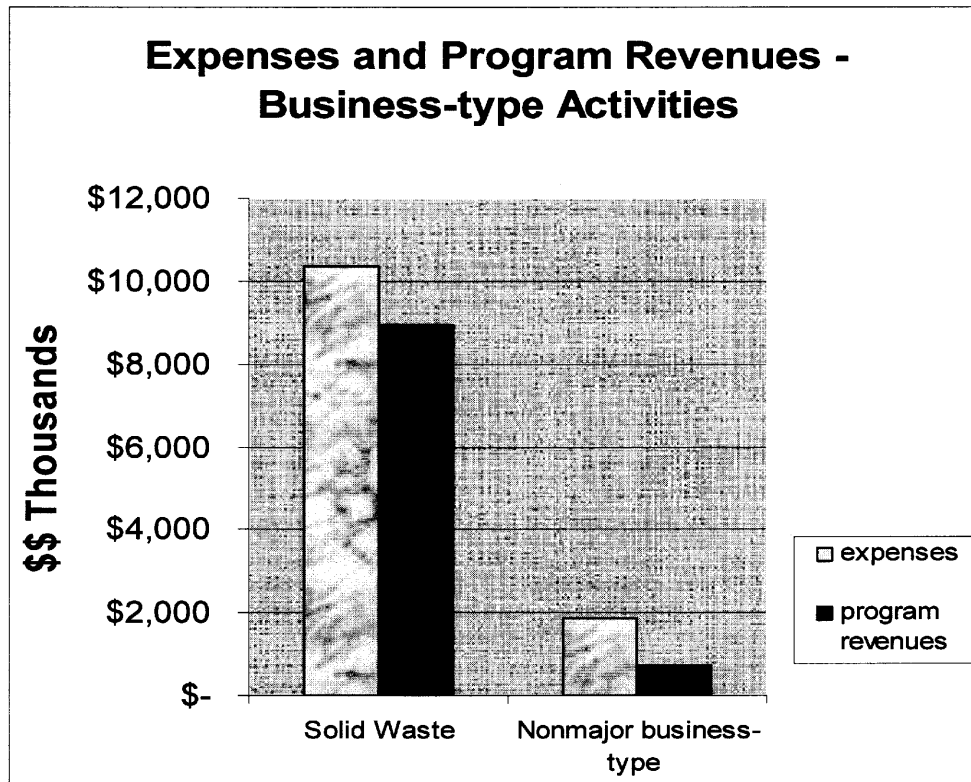
Business-type activities. Business-type activities increased the County of Tulare's net assets by \$117, accounting for 2.6% of the total growth in the net assets of the County of Tulare, compared to an increase of \$2,226 (18.3 %) for the prior year. Key elements of the current changes are as follows:

Total revenues for business-type activities decreased by \$363. A substantial decrease (\$1,398) was due to a decline in earnings on investments, which was partially offset by increases in tax revenue and fees for services. Key elements of revenues in business-type activities for the fiscal year ended June 30, 2003 are as follows:



Business-type activities showed an increase of \$1,711 in overall expenses. Despite a \$185 decrease in the current portion of closure and postclosure expenses, costs associated with increased groundwater investigation and remediation at several landfill sites; and costs associated with preparation for the closure of two sites resulted in an overall increase in expenses over the prior year.

A comparison of expenses and program revenues for business type activities for the fiscal year ended June 30, 2003 is as follows:



Financial Analysis of the County's Funds

As noted earlier, the County of Tulare uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County of Tulare's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County of Tulare's financial requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County of Tulare's governmental funds reported combined ending fund balances of \$114,216, an increase of \$1,722 in comparison with the prior year. Approximately 40.0% of this total amount, or \$45,712, constitutes *unreserved fund balance*, which is available for spending at the County of Tulare's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) for future debt service payments (\$57,694), 2) for toxic cleanup at Harmon Field airstrip per contract with the California Environmental Protection Agency (\$5,000), 3) for future collections on long-term notes receivable (\$3,784), or 4) for a variety of other restricted purposes (\$2,026).

The general fund is the chief operating fund of the County of Tulare. At the end of the current fiscal year, unreserved fund balance of the general fund was \$27,465, while total fund balance reached \$31,712. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 6.7 % of total general fund expenditures, while total fund balance represents 7.8 % of that same amount.

The fund balance of the County of Tulare's general fund increased by \$917 during the current fiscal year compared to the \$1,107 decline in the prior year. Key factors of this trend are as follows:

Total revenues of the general fund increased by \$5,043. Slight increases in all revenue sources were realized, but there was no single, predominant factor contributing to the increase.

However, the corresponding overall increase in spending (primarily due to expanded community service programs in the areas of health and public assistance) was \$6,461, resulting in a decrease to fund balance of \$1,418, which was almost entirely offset by an increase (\$1,379) in other financing sources. The shift from a declining fund balance in the prior year to an increasing fund balance in the current year is the result of a \$2,063 net increase in interfund transfers among County funds.

Two major blended component units of the County of Tulare are the Tulare County Public Facilities Corporation (TCPFC) and the Tulare County Public Financing Authority (TCPFA), which were established to assist with past and future acquisition and maintenance of County structures. Since both of these blended components are related to capital assets and the financing thereof, the *total fund balances* of both TCPFC (\$9,075) and TCPFA (\$48,584) are restricted for future servicing of debt.

Proprietary funds. The County of Tulare's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net assets of all proprietary funds was \$52,156, with \$54,971 of that in enterprise funds and 86.8 % (\$47,723) of the enterprise funds in Solid Waste. *Unrestricted net assets* of Solid Waste at the end of the year amounted to \$32,465, and the total growth in net assets for Solid Waste was \$394. Other factors concerning the finances of this fund have already been addressed in the discussion of the County of Tulare's business-type activities.

General Fund Budgetary Highlights

The Board of Supervisors of the County of Tulare made several supplemental budgetary expenditure appropriations totaling \$3,524 (0.8 %) in the general fund appropriations throughout the fiscal year. While increasing the budgetary appropriations in the operating areas of public protection and health, comparable reductions in budgetary appropriations occurred in the operating area of public assistance. A \$3,833 increase in appropriations occurred for the acquisition of capital assets, especially for the Sheriff's Office and for the spending of new loan proceeds (\$2,147) for the acquisition of vehicles.

For the current year, \$6,001 was budgeted from beginning available fund balance. Actual revenues realized fell \$19,437 short of budgetary estimates, especially that to be received as aid from State and Federal sources. Expenditures for the current year fell \$36,461 below budgetary estimates as well. The reduced spending not only offset the reduction in recognized revenues, but also allowed the County to increase its available fund balance by \$917 to \$31,712.

Capital Asset and Debt Administration

Capital assets. The County of Tulare's investment in capital assets for its governmental and business-type activities at current year-end amounts to \$173,892 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and vehicles, and some construction in progress.

Major capital asset events during the current fiscal year included the following:

The adult pre-trial facility remains unoccupied due to lack of funding for staff and other costs.

The Tulare County Redevelopment Agency acquired land along Betty Drive in the Town of Goshen to facilitate a redevelopment project.

The County traded two right-of-way land parcels in the City of Porterville for parcels bordering Bartlett Park for park expansion.

The County began a State mandated conversion of the Public Assistance case management system to be completed next fiscal year.

County of Tulare's Capital Assets (net of depreciation)						
As of June 30,	Governmental Activities		Business-type Activities		Total	
	2003	2002 *	2003	2002	2003	2002 *
Land	\$ 8,256	\$ 7,985	\$ 6,728	\$ 6,728	\$ 14,984	\$ 14,713
Buildings and improvements	126,480	132,956	9,220	9,754	135,700	142,710
Equipment and vehicles	14,793	15,736	2,043	2,178	16,836	17,914
Infrastructure in progress	4,848	3,356	-	-	4,848	3,356
Construction in progress	1,483	69	41	41	1,524	110
Total	\$ 155,860	\$ 160,102	\$ 18,032	\$ 18,701	\$ 173,892	\$ 178,803

* Restated balances. See note III.D.

At June 30, 2003, the County had commitments of \$1,939 with regard to the acquisition or improvement of capital assets for the coming year. Additional information on the County of Tulare's capital assets can be found in Note IV. D of this report.

Long-term debt. At the end of the current fiscal year, the County of Tulare had total outstanding debt of \$168,761. Of this amount, almost 41.9 % (\$70,768) comprises debt for Certificates of Participation issued by the Tulare County Public Facilities Corporation for the acquisition or construction of major capital facilities. Approximately 21.3 % of the outstanding debt of the County of Tulare (\$35,870) represents Pension Obligation Bonds used to pay a previous unfunded actuarial accrued liability. Another 26.2 % (\$44,200) is the outstanding balance of Variable Rate Demand Bonds issued by the Tulare County Public Facilities Authority to provide financing of future acquisition and construction of major capital facilities. The remaining balance is for several capital leases and loans used for new equipment and vehicles (i.e., patrol vehicles for the Sheriff's department, fire engines, and book mobiles for the library) used in the general operations of the County of Tulare.

County of Tulare's Outstanding Debt						
As of June 30,	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Loans	\$ 17,555	\$ 7,573	\$ -	\$ -	\$ 17,555	\$ 7,573
Capital leases	359	-	-	-	359	-
Notes	-	91	-	47	-	138
Variable rate demand bonds	44,200	44,600	9	9	44,209	44,609
Pension obligation bonds	35,870	37,600	-	-	35,870	37,600
Certificates of Participation	69,131	74,880	1,637	1,656	70,768	76,536
Totals	<u>\$ 167,115</u>	<u>\$ 164,744</u>	<u>\$ 1,646</u>	<u>\$ 1,712</u>	<u>\$ 168,761</u>	<u>\$ 166,456</u>

The overall increase of current year outstanding debt of the County of Tulare over the prior year is \$2,305. The largest reductions occurred with payments of \$5,774 against the COP's and \$3,085 paid on equipment and vehicle loans. The County also borrowed \$10,920 for an energy management project and \$2,147 for additional vehicle purchases.

The County of Tulare maintains long-term credit ratings of "Aaa" and "AAA" from Moody's Investors Service and Fitch IBCA, Inc., respectively.

Constitutional Amendment XIII A, passed by vote of the people and effective July 1, 1978, prohibits the County from raising ad valorem property taxes above 1% of full cash value. Thus, the legal debt limit (\$214,435) is 1.25% of assessed valuation (\$17,154,821). As of June 30, 2003, the County had no tax supported general obligation bonded debt outstanding.

Additional information on the County of Tulare's long-term debt can be found in Note IV. I. of this report.

Economic Factors and Next Year's Budgets

As of July 2003, there are 1.1 million unemployed in California according to the Employment Development Department. This represents 6.7% versus the U.S. rate of 6.4 %. The regional unemployment rate for the San Joaquin Valley is 13.0% and rising. Locally, the suggested cutbacks of State support for local programs could increase the unemployment rate in the County where local government is one of the largest employers.

The State is predicting over \$ 38 billion deficit through the end of fiscal year 2003-04. Suggested cuts of State-to-County money include reduced support for such things as veterans programs, senior programs, State support for the maintenance and building of roads, State and community colleges, and local law enforcement grants, forcing local governments to cover or possibly abandon some programs, although the amount of such reductions is not currently determinable. It is predicted that this trend will continue for several years into the future - stretching County resources even further and bringing many difficult choices among services to be continued and those to be deleted.

The energy crisis experienced recently in California and the associated sharp rise in energy costs has had a significant negative effect on the County's resources. In response, the County has committed to \$11 million investment in energy saving improvements over many of the County's older facilities. It is expected that the savings in energy costs will more than repay the investment for many years into the future.

All of these factors were considered in preparing the County of Tulare's budget for the 2003-04 fiscal year.

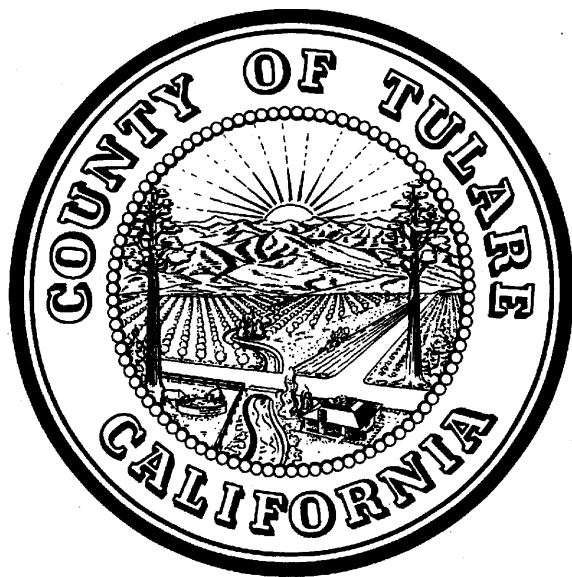
During the current fiscal year, unreserved fund balance in the general fund is \$27,465. The County of Tulare has appropriated \$7,666 of this amount for spending in the 2004 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of the County of Tulare's finances for all those with an interest in the County of Tulare's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Tulare County Auditor - Controller's Office, 221 S. Mooney Blvd., Suite 101-E, Visalia, CA, 93291.

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements



County of Tulare
Statement of Net Assets
June 30, 2003
(amounts expressed in thousands)

Exhibit 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	First 5 Tulare County
Assets:				
Current assets:				
Cash in banks	\$ 749	\$ 76	\$ 825	\$ 40
Investment in treasury pool	84,145	33,826	117,971	19,573
Investments	12,033	-	12,033	-
Imprest cash	74	2	76	-
Accounts receivables, net	475	865	1,340	-
Internal balances	(6)	6	-	-
Deposits with others	-	42	42	-
Due from other governments	33,044	-	33,044	1,212
Inventories	327	-	327	-
Pension assets	36,344	-	36,344	-
Prepaid items	2,377	-	2,377	1,470
Lease payments receivable, net of interest	101	-	101	-
Notes Receivable	142	-	142	-
Total current assets	169,805	34,817	204,622	22,295
Noncurrent assets:				
Lease payments receivable, net of interest	1,717	-	1,717	-
Notes receivable	3,642	-	3,642	-
Advances to Agency funds	500	-	500	-
Restricted assets - noncurrent	57,785	39,587	97,372	-
Capital assets:				
Land and other assets not being depreciated	14,587	6,769	21,356	-
Buildings and equipment, net of depreciation	141,273	11,263	152,536	-
Total capital assets, net	155,860	18,032	173,892	-
Total noncurrent assets	219,504	57,619	277,123	-
Total assets	389,309	92,436	481,745	22,295

Liabilities:

Current liabilities:				
Accounts payable	22,366	227	22,593	979
Due to other governments	8,998	90	9,088	-
Deposits from others	806	-	806	-
Salaries and benefits payable	8,897	157	9,054	9
Interest payable	2,880	16	2,896	-
Deferred revenue	23,015	-	23,015	-
Liability claims payable	2,767	-	2,767	-
Compensated absences	1,355	13	1,368	-
Leases payable	135	-	135	-
Loans payable	3,178	-	3,178	-
Bonds payable	2,470	-	2,470	-
COPs payable	5,998	27	6,025	-
Total current liabilities	<u>82,865</u>	<u>530</u>	<u>83,395</u>	<u>988</u>
Noncurrent liabilities:				
Liability claims payable	2,693	-	2,693	-
Compensated absences	12,244	274	12,518	-
Advances from Agency funds	-	460	460	-
Closure/postclosure costs payable	-	34,582	34,582	-
Leases payable	224	-	224	-
Loans payable	14,377	-	14,377	-
Bonds payable	77,600	9	77,609	-
COPs payable	63,133	1,610	64,743	-
Total noncurrent liabilities	<u>170,271</u>	<u>36,935</u>	<u>207,206</u>	<u>-</u>
Total liabilities	<u>253,136</u>	<u>37,465</u>	<u>290,601</u>	<u>988</u>
Net assets:				
Invested in capital assets, net of related debt	79,735	16,386	96,121	-
Restricted for:				
Capital projects	9,919	-	9,919	-
Debt service	13,557	-	13,557	-
Roads projects	6,076	-	6,076	-
Redevelopment	5,334	-	5,334	-
Other purposes	10,646	5,005	15,651	-
Unrestricted	10,906	33,580	44,486	21,307
Total net assets	<u>\$ 136,173</u>	<u>\$ 54,971</u>	<u>\$ 191,144</u>	<u>\$ 21,307</u>

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

BASIC FINANCIAL STATEMENTS

Fund Financial Statements

County of Tulare
Statement of Activities
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

Functions / Programs:	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			Component Unit
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total	First 5 Tulare County
Governmental activities:							
General government	\$ 37,409	\$ 28,653	\$ 5,586	\$ (3,170)		\$ (3,170)	
Public protection	130,282	24,314	47,405	(58,563)		(58,563)	
Public ways and facilities	18,699	1,636	17,440	377		377	
Health and sanitation	87,856	9,998	77,300	(558)		(558)	
Public assistance	202,308	21,147	168,334	(12,827)		(12,827)	
Education	3,481	227	550	(2,704)		(2,704)	
Culture and recreation	1,839	710	235	(894)		(894)	
Unallocated depreciation	627	-	-	(627)		(627)	
Unallocated interest expense	9,023	-	-	(9,023)		(9,023)	
Total governmental activities	<u>491,524</u>	<u>86,685</u>	<u>316,850</u>	<u>(87,989)</u>		<u>(87,989)</u>	
Business-type activities:							
Solid Waste	10,361	8,886	41		\$ (1,434)	(1,434)	
Nonmajor business-type funds	1,873	642	94		(1,137)	(1,137)	
Total business-type activities	<u>12,234</u>	<u>9,528</u>	<u>135</u>		<u>(2,571)</u>	<u>(2,571)</u>	
Total Primary Government	<u>\$ 503,758</u>	<u>\$ 96,213</u>	<u>\$ 316,985</u>	<u>(87,989)</u>	<u>(2,571)</u>	<u>(90,560)</u>	
Component unit:							
First 5 Tulare County	\$ 5,301	-	\$ 6,952				\$ 1,651
Total component unit	<u>\$ 5,301</u>	<u>-</u>	<u>\$ 6,952</u>				<u>1,651</u>

General revenues:

Taxes:							
Property taxes, levied for general purposes	27,834	22	27,856	-			
Property taxes, levied for flood control	321	-	321	-			
Property taxes, levied for redevelopment	1,623	-	1,623	-			
Property taxes, levied for fire protection	5,581	-	5,581	-			
Property taxes, levied for library	2,035	-	2,035	-			
Sales and other taxes	6,694	793	7,487	-			
Grants and contributions not restricted to specific programs	36,829	-	36,829	-			
Earnings on investments	6,710	2,550	9,260	-			705
Miscellaneous	-	-	-	-			7
Tobacco Settlement revenues	4,836	-	4,836	-			-
Gain (loss) on sale of fixed assets	(503)	-	(503)	-			-
Transfers	677	(677)	-	-			-
Total general revenues and transfers	<u>92,437</u>	<u>2,688</u>	<u>95,125</u>				<u>712</u>
Change in net assets	4,448	117	4,565				2,363
Net assets - July 1	95,427	54,854	150,281				18,944
Prior period adjustment	36,296	-	36,296				-
Net assets - June 30	<u>\$ 136,173</u>	<u>\$ 54,971</u>	<u>\$ 191,144</u>				<u>\$ 21,307</u>

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

County of Tulare
Balance Sheet
Governmental Funds
June 30, 2003
(amounts expressed in thousands)

	General Fund	Public Facilities Corporation	Public Financing Authority	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash in banks	\$ 749	\$ -	\$ -	\$ -	\$ 749
Investment in treasury pool	55,037	56	-	21,316	76,409
Investments	-	9,062	2,964	7	12,033
Imprest cash	73	-	-	1	74
Receivables (net where applicable of allowances for uncollectibles):					
Accounts	398	-	-	77	475
Due from other County funds	1,581	-	-	35	1,616
Due from other governments	26,376	-	-	6,668	33,044
Inventories	-	-	-	327	327
Prepaid items	2,151	-	-	226	2,377
Advances to Agency funds	500	-	-	-	500
Advances to other County funds	150	-	-	-	150
Lease payments receivable, net of interest	-	-	-	1,818	1,818
Notes receivable	2,775	-	-	1,009	3,784
Restricted investments	-	-	45,620	5,000	50,620
Total assets	\$ 89,790	\$ 9,118	\$ 48,584	\$ 36,484	\$ 183,976
Liabilities:					
Accounts payable	\$ 16,440	\$ -	\$ -	\$ 5,059	\$ 21,499
Due to other County funds	16	-	-	1,542	1,558
Due to other governments	8,998	-	-	-	8,998
Deposits from others	763	43	-	-	806
Salaries and benefits payable	8,375	-	-	522	8,897
Deferred revenue	23,486	-	-	4,366	27,852
Advances from other County funds	-	-	-	150	150
Total liabilities	58,078	43	-	11,639	69,760
Fund balances:					
Reserved for imprest cash	73	-	-	1	74
Reserved for inventories	-	-	-	327	327
Reserved for prepaid items	749	-	-	226	975
Reserved for advances to other funds	650	-	-	-	650
Reserved for notes receivable	2,775	-	-	1,009	3,784
Reserved for Harmon Field cleanup	-	-	-	5,000	5,000
Reserved for debt service	-	9,075	48,584	35	57,694
Unreserved	27,465	-	-	-	27,465
Unreserved, reported in nonmajor:					
Special revenue funds	-	-	-	13,328	13,328
Capital projects funds	-	-	-	4,919	4,919
Total fund balances	31,712	9,075	48,584	24,845	114,216
Total liabilities and fund balances	\$ 89,790	\$ 9,118	\$ 48,584	\$ 36,484	\$ 183,976

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

County of Tulare
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Assets
 June 30, 2003
 (amounts expressed in thousands)

Total fund balances for governmental funds (Exhibit 3) \$ 114,216

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Those assets, including those reported in Internal Service Funds, consist of:

Land	\$	8,256	
Buildings and improvements, net of \$36,802 accumulated depreciation		126,480	
Equipment and vehicles, net of \$26,500 accumulated depreciation		14,793	
Construction / projects in progress		1,483	
Infrastructure, CIP		<u>4,848</u>	
Total capital assets			155,860

The future revenue resulting from a direct financing lease between the County (as lessor) and the City of Dinuba for the Courthouse/Police Station is categorized as deferred for the fund statements, but is recognized for the government-wide statements.

3,220

The future revenue resulting from the delay in reimbursements from the State for mandated programs (SB-90) is categorized as deferred for fund statements because the funds will not be available for more than one year. However, the revenue is recognized for the government-wide statements.

1,617

Long-term liabilities applicable to the County's governmental funds are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net assets. Balances, including those reported in Internal Service Funds, at June 30 are:

Accrued interest on debt	\$	(2,880)	
Capital leases payable		(359)	
Loans payable		(17,555)	
Bonds payable		(80,070)	
COP's payable		(69,131)	
General liability claims payable		(5,480)	
Compensated absences		<u>(13,599)</u>	
Total long-term liabilities			(189,054)

The pension assets resulting from contributions in excess of the Annual Required Contribution in FYE June 30, 1997 are not financial resources and therefore are not reported in the funds.

36,344

Internal service funds (See Exhibit 6) are used by the County to charge the costs of various central services to individual funds. The assets (except capital assets included above) and liabilities (except long term liabilities included above) of the internal service funds are included in governmental activities in the statement of net assets.

13,970

Total net assets of governmental activities (Exhibit 1) \$ 136,173

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

County of Tulare
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	General Fund	Public Facilities Corporation	Public Financing Authority	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes and special assessments	\$ 34,528	\$ -	\$ -	\$ 36,741	\$ 71,269
Licenses and permits	6,919	-	-	1	6,920
Fines, forfeitures and penalties	7,056	-	-	1,506	8,562
Interest, rents and concessions	3,024	548	1,333	1,258	6,163
Intergovernmental revenues	288,373	-	-	36,508	324,881
Charges for services	52,054	-	-	1,608	53,662
Other revenues	5,169	-	-	5,801	10,970
Total revenues	<u>397,123</u>	<u>548</u>	<u>1,333</u>	<u>83,423</u>	<u>482,427</u>
Expenditures:					
Current:					
General government	20,764	-	-	2,845	23,609
Public protection	114,038	-	-	9,899	123,937
Public ways and facilities	-	-	-	17,958	17,958
Health and sanitation	85,396	-	-	1,171	86,567
Public assistance	180,074	-	-	21,137	201,211
Education	733	-	-	2,467	3,200
Culture and recreation	1,759	-	-	-	1,759
Debt service:					
Principal retirement	198	5,749	400	4,754	11,101
Interest and fiscal charges	699	3,735	1,042	2,937	8,413
Capital outlay	3,629	-	-	2,790	6,419
Total expenditures	<u>407,290</u>	<u>9,484</u>	<u>1,442</u>	<u>65,958</u>	<u>484,174</u>
Excess (deficiency) of revenues over (under) expenditures	(10,167)	(8,936)	(109)	17,465	(1,747)
Other financing sources (uses):					
Sale of general fixed assets	248	-	-	3	251
Capital lease proceeds	394	-	-	-	394
Loan proceeds	2,147	-	-	-	2,147
Transfers in	43,775	8,875	4,527	40,614	97,791
Transfers (out)	(35,480)	-	(2,500)	(59,134)	(97,114)
Total other financing sources (uses)	<u>11,084</u>	<u>8,875</u>	<u>2,027</u>	<u>(18,517)</u>	<u>3,469</u>
Net change in fund balances	917	(61)	1,918	(1,052)	1,722
Fund balances, July 1	30,795	9,136	46,666	25,897	112,494
Fund balances, June 30	<u>\$ 31,712</u>	<u>\$ 9,075</u>	<u>\$ 48,584</u>	<u>\$ 24,845</u>	<u>\$ 114,216</u>

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

County of Tulare
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

Net change in fund balances - total governmental funds (Exhibit 4)	\$ 1,722
The change in net assets reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense differs from capital outlays expenditures in the current period.	(2,196)
Governmental funds do not report capital assets acquired through capital lease agreements. However, in the statement of activities, the cost is recognized upon entering into the long-term lease-purchase agreement.	250
Governmental funds report infrastructure acquisitions as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Since all infrastructure costs for the current fiscal year are for Construction in Progress, there is no depreciation and we add back the costs incurred thus far.	1,492
Governmental funds report proceeds from the sale of capital assets as revenues when received. However, in the statement of activities, proceeds of the sale must be offset by the book value of the asset sold to determine a gain or loss on the sale. This is the book value of the capital assets sold in the current period.	(3,970)
Governmental funds report the future resources as the result of a direct financing lease between the County (as lessor) and the City of Dinuba for the Courthouse/Police Station as deferred revenue. However, for the government-wide statements, the revenue is recognized upon the signing of the direct financing lease agreement.	3,220
Governmental funds report the future resources as the result of delayed collection of reimbursements for State mandated programs as deferred revenue because the delay will exceed one year. However, for government-wide statements, the revenue is recognized when earned.	1,617
Governmental funds report the principal portion of debt service payments as expenditures. However, repayment of principal reduces long-term liabilities on the statement of net assets and has no effect on the statement of activities.	10,818
Similarly, loan proceeds are reported as other financing sources by governmental funds. However, issuing debt in the statement net assets increases long-term liabilities and has no effect on the statement of activities.	(2,147)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported when amounts are due and payable. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of three balances for the current period.	
Compensated absences	\$ (1,205)
Amortization of pension assets	(1,430)
Accrued interest on debt	(141)
Combined adjustment	(2,776)
Internal service funds (See Exhibit 7) are used by the County to charge the costs of various insurance coverages to individual funds. The net cost of internal service funds is reported with the governmental funds.	(3,585)
General services activities in the general fund are used by the County to charge the costs of various functions such as mailroom, motorpool, and maintenance services. The net revenue which results from services to business-type funds is reported with the governmental funds.	3
	\$ 4,448

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

County of Tulare
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments:					
Assessor	\$ 777	\$ 777	\$ -	\$ 1,075	\$ 298
General County Revenues	33,115	33,115	-	33,453	338
License and permits:					
Agriculture Commissioner	133	133	-	134	1
Assessor	35	35	-	37	2
County Counsel	191	206	15	206	-
General County Revenues	2,700	2,700	-	3,401	701
Health & Human Services	1,912	1,912	-	1,762	(150)
Miscellaneous Administration	53	53	-	55	2
Resource Management	1,332	1,332	-	1,305	(27)
Sheriff - Coroner	5	5	-	3	(2)
Treasurer - Tax Collector	8	8	-	6	(2)
Trial Courts	10	10	-	10	-
Fines, forfeitures and penalties:					
Agriculture Commissioner	8	8	-	19	11
District Attorney	96	96	-	19	(77)
Drug & Alcohol Abuse Testing	70	65	(5)	57	(8)
General County Revenues	4,200	4,200	-	4,209	9
Health & Human Services	42	61	19	29	(32)
Probation	9	9	-	5	(4)
Resource Management Agency	10	10	-	18	8
Sheriff - Coroner	12	12	-	5	(7)
Treasurer - Tax Collector	137	137	-	158	21
Trial Courts	2,531	2,531	-	2,537	6
Interest, rents and concessions:					
CPA 2000	48	82	34	82	-
General County Revenues	2,166	2,166	-	2,158	(8)
Miscellaneous Administration	18	18	-	40	22
Resource Management Agency	64	64	-	86	22
TRAN	-	-	-	658	658
Trial Courts	32	32	-	-	(32)

Cont.

County of Tulare
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive	Actual Amounts	Variance with Final Budget - Positive
	Original	Final	(Negative)		(Negative)
Intergovernmental revenues:					
Action Project	1,502	1,502	-	1,001	(501)
Agriculture Commissioner	2,976	2,976	-	2,563	(413)
Assessor	958	958	-	327	(631)
Auditor-Controller	45	7	(38)	7	-
Cooperative Extension	75	75	-	60	(15)
County Administrative	8	-	(8)	-	-
CPA 2000	1,261	1,261	-	1,261	-
District Attorney	2,545	2,318	(227)	1,885	(433)
Family Support	17,840	17,845	5	16,376	(1,469)
General County Revenues	52,608	52,608	-	52,707	99
Health & Human Services	212,398	208,063	(4,335)	198,778	(8,285)
Local Law Enforcement	597	597	-	553	(44)
Miscellaneous Administration	192	192	-	205	13
Multi-Agcy. Gang Violence Program	50	50	-	36	(14)
Probation	4,897	4,946	49	4,399	(547)
Public Defender	19	19	-	-	(19)
Resource Management Agency	4,418	6,696	2,278	1,843	(4,853)
Rural Crime	713	740	27	709	(31)
Sheriff - Coroner	3,957	5,524	1,567	4,663	(861)
Charges for services:					
Agriculture Commissioner	681	681	-	733	52
Assessor	1,565	1,565	-	1,582	17
Auditor-Controller	465	486	21	524	38
Central Telephone	-	118	118	95	(23)
County Administrative	119	119	-	120	1
County Counsel	1,253	1,443	190	1,462	19
Data Processing	748	748	-	752	4
District Attorney	247	247	-	197	(50)
Family Support	25	25	-	23	(2)
General County Revenues	2,268	2,268	-	2,300	32
Health & Human Services	29,125	31,677	2,552	28,039	(3,638)
Miscellaneous Administration	34	34	-	33	(1)
Multi-Agency Gang Violence	35	35	-	36	1
Personnel	518	518	-	595	77
Probation	1,411	1,447	36	1,237	(210)
Public Defender	186	186	-	186	-
Purchasing	109	109	-	113	4
Resource Management	6,432	6,450	18	5,288	(1,162)
Sheriff - Coroner	5,219	5,219	-	5,359	140
Treasurer - Tax Collector	1,165	1,165	-	1,103	(62)
Trial Courts	2,554	2,554	-	2,277	(277)

Cont.

County of Tulare
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Other revenues:					
Agriculture Commissioner	71	71	-	102	31
Assessor	36	36	-	87	51
Auditor-Controller	97	97	-	200	103
Cooperative Extension	4	4	-	6	2
County Counsel	1	-	(1)	-	-
District Attorney	146	147	1	83	(64)
Family Support	10	10	-	3	(7)
General County Revenues	204	204	-	393	189
Health & Human Services	1,657	1,726	69	2,818	1,092
Multi-Agency Gang Violence	-	-	-	31	31
Miscellaneous Administration	100	100	-	122	22
Personnel	1	1	-	1	-
Probation	61	61	-	87	26
Purchasing	5	5	-	47	42
Resource Management	165	165	-	290	125
Rural Crime	-	-	-	16	16
Sheriff - Coroner	599	665	66	862	197
Treasurer - Tax Collector	12	12	-	14	2
Trial Courts	8	8	-	7	(1)
Total revenues	<u>414,109</u>	<u>416,560</u>	<u>2,451</u>	<u>397,123</u>	<u>(19,437)</u>
Expenditures:					
Current:					
General government:					
Assessor	4,358	4,366	(8)	4,145	221
Auditor-Controller	2,238	2,282	(44)	1,972	310
Board of Supervisors	1,126	1,105	21	1,001	104
Capital Purchases	-	-	-	51	(51)
Central Telephone	-	118	(118)	51	67
Contingencies	296	54	242	-	54
County Administrative	482	636	(154)	554	82
County Counsel	2,146	2,346	(200)	2,228	118
Data Processing	1,361	1,327	34	1,121	206
Miscellaneous Administration	(2,486)	(3,078)	592	497	(3,575)
Personnel	746	763	(17)	594	169
Purchasing	170	169	1	148	21
Resource Management	7,111	6,985	126	6,191	794
Treasurer - Tax Collector	2,185	2,224	(39)	2,211	13

Cont.

County of Tulare
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive	Actual Amounts	Variance with Final Budget - Positive
	Original	Final	(Negative)		(Negative)
Public protection:					
Action Project	1,259	1,259	-	945	314
Agriculture Commissioner	5,355	5,337	18	4,204	1,133
Assessor	1,683	1,684	(1)	1,156	528
CPA 2000	1,310	1,331	(21)	1,312	19
District Attorney	11,148	11,257	(109)	9,781	1,476
Drug & Alcohol Abuse Testing	120	120	-	112	8
Family Support	17,875	17,839	36	16,117	1,722
Health & Human Services	711	711	-	816	(105)
Local Law Enforcement	597	597	-	572	25
Multi-Agcy. Gang Violence Program	643	643	-	585	58
Probation	18,418	18,488	(70)	16,163	2,325
Public Defender	5,823	5,832	(9)	5,439	393
Resource Management	7,027	9,778	(2,751)	5,863	3,915
Rural Crime	713	715	(2)	655	60
Sheriff - Coroner	52,558	53,259	(701)	45,265	7,994
Trial Courts	6,099	6,099	-	5,053	1,046
Health and sanitation:					
CPA 2000	-	-	-	(3)	3
District Attorney	143	133	10	131	2
Health & Human Services	88,379	90,680	(2,301)	85,268	5,412
Miscellaneous Administration	-	(10)	10	-	(10)
Public assistance:					
Health & Human Services	194,071	188,215	5,856	179,764	8,451
Probation	324	324	-	310	14
Education:					
Cooperative Extension	687	691	(4)	628	63
Miscellaneous Administration	103	109	(6)	105	4
Culture and recreation:					
Resource Management	2,409	2,422	(13)	1,759	663

Cont.

County of Tulare
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Debt Service:					
Principal retirement:					
Auditor - Controller	61	61	-	61	-
Health & Human Services	-	67	(67)	67	-
Sheriff - Coroner	88	88	-	70	18
Interest and fiscal charges:					
Auditor - Controller	21	21	-	21	-
Health & Human Services	-	2	(2)	2	-
Sheriff - Coroner	17	17	-	18	(1)
TRAN	-	-	-	658	(658)
Capital Outlay:					
Action Project	242	242	-	46	196
Agriculture Commissioner	6	6	-	-	6
Assessor	395	395	-	-	395
CPA 2000	-	22	(22)	19	3
Capital Purchases	-	2,806	(2,806)	1,993	813
District Attorney	8	8	-	-	8
Family Support	-	41	(41)	73	(32)
Health & Human Services	335	335	-	157	178
Miscellaneous Administration	100	100	-	-	100
Probation	36	36	-	-	36
Resource Management	1,669	1,668	1	94	1,574
Rural Crime	-	25	(25)	22	3
Sheriff - Coroner	-	929	(929)	1,225	(296)
Treasurer - Tax Collector	61	72	(11)	-	72
Total expenditures	<u>440,227</u>	<u>443,751</u>	<u>(3,524)</u>	<u>407,290</u>	<u>36,461</u>
Excess (deficiency) of revenues over (under) expenditures	(26,118)	(27,191)	(1,073)	(10,167)	17,024

Cont.

County of Tulare
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Other financing sources (uses):					
Sale of general fixed assets:					
Resource Management	120	120	-	248	128
Capital lease proceeds					
Sheriff	-	-	-	394	394
Loan proceeds					
Capital Purchases	-	-	-	2,147	2,147
Transfers in:					
Capital Purchases	-	2,806	2,806	-	(2,806)
District Attorney	507	507	-	-	(507)
Health & Human Services	43,438	43,430	(8)	43,169	(261)
Probation	568	570	2	606	36
Transfers (out):					
Action Project	-	-	-	(10)	(10)
Agriculture Commissioner	-	-	-	(241)	(241)
Assessor	-	-	-	(107)	(107)
Auditor	-	-	-	(57)	(57)
Board of Supervisors	-	-	-	(29)	(29)
Cooperative Extension	-	-	-	(34)	(34)
County Administrative	-	-	-	(26)	(26)
County Counsel	-	-	-	(81)	(81)
CPA 2000	-	-	-	(14)	(14)
Capital Purchases	-	-	-	(236)	(236)
Data Processing	-	-	-	(5)	(5)
District Attorney	-	-	-	(380)	(380)
Family Support Services	-	-	-	(213)	(213)
Health & Human Services	(16,646)	(18,422)	(1,776)	(21,078)	(2,656)
Local Law Enforcement	-	-	-	(11)	(11)
Miscellaneous Administration	(7,869)	(7,806)	63	(7,523)	263
Multi-Agency Gang Violence	-	-	-	(24)	(24)
Personnel	-	-	-	(29)	(29)
Probation	-	-	-	(1,064)	(1,064)
Public Defender	-	-	-	(161)	(161)
Purchasing	-	-	-	(5)	(5)
Resource Management Agency	-	-	-	(456)	(456)
Rural Crime Program	-	-	-	(48)	(48)
Sheriff - Coroner	(1)	(15)	(14)	(3,578)	(3,563)
Treasurer/Tax Collector	-	-	-	(21)	(21)
Trial Courts	-	-	-	(49)	(49)
Total other financing sources (uses)	<u>20,117</u>	<u>21,190</u>	<u>1,073</u>	<u>11,084</u>	<u>(10,106)</u>
Change in fund balance	(6,001)	(6,001)	-	917	6,918
Fund balance, July 1	<u>26,001</u>	<u>26,001</u>	<u>-</u>	<u>30,795</u>	<u>4,794</u>
Fund balance, June 30	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 31,712</u>	<u>\$ 11,712</u>

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

Concluded

County of Tulare
Statement of Fund Net Assets
Proprietary Funds
June 30, 2003
(amounts expressed in thousands)

Exhibit 6

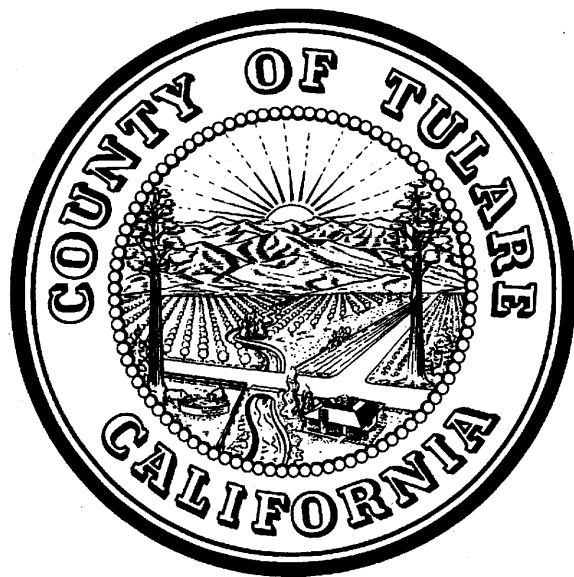
	Business-type Activities - Enterprise Funds			Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Assets				
Current assets:				
Cash in banks	\$ 78	\$ -	\$ 76	\$ -
Investment in treasury pool	32,361	1,485	33,826	14,901
Imprest cash	2	-	2	-
Accounts receivable	698	167	865	-
Deposits with others	-	42	42	-
Due from other County funds	6	4	10	-
Total current assets	<u>33,143</u>	<u>1,678</u>	<u>34,821</u>	<u>14,901</u>
Noncurrent assets:				
Restricted assets	39,582	5	39,587	-
Capital assets:				
Land	6,116	612	6,728	-
Buildings and improvements, net	2,323	6,897	9,220	-
Equipment and vehicles, net	1,778	285	2,043	186
Construction in progress	41	-	41	-
Total capital assets	<u>10,258</u>	<u>7,774</u>	<u>18,032</u>	<u>186</u>
Total noncurrent assets	<u>49,840</u>	<u>7,779</u>	<u>57,619</u>	<u>186</u>
Total assets	<u>82,983</u>	<u>9,457</u>	<u>92,440</u>	<u>15,087</u>
Liabilities				
Current liabilities:				
Accounts payable	144	83	227	867
Due to other County funds	-	4	4	64
Due to other governments	90	-	90	-
Salaries and benefits payable	157	-	157	-
Interest payable	-	16	16	489
Compensated absences payable	13	-	13	-
Claims payable	-	-	-	2,767
Loans payable	-	-	-	461
Capital lease payable	-	-	-	80
COPs payable	-	27	27	-
Total current liabilities	<u>404</u>	<u>130</u>	<u>534</u>	<u>4,688</u>
Noncurrent liabilities:				
Compensated absences payable	274	-	274	-
Advances from Agency	-	460	460	-
Closure/postclosure costs payable	34,582	-	34,582	-
Claims payable	-	-	-	2,893
Loans payable	-	-	-	10,459
Bonds payable	-	9	9	-
Capital lease payable	-	-	-	62
COPs payable	-	1,610	1,610	-
Total noncurrent liabilities	<u>34,856</u>	<u>2,079</u>	<u>36,935</u>	<u>13,214</u>
Total liabilities	<u>35,260</u>	<u>2,209</u>	<u>37,469</u>	<u>17,902</u>
Net assets:				
Invested in capital assets, net of related debt	10,258	6,128	16,386	64
Restricted for other purposes	5,000	5	5,005	7,165
Unrestricted	<u>32,465</u>	<u>1,115</u>	<u>33,580</u>	<u>(10,044)</u>
Total net assets (deficit)	<u>\$ 47,723</u>	<u>\$ 7,248</u>	<u>\$ 54,971</u>	<u>\$ (2,815)</u>

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

County of Tulare
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Operating revenues:				
Charges for services	\$ 8,792	\$ 606	\$ 9,398	\$ 10,832
Rents and concessions	48	2	50	-
Other revenues	46	34	80	59
Total operating revenues	<u>8,886</u>	<u>642</u>	<u>9,528</u>	<u>10,891</u>
Operating expenses:				
Salaries and benefits	3,300	-	3,300	-
Services and supplies	5,260	1,409	6,669	5,832
Insurance premiums paid	-	-	-	8,932
Landfill closure and postclosure costs	1,078	-	1,078	-
Depreciation	723	344	1,067	4
Claims incurred	-	-	-	(238)
Total operating expenses	<u>10,361</u>	<u>1,753</u>	<u>12,114</u>	<u>14,530</u>
Operating income (loss)	<u>(1,475)</u>	<u>(1,111)</u>	<u>(2,586)</u>	<u>(3,639)</u>
Nonoperating revenues (expenses):				
Intergovernmental revenues	41	94	135	-
Taxes and assessments	-	815	815	-
Investment earnings	2,506	44	2,550	547
Interest expense	-	(120)	(120)	(469)
Total nonoperating revenues (expenses)	<u>2,547</u>	<u>833</u>	<u>3,380</u>	<u>78</u>
Income (loss) before transfers	<u>1,072</u>	<u>(278)</u>	<u>794</u>	<u>(3,561)</u>
Transfers in	-	47	47	-
Transfers (out)	<u>(678)</u>	<u>(46)</u>	<u>(724)</u>	<u>-</u>
Change in net assets	<u>394</u>	<u>(277)</u>	<u>117</u>	<u>(3,561)</u>
Net assets, July 1	<u>47,329</u>	<u>7,525</u>	<u>54,854</u>	<u>746</u>
Net assets, June 30	<u>\$ 47,723</u>	<u>\$ 7,248</u>	<u>\$ 54,971</u>	<u>\$ (2,815)</u>

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



County of Tulare
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Cash flows from operating activities:				
Receipts from users	\$ 8,633	\$ 602	\$ 9,235	\$ -
Premiums from departments	-	-	-	10,832
Internal activity - receipts from (payments to) other County funds	(1,437)	(326)	(1,763)	(776)
Receipts from rents and concessions	48	2	50	-
Other revenues	46	34	80	59
Payments to employees	(3,217)	-	(3,217)	-
Payments to suppliers	(4,080)	(1,137)	(5,217)	(13,532)
Payments for claims	-	-	-	(777)
Net cash provided (used) by operating activities	<u>(7)</u>	<u>(825)</u>	<u>(832)</u>	<u>(4,194)</u>
Cash flows from noncapital financing activities:				
Intergovernmental revenues	41	-	41	-
Taxes and assessments	-	815	815	-
Internal activity - (to) from other County funds	(476)	(17)	(493)	178
(To) from other governments	90	-	90	-
Net cash provided (used) by noncapital financing activities	<u>(345)</u>	<u>798</u>	<u>453</u>	<u>178</u>
Cash flows from capital and related financing activities:				
(Acquisition) disposal of fixed assets	(280)	(118)	(398)	-
Loan proceeds	-	-	-	10,920
Principal paid on capital debt	-	(66)	(66)	-
Interest paid on capital debt	-	(104)	(104)	-
Net cash provided (used) by capital and related financing activities	<u>(280)</u>	<u>(288)</u>	<u>(568)</u>	<u>10,920</u>
Cash flows from investing activities:				
Investment earnings	2,506	44	2,550	547
Net cash provided by investing activities	<u>2,506</u>	<u>44</u>	<u>2,550</u>	<u>547</u>
Net increase (decrease) in cash and cash equivalents	1,874	(271)	1,603	7,451
Cash and cash equivalents, July 1	70,147	1,741	71,888	7,450
Cash and cash equivalents, June 30	<u>\$ 72,021</u>	<u>\$ 1,470</u>	<u>\$ 73,491</u>	<u>\$ 14,901</u>
Displayed as:				
Cash in banks	\$ 76	\$ -	\$ 76	\$ -
Investment in treasury pool	32,361	1,465	33,826	14,901
Imprest cash	2	-	2	-
Restricted assets which are cash equivalents	39,582	5	39,587	-
	<u>\$ 72,021</u>	<u>\$ 1,470</u>	<u>\$ 73,491</u>	<u>\$ 14,901</u>

Reconciliation of operating income (loss) to net
cash provided (used) by operating activities:

	Business-type Activities - Enterprise Funds			Internal Service Funds
	Solid Waste	Nonmajor Enterprise	Total	
Operating income (loss)	\$ (1,475)	\$ (1,111)	\$ (2,586)	\$ (3,639)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Landfill closure and postclosure costs	1,078	-	1,078	-
Depreciation	723	344	1,067	4
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(159)	(4)	(163)	-
Increase (decrease) in accounts payable	(257)	(54)	(311)	456
Increase (decrease) in salaries and benefits payable and compensated absences	83	-	83	-
Increase (decrease) in claims payable	-	-	-	(1,015)
Total adjustments	<u>1,468</u>	<u>286</u>	<u>1,754</u>	<u>(555)</u>
Net cash provided (used) by operating activities	\$ <u>(7)</u>	\$ <u>(825)</u>	\$ <u>(832)</u>	\$ <u>(4,194)</u>

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

County of Tulare
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2003
(amounts expressed in thousands)

	Investment Trust Funds	Agency Funds
Assets		
Cash in banks	\$ -	\$ 6,577
Investment in treasury pool	349,241	20,122
Taxes receivable	-	14,619
Advances to County funds	-	460
Total assets	<u>349,241</u>	<u>\$ 41,778</u>
Liabilities		
Warrants payable	78,872	\$ 1,325
Due to other agencies	-	27,631
Advances from County funds	-	500
Note payable	-	12,322
Total liabilities	<u>78,872</u>	<u>\$ 41,778</u>
Net assets		
Held in trust for treasury pool participants	\$ <u>270,369</u>	

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

Exhibit 10

County of Tulare
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	<u>Investment Trust Funds</u>
Additions	
Contributions	
To pooled investments	\$ 3,006,410
Total contributions	<u>3,006,410</u>
Investment income	<u>10,947</u>
Total additions	<u>3,017,357</u>
Deductions	
Distributions from pooled investments	<u>3,032,951</u>
Total deductions	<u>3,032,951</u>
Change in net assets held in trust	(15,594)
Net assets, July 1	285,963
Net assets, June 30	\$ <u><u>270,369</u></u>

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



BASIC FINANCIAL STATEMENTS

Notes to the Financial Statements

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COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Financial Reporting Entity

The County of Tulare is a general law political subdivision of the State of California and as such can exercise the powers specified by the Constitution and laws of the State of California. The County is governed by an elected five member Board of Supervisors. As required by generally accepted accounting principles, the accompanying financial statements present the County and its component units.

Component units are legally separate organizations for which the elected officials of the County are either financially accountable or for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the County's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

In conformity with generally accepted accounting principles, the financial statements of six component units have been included and combined with financial data of the County. Five component units have an integral relationship with and serve as an extension of the County. Using the criteria of Government Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," management has determined that each entity is presented as a blended component unit due to the composition of each Governing Board. One component unit is presented discretely.

Blended Component Units. The Tulare County Redevelopment Agency, Terra Bella Sewer Maintenance District, Tulare County Flood Control District, the Tulare County Public Facilities Corporation, and the Tulare County Public Financing Authority are entities legally separate from the County of Tulare. For financial reporting purposes, these entities are considered component units and their individual financial information is presented as part of the County's operations. The blended component units discussed herein have a June 30 year-end.

Tulare County Redevelopment Agency

The governing board of the Tulare County Redevelopment Agency (TCRA), an entity legally separate from the County of Tulare, is the County's Board of Supervisors. For financial reporting purposes, the TCRA is reported as if it were part of the County's operations. The scope of activities of this agency includes capital improvement projects for sewer and storm-drainage systems, community improvements such as youth and community facilities, sidewalks, and graffiti abatement. The communities served include Earlimart, Cutler-Orosi, Goshen, Ivanhoe, Pixley, Poplar/Cotton Center, Richgrove, and Traver. This component unit is reported in two fund types: the Special Revenue Funds and the Debt Service Funds. In the Special Revenue Funds, Redevelopment Agency Low-Moderate Housing funds are shown as revenues with expenditures related to the low-and moderate-income housing set-aside program. The Debt Service Funds show tax increment revenues used to pay principal and interest for Redevelopment Agency Tax Allocation Bonds.

Terra Bella Sewer Maintenance District

Terra Bella Sewer Maintenance District (TBSMD) is an entity legally separate from the County. However, the Tulare County Board of Supervisors serves as the Board of the District. For financial reporting purposes, the TBSMD is reported as if it were part of the County's operations. The District is operated by the Resource Management Agency and its Engineering Division. The purpose of the District is to develop, expand, and maintain the TBSMD Wastewater Treatment and Disposal facility. This component unit's financial information is included as an Enterprise Fund.

Tulare County Flood Control District

The members of the governing board of the Tulare County Flood Control District (TCFCD), an entity legally separate from the County of Tulare, are the County's Board of Supervisors. For financial reporting purposes, the TCFCD is reported as if it were part of the County's operations. The District's primary responsibility is to provide flood control

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

related services to the residents of Tulare County. The component unit's financial information is included as a Special Revenue Fund accounting for reimbursement for flood control related services and projects within the County.

Tulare County Public Facilities Corporation

The Board members of the Tulare County Public Facilities Corporation (TCPFC), a nonprofit public benefit corporation which is legally separate from the County of Tulare, are appointees of the County's Board of Supervisors. For financial reporting purposes, the TCPFC is reported as if it were part of the County's operations as it serves to assist the County by acquiring equipment and facilities financed by the proceeds of borrowings. The equipment and facilities are then leased to the County. This component unit's financial information is included as a major governmental fund.

Tulare County Public Financing Authority

The Tulare County Public Financing Authority (TCPFA), which is legally separate from the County of Tulare, was established through a Joint Exercise of Powers Agreement between the County of Tulare and the Tulare County Redevelopment Agency. The Tulare County Board of Supervisors serves as the Board of the TCPFA. For financial reporting purposes, TCPFA is reported as if it were part of the County's operations as it serves to assist the County of Tulare through borrowings, which are used for the acquisition and construction of public capital improvements and the repair and maintenance thereof. Lease payments to TCPFA are payable through the County. This component unit's financial information is included as a major governmental fund.

Tulare County In-Home Supportive Services Public Authority

The Tulare County In-Home Supportive Services Public Authority (TCIHSSPA), which is legally separate from the County of Tulare, was established according to the provisions of Welfare and Institutions Code Section 12301.6 to serve as the employer of record of Providers of in-home supportive services for purposes of the Meyers-Milias-Brown Act. The Tulare County Board of Supervisors serves as the Board of TCIHSSPA. For financial reporting purposes, TCIHSSPA is reported as if it were part of the County's operations.

Complete financial statements for the Tulare County Redevelopment Agency, Tulare County Public Facilities Corporation, and the Tulare County Public Financing Authority are available at the County of Tulare's Administrative Office, 2800 W. Burrell Avenue, Visalia, California. The other blended component units do not issue separate financial statements.

Discretely Presented Component Unit The governing board of the **Tulare County Children and Families Commission (TCCFC)**, an entity legally separate from the County of Tulare, are appointees of the County's Board of Supervisors. The Commission was created by Tulare County Ordinance No. 3217 on December 8, 1998. The purpose of the TCCFC is to develop, promote, and implement local early childhood development programs administered by the California Children and Families First Commission. On October 24, 2002 the Commission Board approved a change of name to **First 5 Tulare County (F5TC)**. For financial reporting purposes, the F5TC is discretely presented because the resources of the Commission are not used to support County operations. Complete audited financial statements for First 5 Tulare County are available at the County of Tulare's Auditor-Controller's Office, 221 S. Mooney Boulevard, Room 101-E, Visalia, California.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

1. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. The basis of accounting determines when transactions and economic events are reflected in financial statements. Measurement focus identifies which transactions and events should be recorded.

The County of Tulare legally adopts an annual budget for the General Fund and all of its Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. Component units Terra Bella Sewer Maintenance District, Tulare County Redevelopment Agency, Tulare County Flood Control District, and the Tulare County In-Home Supportive Services Public Authority each adopt an annual budget. Tulare County Public Facilities Corporation and Tulare County Public Financing Authority do not adopt budgets.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers expenditure-driven grant revenues available if they are collected within one year. All other revenues are considered available if they are collected within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments which are recognized when the obligations are due and payable.

Property taxes, franchise taxes, licenses, interest and special assessments are susceptible to accrual. Property tax revenues recognized are only those levied for the current fiscal year which have been collected or expect to be collected within sixty days after fiscal year-end. Sales taxes collected and held by the State at year-end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven grant revenues are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and reimbursement is expected within one year.

The County reports the following major individual governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Public Facilities Corporation** accounts for the activities of the TCPFC that assists the County of Tulare by acquiring equipment and facilities financed from the proceeds of borrowing. Such equipment and facilities are leased to the County

The **Public Financing Authority** accounts for the activities of the TCPFA, which assists the County of Tulare by providing funds for construction, acquisition, and/or maintenance of capital assets.

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Additionally, the County reports the following governmental fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditure for specific purposes (not including private purpose funds or major capital projects).

The **Debt Service Funds** account for the servicing of general long-term debt not being financed by proprietary or permanent funds.

The **Capital Projects Funds** account for all major maintenance, improvements, acquisition or construction of capital assets not being financed by proprietary or permanent funds.

Proprietary Funds are accounted for on the *economic resources measurement focus* and use the *accrual basis of accounting*. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The County applies all applicable FASB pronouncements in accounting and reporting for its enterprise operations, including FASB Statements and Interpretations issued on or before November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

The County reports the Solid Waste Fund as its only major individual proprietary fund.

The **Solid Waste Fund** is an enterprise fund that is used to account for the operation, maintenance, and development of various landfills and disposal sites for solid waste, and to prepare for future closure and postclosure expenses.

Additionally, the County reports the following proprietary fund types:

The **Enterprise Funds** are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, the activity is financed with debt secured solely by a pledge of net revenues of the activity, or laws or regulations require that the cost of providing services be recovered through fees and charges.

The **Internal Service Funds** are used to account for operations that provide mailroom, print shop, insurance coverage, and other central services to other funds, departments, or agencies of the County and its component units or to other governments, on a cost-reimbursement basis. An Internal Service fund operates in a manner similar to an enterprise fund, but is used when the reporting government itself is the predominant participant in the fund.

Fiduciary Funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the County under the terms of a formal trust agreement.

The County reports the following fiduciary fund types:

The **Investment Trust Funds** are used to account for assets held for external investment pool participants, such as schools and local special districts, and do present changes in financial position. Investment Trust Funds are accounted for on the *economic resources measurement focus* and use the *accrual basis of accounting*.

The **Agency Funds** are custodial in nature and do not present changes in financial position or have a measurement focus. Agency funds are accounted for using the *accrual basis of accounting*. These funds are used to account for assets that the government holds for individuals, private organizations, or other governments.

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2. Financial Statement Presentation

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements in order to remove the "doubling-up" effect of internal service activities, reciprocal interfund activity, and nonreciprocal interfund activity.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than program revenues and include by definition, all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Solid Waste, Transit, Terra Bella Sewer Maintenance District, Assessment Districts, County Service Area #1, County Service Area #2 enterprise funds and the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

D. Implementation of New Accounting Principles

Governmental Accounting Standards Board Statement No. 39

The County adopted the provisions of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. This statement continues the requirement in Statement No. 14 to apply professional judgment in determining whether the relationship between a primary government and certain other organizations is such that exclusion of the organization would render the financial statements of the reporting entity misleading or incomplete. This Statement refers specifically to organizations that are legally separate, tax-exempt entities for which the primary government is not financially accountable and that do not meet the criteria for discretely presented component units. Accordingly, all agencies within the County were surveyed. No qualifying organizations were identified.

Governmental Accounting Standards Board Technical Bulletin 2003-1

In June 2003, GASB issued Technical Bulletin 2003-1, *Disclosure Requirements for Derivatives Not Reported at Fair Value on the Statement of Net Assets*. This Technical Bulletin provides an updated definition of derivatives; it also provides disclosure requirements for the government's objectives for entering into the derivative and the derivative's terms, fair value and risk exposures. These disclosure requirements are intended to provide information to financial statement users that will enhance their understanding of the significance of derivatives to a government's net assets and will assist them in assessing the amounts, timing, and uncertainty of future cash flows. The provisions of Technical Bulletin 2003-1 are effective for financial statement periods ending after June 15, 2003.

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E. Assets, Liabilities and Equity

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in Treasury pool, and other short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County and the Districts to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool.

The County Treasurer's Office administers a pooled investment program for the County and for certain special purpose authorities including school districts. As of June 30, 2003, the special purpose authorities' cash and pooled investments were approximately 66% of the County Treasurer's Office pooled investment portfolio.

Effective July 1, 1997, the County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, which require governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet / statement of net assets and recognize the corresponding change in the fair value of investments in the year in which the change occurred. The fair value of pooled investments is determined annually and is based on current market prices received from the County's securities custodian. The Local Agency Investment Fund (LAIF) is required to invest in accordance with State statutes. At June 30, 2003, the fair value of the County's position in LAIF approximates the value of the pool shares. Short-term investments are reported at cost, which approximates fair value. No investments are reported at amortized cost.

The value of the deposits of the County's pooled investment program is equal to the dollars deposited in the program, plus increases and less decreases (unrealized gains and losses) required to record investments at their fair market value as of June 30, 2003. The dollars deposited in the program have been increased by \$8,905 to reflect the increase in the fair value of the investment in the Treasury Pool at June 30, 2003.

In addition, investments outside the Investment Pool were adjusted to fair market value as of June 30, 2003 resulting in an additional increase of \$148.

2. Receivables and Payables

Transactions between funds that are representative of non-current lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Advances to / from other County funds." All other outstanding balances between funds are reported as "Due to / from other County funds." Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property taxes receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible accounts.

The County is responsible for the assessment, collection and apportionment of property taxes for all jurisdictions, including the schools and special districts within the County. The Board of Supervisors levies property taxes as of September 1 for property values assessed on July 1. Secured property tax payments are due in two equal installments.

The first installment is generally due November 1 and delinquent with penalties after December 10, and the second installment is generally due on February 1 and delinquent with penalties after April 10. Secured property taxes become a lien on the property on January 1.

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Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid after August 31. Property taxes are accounted for in the Unapportioned Tax Collection Fund, an agency fund, until apportionment and disbursement to taxing jurisdictions. As of fiscal year ended June 30, 1994, the County adopted the alternative method of secured property tax apportionment available under the Revenue and Taxation Code of the State of California (also known as the "Teeter Plan") whereby secured property taxes are distributed to participating taxing entities (including the County and related Component Units) on the basis of the tax levy, including any uncollected amounts at fiscal year end. The County, as administrator, benefits from future collections of penalties and interest on delinquent taxes. Transactions of the Teeter Plan (including outstanding debt borrowed for the annual Teeter buyout) are accounted for in the Teeter Fund, an agency fund. Taxes receivable are recorded as of the date levied.

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Codes and Revenue and Taxation Codes.

3. Inventories and Prepaid Items

Governmental fund type inventories not held for resale are valued at cost using the first-in / first-out (FIFO) method. The costs of most governmental fund type inventories are recorded as expenditures when purchased rather than when consumed except for the Roads Fund, which uses the consumption method. Inventories held for governmental activities are recorded using the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are regularly recurring costs of operations recorded as prepaid items (e.g., prepaid rent and prepaid employee retirement contributions).

4. Restricted Assets

Resources that will not be used in current operations, which are restricted for acquisition or construction of non-current assets, or that are restricted for liquidation of long-term debt beyond the next year are *restricted assets*. Restricted assets in the governmental funds include \$45,620 in Tulare County Public Financing Authority for future debt service, \$5,000 in a capital projects fund for the future clean up of toxic ground at the Harmon Field airstrip, and \$7,165 in the Utilities Fund for energy conservation modifications. Restricted assets in the business-type funds include \$34,582 in the Solid Waste fund for future closure / postclosure expenses for disposal sites, \$5,000 for toxic clean up contingencies associated with solid waste disposal sites, and \$5 in CSA #2 Fund for the future liquidation of water bonds.

5. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5 and an estimated useful life in excess of one year. Capital assets used in governmental fund types of the County are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation.

Infrastructure assets acquired since July 1, 2001 are recorded in the statement of net assets. Pursuant to GASB No. 34, an extended period of deferral is available (fiscal year ending June 30, 2006) before the County is required to record infrastructure assets acquired prior to July 1, 2001. The County will record all infrastructure assets (and related accumulated depreciation) acquired prior to July 1, 2001 by June 30, 2006.

Capital outlay is recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County's capitalization threshold is met. Interest incurred during the construction phase of the capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Amortization of assets acquired under capital leases is included in depreciation and amortization.

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Capital assets of the County, as well as the component units, are depreciated using the straight line method of the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements	20
Vehicles	2 - 15
Office equipment	3 - 15

6. Compensated Absences

Employees are granted vacations and sick leave and are permitted to accumulate earned but unused vacation and sick leave benefits. The portion relating to the proprietary funds is expensed as salaries in the year earned. The benefit amounts relating to governmental funds, which will be paid from future resources, are recorded in the government-wide financial statements. Benefit amounts due and payable at year-end are recorded in the governmental funds as part of Salaries and benefits payable.

In the event of termination or death, an employee, or the employee's estate, is compensated for 100% of accumulated vacation. The value of accumulated vacation at June 30, 2003 was \$10,400. Of this amount, \$188 is recorded in proprietary funds and the balance is recorded in the government-wide financial statements.

Employees in Bargaining Units 1, 3, 6 & 7 who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 converted hours. Employees in these same Units leaving County service in good standing, other than by retirement, after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 20 converted hours. Unrepresented employees in Bargaining Units 9, 10, 11, 17, 18, 19, 20, 21 & 22 and represented employees in Bargaining Unit 5, who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 250 converted hours. Employees in these same Units leaving County service in good standing, other than by retirement, after five years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 40 converted hours. Bargaining Units 2, 4, 8, 12, 13, 14, 15, & 16 employees who leave County service by retirement after ten years of service may convert 20% of their unused sick leave credits to cash at their current payroll rate up to a maximum of 176 converted hours. The value of accumulated sick leave at June 30, 2003 was calculated using a termination payment method and is accrued at \$2,500. Of this amount, \$56 is recorded in proprietary funds and the balance is recorded in the government-wide financial statements.

Any compensatory time off (CTO) remaining, in the event of termination or death, is converted to cash at the employees' current payroll rate. The value of accumulated CTO at June 30, 2003 was \$986. Of this amount, \$43 is recorded in the proprietary funds and the balance is recorded in the government-wide financial statements.

The County has a sick leave buy back program that allows employees to be compensated on the first pay date in December for a portion of their unused sick leave based on their years of service and usage in the prior year. Employees with three to five years' service may convert up to 40 hours of sick leave. Employees with over five years may convert up to 60 hours. The amount available for conversion is reduced by the sick leave used in the year ending the 1st of October just prior to the December pay out. The value of sick leave buy backs for future years cannot be accurately estimated, but for the fiscal year ended June 30, 2003, the County paid \$ 489 to employees through this program.

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7. Short-term Borrowing (Tax and Revenue Anticipation Notes Payable)

Each fiscal year, the County issues Tax and Revenue Anticipation Notes to provide money to meet the General Fund's current year expenditures and to discharge its obligations and indebtedness. The principal of the notes and the interest thereon is paid from pledged property taxes and revenues the County expects to receive during the fiscal year.

8. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A reconciliation of the total fund balances for governmental funds to the total net assets of governmental activities has been prepared as part of the basic financial statements, including explanations of differences in Exhibit 3.1.

A reconciliation of the total net change in fund balances for governmental funds to the total changes in net assets of governmental activities has been prepared as part of the basic financial statements including explanations of differences in Exhibit 4.1.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the provision of Sections 29000 through 29132, inclusive, of the Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and adopts a final budget on or before October 2 for each fiscal year. Until the adoption of this final balanced budget, operations are governed by a proposed budget approved by the Board of Supervisors.

An operating balanced budget is adopted each fiscal year for the County's General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund. An operating balanced budget is adopted each fiscal year for the Tulare County Redevelopment Agency, the Tulare County Flood Control District and the Tulare County In-Home Supportive Services Public Authority (blended component units) which are governed by the Board of Supervisors and of which the Auditor-Controller is the ex-officio Finance Officer,

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The Tulare County Public Financing Authority and the Tulare County Public Facilities Corporation do not adopt a budget.

A spending plan is adopted each fiscal year for the County's Enterprise Funds and Internal Service Funds, as well as the Terra Bella Sewer Maintenance District (blended component unit) which is governed by the Board of Supervisors and of which the Auditor-controller is the ex-officio Finance Officer.

Public hearings are conducted on the adopted proposed budget and spending plans to review all appropriations and the sources of financing. Because the adopted budget for governmental fund types **must be balanced**, any shortfall in revenue requires an equal reduction in appropriations. All appropriations lapse at year-end.

All governmental fund type budget units are adopted on the modified accrual basis of accounting. Spending plans for proprietary fund types are adopted on the accrual basis. County department heads, with the approval of the County Administrative Officer, may make transfers of appropriations within a department without the approval of the Board of Supervisors. Amendments or transfers between departments within the General Fund are approved by the Board of Supervisors. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. The legal level of budgetary control is the fund level, with the exception of the General Fund in which the legal level of budgetary control is the department level. Budgeted amounts are reported both as originally adopted and as amended.

The Board of Supervisors made several supplemental budgetary appropriations throughout the fiscal year, including additional appropriations for new programs, additional positions, and unanticipated obligations. For the fiscal year ended June 30, 2003, appropriations in the General Fund were increased by approximately \$3,524.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2003, expenditures did not exceed appropriations in any fund at the legal level of control.

C. Prior Period Adjustment

For the fiscal year ended June 30, 2002, the County implemented GASB 34, which requires, for the first time, the reporting of annual and accumulated depreciation for capital assets used for governmental activities. Due to an error in our calculation of accumulated depreciation as of June 30, 2001, the capital assets, net of depreciation, for governmental activities as of June 30, 2002 was understated by \$36,298.

D. Deficit Fund Equity

For the year ended June 30, 2003, two funds had deficit fund equity. The Pension Obligation Bond Debt Service Fund had a fund deficit of (\$63) because the fund needed an advance from the General Fund to make scheduled debt service payments earlier in the fiscal year, but had insufficient cash at year-end to repay the advance. One of the Central Service Internal Service Funds (Utilities) incurred expenses for major countywide repairs designed to reduce future energy costs. The necessary funds were borrowed, resulting in a fund deficit of (\$4,224).

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IV. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

As provided by Government Code §53600, the cash balances of substantially all County funds and participating county schools and agencies are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities. Interest earned on the pooled funds is apportioned quarterly based on the average daily balance of each participating fund. Certain funds, which have deposits in the County's pooled investment program, do not receive the interest earnings on their deposits. The earnings on the investments related to those funds are assigned to the County's General Fund, as permitted by Government Code. "Investments" in the governmental funds balance sheet (Exhibit 3) represent the investment of assets associated with the Tulare County Public Facilities Corporation (TCPFC) and the Tulare County Public Financing Authority (TCPFA), which are not invested by the County Treasurer but are held by fiscal agents.

Cash Deposits. As of June 30, 2003, the County's bank deposits had a carrying amount of \$11,756 and the balance per the financial institutions totaled \$12,064. All pooled cash deposits and nonnegotiable Certificates of Deposit are entirely insured (\$380) or collateralized (\$11,684). The California Government Code requires California banks and savings and loan associations to secure the County's deposits by pledging government securities or first trust deed mortgage notes. The market value of the pledged government securities and first trust deed mortgage notes must be at least 110% and 150% of the County's deposits, respectively. The collateral is held by the pledging financial institutions trust department or its agent and is considered to be held in the County's name.

Investments. The pool's cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer. The objectives of the policy are, in order of priority: preservation of capital; liquidity, and yield. Investment policy guidelines are annually updated and approved by the Tulare County Board of Supervisors. The Treasurer also reports on a monthly basis to the Tulare County Board of Supervisors. Additionally, there is an Oversight Committee established under California Code § 27130 to §27137 comprised of Tulare County Officials, representatives from various pool participants, and members of the public, whose function is to monitor compliance with the County's Investment Policy. Investments made outside the County Treasury are invested pursuant to governing bond covenants or California Government Code provisions.

The County's Investment Policy, in compliance with California Government Code §53601 and §53635, authorizes the Treasurer to invest in the following:

- (A) Obligations issued by the County of Tulare
- (B) Obligations of the U.S. Treasury
- (C) Obligations of the State of California and municipalities
- (D) Obligations of Federal Agencies or U.S. Government-sponsored enterprises
- (E) Bankers Acceptances eligible for purchase by the Federal Reserve System
- (F) Commercial Paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record
- (G) Negotiable Certificates of Deposit
- (H) Medium-Term Corporate Notes rated "A" or better
- (I) Mutual Funds
- (J) Repurchase and Reverse Repurchase Agreements
- (K) Local Agency Investment Fund (LAIF)

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Classification Investments by Custodial Credit Risk. In accordance with the Governmental Accounting Standards Board Statement 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, the County's investments have been classified into the following three categories of custodial credit risk:

- (1) Insured or registered, or securities held by the County or its agent 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 the counterparty's trust department or agent, but not in the County's name.

The following schedule classifies the investments into the above noted categories to provide an indication of the custodial credit risk assumed by the County as of June 30, 2003.

		Investments by Category			Reported Amount/ Fair Value
		1	2	3	
U.S. Treasury Obligations	\$	50,721	\$ -	\$ -	\$ 50,721
Federal Agency Obligations		288,279	-	-	288,279
Municipal Obligations		16,176	-	-	16,176
Corporate Bonds and MTNs		43,051	-	-	43,051
Repurchase Agreements		-	42,000	-	42,000
Commercial Paper		67,718	-	-	67,718
Tulare County Promissory Note		12,322	-	-	12,322
	\$	<u>478,267</u>	\$ <u>42,000</u>	\$ <u>-</u>	<u>520,267</u>
Other Investments:					
Money Market Mutual Fund					78,614
LAIF Managed Pool					7,811
Total Investments					<u>\$ 606,692</u>

Investments in the Money Market Mutual Fund, LAIF Managed Pool, and other investment agreements are not categorized, in accordance with GASB No. 3, because they are not evidenced by securities that exist in physical or book entry form.

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California Local Agency Investment Fund (LAIF). The State Treasurer's Local Agency Investment Fund (LAIF) is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee, comprised of California State officials and various participants, provide oversight to the management of the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without penalty or loss of interest. The value of the County's shares in LAIF that may be withdrawn is determined on an amortized cost basis, which may be different from the fair value of the County's position in the pool. As of June 30, 2003, the County's investment in LAIF is \$78,614. The total amount recorded by all public agencies in LAIF at that date is \$55,587,336. Of that amount, 97.7% is invested in non-derivative financial products and 2.3% in structured notes and asset-backed securities.

Repurchase Agreements. Repurchase Agreements are contracts in which a broker/dealer sells securities to the Investment Pool with an agreement to repurchase those securities for a fixed price at an agreed-upon date. Government Code requires that California public entities that utilize repurchase agreements collateralize the investments that underlay the repurchase agreements with amounts that exceed cost. The market value of the securities underlying the repurchase agreements must be valued at 102% or greater. The Pool's Investment Policy reflects this requirement.

Treasury Pool Income and Participant Withdrawals. Treasury Pool investments are accounted for in accordance with the provisions of GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires governmental entities to report certain investments at fair market value in the balance sheet and the statement of net assets and recognize the corresponding change in value of investments in the year in which the change occurred. The value of the participant's shares in the pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair market value of the participant's position in the Pool. The fair market value fluctuates with interest rates, and increasing rates could cause the value to decline below original cost; however, County management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the County from having to sell investments below original cost for that purpose.

As of June 30, 2003, the investment income comprises of the following:

Investment Income	
Interest and Dividends	\$ 18,786
Net Increase in the Fair Value	874
Less: Investment Expenses	(836)
Total Treasury Pool Income	<u>\$ 18,824</u>

The net increase in fair market value of investments during fiscal year 2002-2003 was \$ 874. This amount takes into account all changes in fair value (including sales resulting in a net gain of \$ 2,402) that occurred during the year. The fair value gain on investments held as of June 30, 2003 was \$ 8,905.

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Summary of Cash and Investments Balances

Following is a reconciliation of the County's cash and investment balances to the balance sheets/statements of net assets for the Governmental, Enterprise, Internal Service, Fiduciary Funds, and the discretely presented component unit as of June 30, 2003:

	Governmental Funds (Exhibit 3)	Enterprise Funds (Exhibit 6)	Internal Service Funds (Exhibit 6)	Fiduciary Funds (Exhibit 9)	Total	Component Unit - First 5 Tulare County
Cash in Banks	\$ 749	\$ 76	\$ -	\$ 6,577	\$ 7,402	\$ 40
Investment in Treasury	76,409	33,826	14,901	369,363	494,499	19,573
Investments	12,033	-	-	-	12,033	-
Imprest Cash	74	2	-	-	76	-
Restricted Assets in Treasury Pool	50,620	39,587	-	-	90,207	-
	<u>\$ 139,885</u>	<u>\$ 73,491</u>	<u>\$ 14,901</u>	<u>\$ 375,940</u>	<u>\$ 604,217</u>	<u>\$ 19,613</u>

Summary of total cash investments is as follows:

	Investment in Treasury Pool	Other	Total
Undeposited Cash Items	\$ 729	\$ -	\$ 729
Bank Deposits	4,238	7,518	11,756
Interest	4,653	-	4,653
Investments	549,039	57,653	606,692
Total	<u>\$ 558,659</u>	<u>\$ 65,171</u>	<u>\$ 623,830</u>

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The following represents a condensed statement of net assets and changes in net assets for the Treasurer's Investment Pool as of June 30, 2003:

Statement of Net Assets

Net assets held in trust for all pool participants	\$	<u>558,659</u>
Equity of internal pool participants		288,290
Equity of external pool participants		<u>270,369</u>
Total Equity	\$	<u>558,659</u>

Statement of Changes in Net Assets

Net assets at July 1, 2002	\$	506,585
Net increase in investments by pool participants		<u>52,074</u>
Net Assets at June 30, 2003	\$	<u>558,659</u>

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B. Receivables

Receivables as of year-end for the County's individual major funds and for nonmajor, and internal service funds are as follows:

	General	Solid Waste	Nonmajor and other Funds	Total	Noncurrent portion
Receivables:					
Accounts	\$ 398	\$ 698	\$ 244	\$ 1,340	\$ -
Lease payments	-	-	1,818	1,818	1,717
Notes	2,775	-	1,009	3,784	3,642
Due from other governments	26,376	-	6,668	33,044	-
Total Receivables	<u>\$ 29,549</u>	<u>\$ 698</u>	<u>\$ 9,739</u>	<u>\$ 39,986</u>	<u>\$ 5,359</u>

C. Deferred Revenue

Deferred revenue consists of two categories of revenue including 1) resources received before their use is permitted (*unearned*) or, 2) amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met, in that the amounts are measurable, but not available within the current period or soon enough thereafter to pay liabilities of the current period (*unavailable*).

	<u>Unearned</u>	<u>Unavailable</u>
General Fund	\$ 20,467	\$ 3,019
Nonmajor Governmental Funds	2,548	1,818
Total Unavailable/Unearned Revenue	<u>\$ 23,015</u>	<u>\$ 4,837</u>

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D. Capital Assets

Capital asset activity for the year ended June 30, 2003 was as follows:

Capital Assets - Primary Government	Beginning Balance*	Additions	Retirements	Current Period Adjustments	Ending Balance
Governmental activities:					
<i>Capital assets, not being depreciated:</i>					
Land	\$ 7,985	\$ 273	\$ (2)	\$ -	\$ 8,256
Construction in Progress	69	1,414	-	-	1,483
Infrastructure in Progress	3,356	1,492	-	-	4,848
Total capital assets, not being depreciated	<u>11,410</u>	<u>3,179</u>	<u>(2)</u>	<u>-</u>	<u>14,587</u>
<i>Capital assets, being depreciated:</i>					
Buildings and Improvements	167,119	-	(3,832)	(5)	163,282
Equipment /Vehicles	41,493	3,481	(3,884)	203	41,293
Total capital assets being depreciated	<u>208,612</u>	<u>3,481</u>	<u>(7,716)</u>	<u>198</u>	<u>204,575</u>
<i>Less accumulated depreciation for:</i>					
Buildings and Improvements	(34,163)	(2,791)	152	-	(36,802)
Equipment /Vehicles	(25,757)	(4,082)	3,452	(113)	(26,500)
Total accumulated depreciation	<u>(59,920)</u>	<u>(6,873)</u>	<u>3,604</u>	<u>(113)</u>	<u>(63,302)</u>
Total capital assets, being depreciated, net	<u>148,692</u>	<u>(3,392)</u>	<u>(4,112)</u>	<u>85</u>	<u>141,273</u>
Governmental activities capital assets, net:	<u>\$ 160,102</u>	<u>\$ (213)</u>	<u>\$ (4,114)</u>	<u>\$ 85</u>	<u>\$ 155,860</u>
*Beginning balances restated, accumulated depreciation of capital assets was overstated by \$36,928 as of June 30, 2002					

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Capital Assets - Primary Government	Beginning Balance	Additions	Retirements	Adjustments	Ending Balance
Business-type activities:					
<i>Capital assets, not being depreciated:</i>					
Land	\$ 6,728	\$ -	\$ -	\$ -	\$ 6,728
Construction in Progress	41	-	-	-	41
Total capital assets, not being depreciated	<u>6,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,769</u>
<i>Capital assets, being depreciated:</i>					
Buildings and Improvements	13,810	-	-	-	13,810
Equipment /Vehicles	8,195	400	-	(7)	8,588
Total capital assets being depreciated	<u>22,005</u>	<u>400</u>	<u>-</u>	<u>(7)</u>	<u>22,398</u>
<i>Less accumulated depreciation for:</i>					
Buildings and Improvements	(4,056)	(539)	-	5	(4,590)
Equipment /Vehicles	(6,017)	(528)	-	-	(6,545)
Total accumulated depreciation	<u>(10,073)</u>	<u>(1,067)</u>	<u>-</u>	<u>5</u>	<u>(11,135)</u>
Total capital assets, being depreciated, net	<u>11,932</u>	<u>(667)</u>	<u>-</u>	<u>(2)</u>	<u>11,263</u>
Business-type activities capital assets, net:	\$ <u>18,701</u>	\$ <u>(667)</u>	\$ <u>-</u>	\$ <u>(2)</u>	\$ <u>18,032</u>

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

Depreciation - Governmental activities:		Depreciation - Business-type activities:	
General government	\$ 1,296	Solid Waste	\$ 723
Public protection	3,279	Nonmajor enterprise funds	344
Public ways and facilities	612		
Health and sanitation	588		
Public assistance	199		
Education	170		
Culture and recreation	102		
Unallocated depreciation expense	<u>627</u>		
Total depreciation expense - governmental activities	\$ <u>6,873</u>	Total depreciation expense - business-type activities	\$ <u>1,067</u>

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The County has active construction and other projects as of June 30, 2003 including the remodeling of the Visalia Library, an amphitheater for Mooney Grove Park, and various infrastructure projects

At year-end the County's commitments with contractors are as follows:

<u>Capital Project - Active Construction</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Cal Win Systems	\$ 552	\$ 241
Cessna - Air Craft	818	60
Mooney Grove Amphitheater	10	350
Visalia Library	103	740
Roads:	-	-
Environmental review of existing roads	3,729	548
Road reconstruction	25	-
Pre-engineering for realignment of Dry Creek Road	220	-
Reconstruct and build culvert box - Dry Creek Road	698	-
Bridges:	-	-
Replacement of bridge	82	-
Review of existing bridge for possible replacement	94	-
Total C.I.P.	\$ <u>6,331</u>	\$ <u>1,939</u>

The commitment for road and bridge reconstruction and environmental review is being financed by the State Transportation Improvement Program.

E. Interfund Receivables and Payables

1. Advances to / from other County funds are representative of noncurrent lending / borrowing arrangements outstanding at the end of the fiscal year. The composition of advances to / from other County funds balances as of June 30, 2003, is as follows:

<u>Advances - Receivable Fund</u>	<u>Advances - Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental	\$ 150
Total		\$ <u>150</u>

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2. Due to / from other County funds represents current outstanding balances between funds at the end of the fiscal reporting period resulting from transactions which occurred after the date on which cash transactions closed.

The composition of due to / from other County funds balances as of June 30, 2003, is as follows:

Due To/From County Funds		
Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental funds	\$ 1,517
	Internal service funds	64
	Sub-total	<u>1,581</u>
Nonmajor governmental funds	General fund	10
	Nonmajor governmental funds	25
	Sub-total	<u>35</u>
Solid waste fund	General fund	6
Nonmajor enterprise funds	Nonmajor enterprise funds	4
	Total	<u>\$ 1,626</u>

F. Transfers

Transfers to / from other County funds for the fiscal year ended June 30, 2003 consist of transfers for normal operations, including the accumulation of debt service payments and support of other funds resources, with the exception of \$164 which was the result of the closing of five assessment funds into other assessment funds, and the closing of a Redevelopment fund to another.

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The schedule of transfers to / from other County funds for the fiscal year ended June 30, 2003 is as follows:

Transfers out:	Transfers In:					Total Transfers
	General Fund	PFC	PFA	Nonmajor Governmental	Nonmajor Enterprise	
General Fund	\$ -	\$ -	\$ -	35,477	3	35,480
PFA	-	-	-	2,500	-	2,500
Nonmajor Governmental	43,190	8,875	4,527	2,542	-	59,134
Solid Waste	585	-	-	93	-	678
Nonmajor Enterprise	-	-	-	2	44	46
Total transfers out	\$ 43,775	\$ 8,875	\$ 4,527	\$ 40,614	\$ 47	\$ 97,838

G. Leases

Operating Leases. The County has commitments under long-term operating lease agreements for facilities used in operations. These lease agreements provide for cancellation in the event the Board of the respective entity does not appropriate funding in subsequent fiscal years. The expenses for the fiscal year ended June 30, 2003 were approximately \$4,570. The future minimum lease payments for these leases are as follows:

Operating Leases	
Fiscal Year Ending June 30,	Amount
2004	\$ 3,888
2005	3,183
2006	2,862
2007	2,660
2008	2,412
2009-2013	5,129
2014-2018	1,714
2019-2023	162
Total	\$ 22,010

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In addition to real property leases, the County has also entered into long-term leases for personal property, the majority of which is leased by Roads, Solid Waste, the District Attorney's Office, and the General Services division of the Resource Management Agency. Most of these leases also provide for cancellation in the event that the Board of Supervisors does not appropriate funding, and are subject to annual adjustments based upon negotiations. Total rent and lease expense for these operating leases for the fiscal year ended June 30, 2003, was approximately \$222.

Capital Leases. The County has entered into lease agreements as lessee for financing the acquisition of police communications equipment and other non-capitalized items; and printing equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through capital leases are as follows:

Assets Aquired Through Capital Leases	
June 30, 2003	Governmental Activities
Equipment	\$ 436
Less: Accumulated depreciation	(50)
Total	<u>\$ 386</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2003, are as follows:

Capital Leases	
Fiscal Year Ending June 30, 2003	Governmental Activities
2004	\$ 152
2005	152
2006	<u>88</u>
Total minimum lease payments	392
Less: amount representing interest	<u>(33)</u>
Present value of minimum lease payments	<u>\$ 359</u>

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Direct Financing Lease The County has entered into a lease agreement as lessor for the lease purchase of the Dinuba Courthouse / Police Station by the City of Dinuba in March 1997. This lease agreement qualifies as a direct financing lease for accounting purposes and, therefore, has been recorded as lease payments receivable with no allowance for uncollectible payments and net of interest. The net investment in this direct financing lease as of June 30, 2003 is \$1,818. Minimum lease payments receivable for each of the five succeeding fiscal years and thereafter are as follows:

Direct Financing Lease Receivable			
Fiscal Year Ending June 30,	Principal	Interest	
2004	\$ 101	\$ 109	
2005	107	103	
2006	114	96	
2007	121	89	
2008	128	82	
2009-2013	768	278	
2014-2018	479	44	
	<u>\$ 1,818</u>	<u>\$ 801</u>	

H. Short-term Debt

Tax and Revenue Anticipation Notes Payable. In accordance with the Resolution of Issuance, the 2002-2003 Tax and Revenue Anticipation Note (TRAN) of \$22,232 matured and was repaid with interest of \$426 on June 25, 2003.

Short-term Debt Activity				
	Beginning Balance	Issued	Redeemed	Ending Balance
Tax and Revenue Anticipation Notes	\$ -	\$ 22,232	\$ (22,232)	\$ -

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I. Long-term Debt

Certificates of Participation. The Tulare County Public Facilities Corporation issues Certificates of Participation (COPs) to provide funds for the acquisition, construction and repair and maintenance of major capital facilities. COPs have been issued for both governmental and proprietary activities. These COPs are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, COPs have been issued to refund earlier certificates with higher interest rates.

COPs are obligations of the County's component units. However, the County is indirectly obligated under lease agreements it has signed with its component units. The County's obligation is limited to including in its annual budget, lease payments called for in the lease agreements. These COPs generally are issued as 20-year certificates with increasing amounts of principal maturing each year.

Certificates of Participation currently outstanding are as follows:

Outstanding Certificates of Participation			
Date Issued	Purpose of Debt	Interest Rates	Amount
September 16, 1992	Governmental activities - Refunding	2.75% - 6.13%	\$ 7,720
July 23, 1996	Governmental activities	4.30% - 6.00%	17,720
October 8, 1998	Governmental activities - Refunding	3.35% - 5.00%	43,691
	Subtotal		<u>69,131</u>
September 2, 1993	Business-type activities	5.00%	532
February 23, 1994	Business-type activities	5.00%	77
August 16, 1994	Business-type activities	4.50%	56
September 14, 1994	Business-type activities	4.50%	47
May 28, 1996	Business-type activities	4.50%	925
	Subtotal		<u>1,637</u>
	Total		<u><u>\$ 70,768</u></u>

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Annual debt service requirements to maturity for COPs are as follows:

Certificates of Participation					
Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		
	Principal	Interest	Principal	Interest	
2004	\$ 5,998	\$ 3,470	\$ 27	\$ 55	
2005	6,263	3,186	27	75	
2006	6,570	2,884	27	74	
2007	4,145	2,508	27	72	
2008	4,365	2,298	27	71	
2009-2013	24,700	7,460	159	335	
2014-2018	16,830	1,447	199	293	
2019-2023	260	6	251	240	
2024-2028	-	-	308	175	
2029-2033	-	-	397	93	
2033-2037	-	-	188	16	
Total	\$ 69,131	\$ 23,259	\$ 1,637	\$ 1,499	

Variable Rate Demand Bonds. On December 17, 1999, the Tulare County Public Financing Authority (TCPFA) issued Variable Rate Demand Bonds of \$45,000 with a variable rate not to exceed 12%. Each fiscal year up to \$2,500 will be transferred to the County to provide financing for the acquisition and construction of public capital assets and repair and maintenance costs related thereto. A lease agreement in which the County is leasing four existing buildings to TCPFA is used as security for the bonds.

These bonds are treated as a long-term liability in accordance with GAAP as the County entered into a take-out agreement before the financial statements were issued. The take-out agreement does not expire within one year of the fiscal period end. Neither the take-out agreement itself nor the obligations issued pursuant to the agreement are cancelable by the lender within one year of the fiscal period end, and the lender is expected to be financially capable of honoring the take-out agreement.

These bonds are the obligation of the County's component unit. However, the County is obligated under the leaseback agreement it has signed with its component unit. The County's obligation is limited to including in its annual budget the lease payments called for in this leaseback agreement payable from a pledge of the County's share of the Tobacco Master Settlement Agreement. These bonds were issued with a final maturity date of August 1, 2034.

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Annual debt service requirements to maturity for the bonds are as follows:

TCPFA Variable Rate Demand Bonds		
Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest *
2004	\$ 400	\$ 2,564
2005	500	2,529
2006	500	2,500
2007	500	2,471
2008	600	2,444
2009-2013	3,400	11,665
2014-2018	4,700	10,431
2019-2023	6,500	8,853
2024-2028	8,900	6,265
2029-2033	12,200	3,352
2033-2035	6,000	240
Total	\$ 44,200	\$ 53,314

* Interest rate of 5.75% were used for this projection.

Pension Obligation Bonds. The County issued Pension Obligation Bonds (POBs) of \$41,460 on May 22, 1997, to pay the unfunded actuarial accrued liability at June 30, 1996.

Annual debt service requirements to maturity for the POBs are as follows:

Pension Obligation Bonds		
Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2004	\$ 2,070	\$ 2,519
2005	2,445	2,361
2006	2,860	2,173
2007	3,320	1,952
2008	3,830	1,696
2009-2012	21,345	3,357
Total	\$ 35,870	\$ 14,058

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Loans Payable. The County has borrowed funds for the acquisition of fire trucks, vehicles, computers and other equipment each year since 1996. The magnitude of these loans varies from \$656 to \$3,525 and the interest rates range from 2.9% and 5.81%. During the fiscal year ended June 30, 2003, two additional loans of \$1,353 and \$794 were taken at 3.14% and 2.9% over four years. These loans extend to January 2008. In September 2002, the County borrowed \$10,920 at 4.49% for energy improvement projects. This loan extends to November 2017.

The debt payment schedule for the following fiscal years ending June 30 is as follows:

Fiscal Year Ending June 30,	Loans Payable Governmental Activities	
	Principal	Interest
2004	\$ 3,178	\$ 784
2005	2,341	604
2006	1,812	513
2007	1,267	447
2008	863	400
2009-2013	3,604	1,508
2014-2018	4,490	622
Total	\$ 17,555	\$ 4,878

Prior-Year Defeasance of Debt. In prior years, the County defeased certain Certificates of Participation (COP) by placing the proceeds of new COPs in an irrevocable trust to provide for all future debt service payments on the old COPs. Accordingly, the trust account assets and the liability for the defeased COPs are not included in the County's financial statements. At June 30, 2003, \$ 48,640 of bonds outstanding are considered defeased.

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Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2003 was as follows:

Long-term Liabilities	Beginning Balance	Adjustments	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
COPs	\$ 74,880	\$ -	\$ -	\$ (5,749)	\$ 69,131	\$ 5,998
Variable Rate demand Bonds	44,600	-	-	(400)	44,200	400
Pension Obligation Bonds	37,600	-	-	(1,730)	35,870	2,070
Loans Payable	7,573	-	13,067	(3,085)	17,555	3,178
Notes Payable	91	(81)	-	(10)	-	-
Capital Leases	-	307	186	(134)	359	135
Compensated Absences	12,394	-	2,821	(1,418)	13,599	1,355
Claims Payable	6,475	-	1,365	(2,380)	5,460	2,767
Governmental activities						
Long-term liabilities	\$ 183,613	\$ 226	\$ 17,239	\$ (14,904)	\$ 186,174	\$ 15,903

Long-term Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
COPs	\$ 1,656	\$ -	\$ (19)	\$ 1,637	\$ 27
Bonds	9	-	-	9	-
Closure/postclosure costs	33,504	1,078	-	34,582	-
Notes Payable	47	-	(47)	-	-
Compensated Absences	240	60	(13)	287	13
Business-type activities					
Long-term liabilities	\$ 35,456	\$ 1,138	\$ (79)	\$ 36,515	\$ 40

The liability for compensated absences has typically been liquidated using the primary governments governmental funds and the Solid Waste fund. The liability for claims and judgments payable has been liquidated using the General Liability Internal Service fund.

Other Payables. El Rancho Sewer District, which is part of County Service Area #1, issued revenue bonds during the fiscal year ended June 30, 1988. The bonds were purchased by Farmers Home Administration. The proceeds of the loan were used for a sewer construction project. The original bonds payable of \$11 has a current principal balance of \$9 and bears interest at 5% per annum. This matures in 2027, a 40-year period. The bonds were issued under Health & Safety Code §49000. The bonds will be redeemed with monies raised from service charges associated with the sewer system operation.

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The annual debt service requirements to maturity for the revenue bonds are as follows:

Fiscal Year Ending June 30,	El Rancho Sewer Bond Business-type Activities	
	Principal	Interest
2004	\$ -	\$ 1
2005	-	-
2006	-	1
2007	-	-
2008	1	1
2009-2013	2	2
2014-2018	2	1
2019-2023	2	1
2024-2027	2	-
Total	\$ 9	\$ 7

J. Special Assessment Debt

The County of Tulare is not obligated in any manner for special assessment debt for the outstanding bond issues totaling \$63,966 for School Bonds, 1915 Improvement Act Bonds, and Special District General Obligation Bonds at June 30, 2003. The Tulare County Auditor-Controller acts as an agent for the Property Owners / Bond Holders in collecting and forwarding the special assessments. The School Bonds totaling \$ 63,966 include bonds for Buena Vista, Earlimart, Richgrove, Sundale, and Woodlake Elementary Schools, Woodlake High School, Farmersville Unified Schools, and Visalia Unified Schools. The 1915 Improvement Act Bonds totaling \$ 208 include bonds for Ducor Community Service District, and Ducor CSD Supplemental. The Special Districts GO Bonds totaling \$35 are for Patterson Tract Community Service District, Woodville Public Utility District Sewer, Lindsay Unified School District, Strathmore High School District, Exeter High School District, and Liberty Elementary School District.

K. Landfills

State and Federal laws and regulations require that Tulare County Solid Waste Fund place a final cover on its landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. In addition to operating expenses related to current activities of the landfill sites, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfills no longer accept waste. The recognition of these landfill closure and post closure care costs is based on the amount of the landfills used during the year. The estimated liability for landfill closure and post closure care costs has a balance of \$ 30,302 as of June 30, 2003, which is based on an average of 38% usage (filled) of all landfill sites (remaining capacity since August 18, 1989). It is estimated that an additional \$ 49,944 will be recognized as closure and post closure care expenses between the date of the statement of net assets and the date the landfills are currently expected to be filled to capacity. The estimated total current cost of the landfill closure and post closure care (\$80,246) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of June 30, 2003. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
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(amounts expressed in thousands)

In addition, the County is required by State and Federal laws and regulations to make annual contributions to finance closure and post closure care. The County is in compliance with these requirements, and at June 30, 2003, investments of \$30,302 are part of the pooled funds held by the Tulare County Treasurer. It is anticipated that future inflation costs will be financed in part from earnings on investments held by the Treasurer. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill site users, taxpayers, or both.

Financial assurance for corrective action is required by the State Water Resources Control Board through the Regional Water Quality Control Board under California Code Regulations, title 27, sub chapter 2, Article 4, Sections 22220 through 22222. The funds are the financial assurance mechanism for corrective actions and are there to be used to clean up or otherwise remediate a release (a.k.a. plume of groundwater contamination) from the County's landfills. The California Integrated Waste Management Board (CIWMB) specifies what annual inflation rate should be applied to the amount required for corrective action along with closure and postclosure maintenance at the landfills. The County is in compliance with these requirements and, at June 30, 2003, investments of \$4,280 are part of the pooled funds held by the Tulare County Treasurer.

L. Restricted Net Assets

Net assets invested in capital assets, net of related debt is computed as follows:

	<u>Governmental</u>	<u>Business- Type</u>	<u>Total</u>
Total capital assets, net of accumulated depreciation	\$ 155,860	\$ 18,032	\$ 173,892
Less related debt:			
Cops	(69,131)	(1,637)	(70,768)
Capital leases	(359)	-	(359)
Vehicle and equipment loans	(6,635)	-	(6,635)
Bonds	-	(9)	(9)
Total	\$ <u>79,735</u>	\$ <u>16,386</u>	\$ <u>96,121</u>

Net assets of capital projects funds (\$9,919) are restricted by the State for the future clean up of toxic ground at the Harmon Field airstrip (\$5,000), and by the Joint Powers Agreement governing the disbursement and use of proceeds of the variable rate demand bonds (\$4,919).

Net assets of special revenue funds are restricted by the funding source, usually State and Federal, for specific functions such as Roads (\$6,076) Library (\$645), Redevelopment (\$5,334), Indigent Health (\$347), Fire (\$1,153, etc. (\$1,336)

Net assets of debt service funds are restricted by lenders (COPs \$9,173), or by contractual agreements with trustees and bond holders (4,384).

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Net assets of internal service funds are restricted by lenders (\$7,165).

Net assets of business-type activities are restricted by State landfill postclosure contingency requirements (\$5,000) and by contractual agreements with bond holders (CSA - \$5).

M. Condensed Financial Statements

The Tulare County Public Facilities Corporation issued Certificates of Participation to finance its sewage and water projects. Both the water and sewer projects are accounted for in three single funds. However, investors in the Certificates of Participation rely solely on the revenue generated by the individual activities for repayment. Summary financial information for these funds is presented below:

CONDENSED STATEMENT OF NET ASSETS	Terra Bella Sewer		
	Maintenance	CSA #1	CSA #2
Assets:			
Current assets	\$ 720	\$ 393	\$ 52
Due from other funds	-	2	2
Restricted assets	-	-	5
Capital assets	1,722	5,339	490
Total assets	<u>2,442</u>	<u>5,734</u>	<u>549</u>
Liabilities:			
Current liabilities	17	33	6
Noncurrent liabilities	910	1,124	45
Total liabilities	<u>927</u>	<u>1,157</u>	<u>51</u>
Net Assets:			
Invested in capital assets, net of related debt	797	4,665	443
Restricted	-	-	5
Unrestricted (deficit)	718	(88)	50
Total net assets	<u>\$ 1,515</u>	<u>\$ 4,577</u>	<u>\$ 498</u>

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
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CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS	Terra Bella Sewer		
	Maintenance	CSA #1	CSA #2
Water and Sewer charges	\$ 140	\$ 307	\$ 44
Other operating revenues	-	2	-
Depreciation expense	(78)	(230)	(16)
Other operating expenses	(107)	(260)	(27)
Operating Income (loss)	(45)	(181)	1
Nonoperating revenues (expenses):			
Investment earnings	25	11	2
Special assessments	22	-	-
Interest expense	(42)	(72)	(6)
Change in net assets	(40)	(242)	(3)
Beginning net assets	1,555	4,819	501
Ending net assets	\$ 1,515	\$ 4,577	\$ 498

CONDENSED STATEMENT OF CASH FLOWS	Terra Bella Sewer		
	Maintenance	CSA #1	CSA #2
Net cash provided (used) by:			
Operating activities	\$ 7	\$ 38	\$ 18
Noncapital financing activities	25	(20)	(1)
Capital and related financing activities	(52)	(66)	(52)
Investing activities	25	11	2
Net increase (decrease)	5	(37)	(33)
Beginning cash and cash equivalents	700	339	81
Ending cash and cash equivalents	\$ 705	\$ 302	\$ 48

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
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The County maintains three nonmajor enterprise funds that account for the maintenance and operations of a sewer system (Terra Bella Sewer Maintenance District) and clean and safe water systems (County Service Areas 1 & 2).

V. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to tort claims from automobile losses, operations losses, and professional errors and omissions; damage to and destruction of assets from theft, natural disasters, and other occurrences; and job related injuries to County employees. The County uses a combination of self-insurance, commercial insurance, and insurance pools with other counties to provide protection from loss. Premiums are paid into the insurance funds by all other funds and are available to pay claims, build reserves, pay insurance premiums, and pay the administrative costs associated with risk and claim administration.

Losses and incidents of potential loss are reported to Risk Management. After an initial assessment, a claim is established that includes a reasonable estimate of the ultimate cost of the claim to the County. Liability coverage is maintained for automobile, general liability, aviation and medical malpractice. A \$1,000 self-insured retention applies to general liability claims while a \$10 deductible applies to automobile, aviation, and medical malpractice claims. Property coverage is insured with a \$10 deductible applying to real property and contents, including automobiles, and includes replacement cost limits of liability. The Crime Bond deductible is \$25. Worker's compensation is a full statutory program and includes the funding for a Safety Officer and safety program. No deductible applies to worker's compensation losses.

Liability settlements have not exceeded the self-insured retentions in the prior three years. Expenses in the Mold Litigation have exceeded the self-insured retention in the fiscal year ended June 30, 2003 and recovery is being sought. The recovery from excess insurance is estimated at \$625.

In January 2003, additional limits of excess liability insurance were purchased that increased the County's liability limits to \$25 million excess of the SIR.

Liabilities include an amount for estimated claims payable, including expenses, and an accrual for claims incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and the amount of payouts as well as economic and social factors affecting claim values. The liability for claims and judgments is reported in the insurance internal service funds

Changes in the balances of claims liabilities during the last three fiscal years ended June 30 are as follows:

Claims Liability	June 30, 2003 <u>Total</u>	June 30, 2002 <u>Total</u>	June 30, 2001 <u>Total</u>
Unpaid claims	\$ 6,475	\$ 5,997	\$ 4,860
Claims incurred	1,365	1,316	1,589
Claims closed	(1,603)	-	-
Claims paid	(777)	(838)	(452)
Total unpaid claims	<u>\$ 5,460</u>	<u>\$ 6,475</u>	<u>\$ 5,997</u>

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

The unpaid claims liability is reported in these financial statements as follows:

Unpaid Claims Liability	June 30, 2003 Total	June 30, 2002 Total	June 30, 2001 Total
Claims payable - current	\$ 2,767	\$ 2,573	\$ 2,639
Claims payable - noncurrent	2,693	3,902	3,358
Total unpaid claims liability	\$ 5,460	\$ 6,475	\$ 5,997

B. Risk Pool

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC), a California Joint Powers Authority. The purpose of the Authority is to develop and fund insurance programs for its 53 member counties. CSAC Excess insurance Authority was formed in October 1979 and has operated without interruption since that time. Each County appoints one member of the CSAC EIA's Board of Directors to represent its County. The Authority operates public entity risk pools for worker's compensation, comprehensive liability, property, and medical malpractice. The Authority also purchases excess insurance, actuarial services, and claims audits; and provides other services and subsidies for its members.

The County participates in the following CSAC Excess Insurance programs. The current County self-insured retention level for each program is as follows:

<u>Excess Insurance Program</u>	<u>Self-Insurance Retention</u>
Excess Liability	\$ 1,000
Property	\$ 10
Medical Malpractice	\$ 10

The County's claims have not exceeded insurance coverage for each of the past three years. The relationship between the County and the CSAC Excess Insurance Authority is such that the CSAC Excess Insurance Authority is not a component unit of the County for financial reporting purposes.

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

Condensed financial information for CSAC Excess Insurance Authority as of and for the fiscal year ended June 30, 2002, is as follows:

CSAC Excess Insurance Authority Condensed Statement of Net Assets June 30, 2003 (amounts expressed in thousands)		
Total Assets	\$	156,824
Total Liabilities		
Claims Liabilities		143,329
All Other Liabilities		<u>8,511</u>
Net Assets	\$	<u><u>4,984</u></u>

CSAC Excess Insurance Authority Condensed Statement of Revenues, Expenses, and Changes in Net Assets For fiscal year ended June 30, 2003 (amounts expressed in thousands)		
Total Revenue	\$	153,556
Total Expenses		<u>168,564</u>
Changes in Net Assets		(15,008)
Beginning Net Assets		<u>19,992</u>
Ending Net Assets	\$	<u><u>4,984</u></u>

CSAC Excess Insurance Authority owns its office building. The building was purchased with assessments from the member counties. Each county shares in the equity of the building in proportion to the assessment contributed. Tulare County's percentage equity in the CSAC EIA building fund is 1.8073% of \$1,567 for a total of \$ 28.

C. Subsequent Events

- On July 1, 2003, \$ 25,000 Tax Revenue Anticipation Notes (TRAN) 2003-2004 were issued at 2% with a maturity date of June 30, 2004.
- On July 30, 2003, \$8,157, representing a prepayment of the employer's annual retirement contribution was paid to Tulare County Employees' Retirement Association
- Effective July 1, 2003, the Self Insured Retention for general liability claims was reduced to \$250 from \$1,000.
- On July 1, 2003, a notice of partial redemption of \$400 in bonds, was issued to holders of the Tulare County Public Finance Authority Variable Rate Demand Bonds, Series 1999 (Millennium Fund Program). This was an optional call in accordance with the Escrow Agreement for the bonds.
- The State of California has informed local governments that there will be a minimum two-year delay in reimbursement for many State Mandated Programs (approximately \$1.6 million for as of 6/30/03), as well as the first quarter fiscal year 2003/04 allocation of Vehicle License Fees (approximately \$5 million). This delay will impact financial resources in fiscal year 2003/04.

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

D. Contingent Liabilities

Litigation. The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Counsel, (other than the claims included in section V. Other Information, sub-section A. Risk Management), even resolution of these matters would not have a material adverse effect on the financial condition of the County.

In the opinion of the County Counsel, a large majority of tax assessment appeals will be withdrawn by the applicants or settled by a stipulation of value and the County's Tax Assessor will prevail in the majority of appeals.

Termination Fee. The County is contingently liable for an early termination fee under a contract with ACS to manage the County's data processing system through the fiscal year ended June 30, 2006. The termination fee is computed based on the level of services received and payments made by the County over a period of ten (10) years beginning July 1997. The early termination fee at the end of each of the next three fiscal years is \$415, \$266, and \$113, respectively.

Program Compliance Requirements. The County participates in a number of Federal and State assisted grant programs, principal of which are the Family Support Payments, Child Support Enforcement, Community Development Block Grants, Workforce Investment Act, Justice Subvention programs and Local Public Works programs. These programs are subject to program compliance audits by the grantors and audits conducted under the Single Audit Act Amendments of 1996. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects amounts, if any, to be immaterial.

E. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available for distribution until termination, retirement, death, or unforeseeable emergency.

The assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Since the plan assets are administered by an outside party in accordance with Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, these assets are not included in the financial statements of the County.

F. Employee Retirement System

Plan Description. The Tulare County Employees' Retirement Association was established July 1, 1945, under the provisions of the County Employees Retirement Act of 1937 (Government Code sections 31450 et seq.). The Association operates as a cost-sharing multiple-employer defined benefit plan with special funding circumstances and provides retirement, disability and death benefits for qualified employees of Tulare County, the Tulare County Courts, First 5 Tulare County, and the Strathmore Public Utility District. The Association was integrated with Social Security in 1956. The Association is administered by a nine-member Board of Retirement. The Association issues a separate Comprehensive Annual Financial Report. Copies of the annual financial report may be obtained from the Tulare County Employees' Retirement Association.

Funding Policy. Active plan members in the Association are required to contribute a percentage of their annual covered salary based upon age at entry into the plan and plan tier. Currently, General Tier I members contribute an average of 5.63% of salary. General members of Tiers II and III contribute an average of 6.58% of covered salary. Safety Tier I members contribute an average of 6.22% of salary. Safety Tier II and III members contribute an average of 8.01% of covered salary. Due to a collective bargaining agreement, the County has a legal obligation to contribute 50% of the contributions required for active Tier I plan members. The rates reflected above for Tier I members reflect the County "pickup". The required employer aggregate contribution rate for all members combined in fiscal 2002-03 was 8.49% of total payroll.

Annual Pension Cost (APC). For fiscal year 2002-03 the County's annual pension cost for the Association was \$ 6,309, and the County actually contributed \$4,879. The required contribution for fiscal year 2002-03 was determined as part of the June 30, 2002 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percentage of pay. The actuarial assumption included (a) 8.00% investment rate of return (net of administrative expenses); (b) projected salary increases of 3.41%;

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

and (c) 3.0% cost-of-living adjustment. Both (a) and (b) include an inflation component of 4.25%. The actuarial value of the Association's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a five-year period. The Association's unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2003 was 9 years.

The County's annual pension cost and pension assets for the fiscal year ended June 30, 2003, were as follows:

Annual Pension Costs and Pension Assets		
Annual required contribution	\$	4,879
Interest on pension assets		(3,022)
Adjustment to the annual required contribution		<u>4,452</u>
Annual pension cost		<u>6,309</u>
Contributions made		<u>4,879</u>
Decrease in pension assets		<u>(1,430)</u>
Pension assets, July 1		<u>37,774</u>
Pension assets, June 30	\$	<u><u>36,344</u></u>

Schedule of Funding Progress (dollars expressed in thousands)							
Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age (B)	Overfunded AAL (OAAL) (B- A)	Funded Ratio (A/B)	Covered Payroll (C)	OAAL as a % of Covered Payroll (B- A)/C	
6/30/01	\$ 574,417	\$ 491,228	\$ (83,189)	116.93%	\$ 142,970	-58.19%	
6/30/02	612,469	561,377	(51,092)	109.10%	158,263	-32.28%	
6/30/03	634,249	608,505	(25,744)	104.23%	162,397	-15.85%	

COUNTY OF TULARE
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2003
(amounts expressed in thousands)

Three Year Trend Information						
Year Ended June 30		Annual Pension Cost		Contribution	Percentage Contributed	Pension Assets
2001	\$	9,213	\$	8,376	90.90%	\$ 38,890
2002		7,302		6,186	84.70%	37,774
2003		6,309		4,879	77.33%	36,344

G. Trial Court Funding

Assembly Bill 233 ("AB 233"), which was adopted by the State Legislature in 1997 and became effective January 1, 1998, transfers responsibility from the counties to the State for local trial court funding commencing in the 1997-98 fiscal year. Under this legislation, the State assumed a greater degree of responsibility for trial court operations costs from fiscal year 1997-98 forward.

The County will continue to be obligated to provide court facilities for all judicial officers and support positions authorized prior to July 1, 1996. This includes those judicial officers and positions, which replace those offices and positions created prior to July 1, 1996. However AB 233 does not require that the County finance new capital facility expenditures related to judicial officers and support staff required for any judgeships authorized during the period from January 1, 1998 to June 30, 2003. The County remains obligated to fund capital expenditures with respect to capital needs of existing judicial officers and support positions located in several of its courthouse facilities.

Combining and Individual Fund Statements and Schedules

County of Tulare
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2003
(amounts expressed in thousands)

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Nonmajor Funds
Assets				
Investment in treasury pool	\$ 16,257	\$ 101	\$ 9,958	\$ 26,316
Investments	-	7	-	7
Imprest cash	1	-	-	1
Accounts receivable, net	77	-	-	77
Due from other County funds	10	-	25	35
Due from other governments	6,668	-	-	6,668
Inventories	327	-	-	327
Prepaid items	226	-	-	226
Lease payments receivable, net of interest	-	1,818	-	1,818
Notes receivable	1,009	-	-	1,009
Total assets	\$ 24,575	\$ 1,926	\$ 9,983	\$ 36,484
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 4,995	\$ -	\$ 64	\$ 5,059
Due to other County funds	1,472	70	-	1,542
Salaries and benefits payable	522	-	-	522
Deferred revenue	2,545	1,821	-	4,366
Advances from other County funds	150	-	-	150
Total liabilities	9,684	1,891	64	11,639
Fund balances:				
Reserved for:				
Imprest cash	1	-	-	1
Inventories	327	-	-	327
Prepaid items	226	-	-	226
Notes receivable	1,009	-	-	1,009
Harmon Field cleanup	-	-	5,000	5,000
Debt service	-	98	-	98
Unreserved, reported in nonmajor:				
Special revenue funds	13,328	-	-	13,328
Debt service funds	-	(63)	-	(63)
Capital projects funds	-	-	4,919	4,919
Total fund balances	14,891	35	9,919	24,845
Total liabilities and fund balances	\$ 24,575	\$ 1,926	\$ 9,983	\$ 36,484

County of Tulare
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Nonmajor Funds
Revenues:				
Taxes and special assessments	\$ 36,741	\$ -	\$ -	\$ 36,741
Licenses and permits	1	-	-	1
Fines, forfeitures and penalties	108	1,398	-	1,506
Interest, rents, and concessions	836	237	185	1,258
Intergovernmental revenues	38,326	(1,818)	-	36,508
Charges for services	1,608	-	-	1,608
Other revenues	5,555	202	44	5,801
Total revenues	<u>83,175</u>	<u>19</u>	<u>229</u>	<u>83,423</u>
Expenditures:				
Current:				
General government	1,703	-	1,142	2,845
Public protection	9,899	-	-	9,899
Public ways and facilities	17,958	-	-	17,958
Health and sanitation	1,171	-	-	1,171
Public assistance	21,137	-	-	21,137
Education	2,467	-	-	2,467
Debt service:				
Principal retirement	-	4,754	-	4,754
Interest and fiscal charges	-	2,937	-	2,937
Capital outlay	2,745	-	45	2,790
Total expenditures	<u>57,080</u>	<u>7,691</u>	<u>1,187</u>	<u>65,958</u>
Excess (deficiency) of revenues over (under) expenditures	26,095	(7,672)	(958)	17,465
Other financing sources (uses):				
Sale of general fixed assets	3	-	-	3
Transfers in	23,474	14,640	2,500	40,614
Transfers (out)	(50,246)	(8,888)	-	(59,134)
Total other financing sources (uses)	<u>(26,769)</u>	<u>5,752</u>	<u>2,500</u>	<u>(18,517)</u>
Net change in fund balances	(674)	(1,920)	1,542	(1,052)
Fund balances, July 1	15,565	1,955	8,377	25,897
Fund balances, June 30	<u>\$ 14,891</u>	<u>\$ 35</u>	<u>\$ 9,919</u>	<u>\$ 24,845</u>

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Indigent Health Fund - This fund is used to account for monies paid to hospitals and doctors for services rendered to individuals who cannot pay. This fund was established in 1989-90 to receive the County's share of Proposition 99 monies per AB75.

Library Fund - This fund is used to account for informational, cultural and recreational services to the public through library outlets. The primary sources of revenue are charges for services, ad valorem property taxes, and State funds.

Fish and Game Fund - This fund is used to account for improving the habitat for wildlife propagation and for incidental administrative matters. The primary source of revenue is the County's share of fines levied for violations of fish and game laws within its boundaries.

Aviation Fund - This fund is used to account for aviation services to the public and governmental agencies. The primary source of revenue is Aircraft taxes.

Structural Fire Fund - This fund is used to account for public structural fire protection. The primary sources of revenue are charges for services, ad valorem property taxes, and State funds.

Roads Fund - This fund is used to account for the maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. The primary sources of revenue are the County's share of State highway users taxes, Transportation Development Act and Intermodal Surface Transportation Efficiency Act revenues.

Workforce Investment Act Fund - This fund is used to account for services providing training and employment opportunities for the public. The primary sources of revenue are State/Federal Grants.

Mental Health Realignment Fund - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain mental health program expenditures.

Health Realignment Fund - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain health program expenditures.

Social Services Realignment Fund - These State mandated funds were established to account for County match, sales tax revenues, and transfers to/from the General Fund for certain welfare program expenditures.

Tobacco Settlement Revenue Fund - This fund was established to receive the County's share of the Tobacco Settlement Litigation Proceeds.

Tulare County In-Home Supportive Services Public Authority Fund (TCIHSSPA) - TCIHSSPA was established according to the provisions of the Welfare and Institutions code Section 12301.6 to serve as employer of record of Providers of in-home supportive services for purposes of the Meyers-Millias-Brown Act.

Flood Control Fund - This fund is used to account for flood control services provided in the County. The primary sources of revenue are ad valorem property taxes, assessments, and State funds.

Redevelopment Agency Funds (R & S Funds) - These funds were established to account for revenues and expenditures related to the low-and- moderate-income-housing-set-aside program. 20% of the tax increments allocated to the Redevelopment Agency are required to be placed in these funds.

County of Tulare
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003
(amounts expressed in thousands)

Assets	Indigent Health	Library	Fish and Game	Aviation	Structural Fire	Roads	Workforce Investment
Investment in treasury pool	\$ 1,151	\$ 740	\$ 9	\$ 167	\$ 1,228	\$ 4,747	\$ 564
Investments	-	-	-	-	-	-	-
Imprest cash	-	1	-	-	-	-	-
Receivables (net, where applicable of allowances for uncollectibles):							
Accounts	-	-	-	-	-	-	77
Due from other County funds	-	-	-	-	-	-	-
Due from other governments	42	2	-	20	183	2,918	1,873
Inventories	-	-	-	-	-	327	-
Prepaid items	155	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Total Assets and other debits	<u>\$ 1,348</u>	<u>\$ 743</u>	<u>\$ 9</u>	<u>\$ 187</u>	<u>\$ 1,411</u>	<u>\$ 7,992</u>	<u>\$ 2,514</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ 970	\$ 7	\$ -	\$ 1	\$ 218	\$ 1,333	\$ 2,351
Due to other County funds	-	-	-	25	-	-	-
Salaries and benefits payable	4	59	-	-	40	285	154
Deferred revenue	27	32	-	-	-	318	-
Advances from other County funds	-	-	-	-	-	-	-
Total liabilities	<u>1,001</u>	<u>98</u>	<u>-</u>	<u>26</u>	<u>258</u>	<u>1,916</u>	<u>2,505</u>
Fund balances:							
Reserved for:							
Imprest cash	-	1	-	-	-	-	-
Inventories	-	-	-	-	-	327	-
Prepaid items	155	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Unreserved							
Unreserved, reported in nonmajor:							
Special revenue funds	<u>192</u>	<u>644</u>	<u>9</u>	<u>161</u>	<u>1,153</u>	<u>5,749</u>	<u>9</u>
Total fund balances	<u>347</u>	<u>645</u>	<u>9</u>	<u>161</u>	<u>1,153</u>	<u>6,076</u>	<u>9</u>
Total liabilities and fund balances	<u>\$ 1,348</u>	<u>\$ 743</u>	<u>\$ 9</u>	<u>\$ 187</u>	<u>\$ 1,411</u>	<u>\$ 7,992</u>	<u>\$ 2,514</u>

Cont.

County of Tulare
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003
(amounts expressed in thousands)

	Mental Health Reassignment	Health Reassignment	Social Services Reassignment	Tobacco Settlement	TCIHSS Public Authority	Flood Control	Redevelopment RE2	Redevelopment RE3
Assets								
Investment in treasury pool	\$ 1,166	\$ 1,002	\$ -	\$ 109	\$ 38	\$ 1,048	\$ -	\$ 394
Investments	-	-	-	-	-	-	-	-
Imprest cash	-	-	-	-	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):								
Accounts	-	-	-	-	-	-	-	-
Due from other County funds	-	-	-	-	10	-	-	-
Due from other governments	-	-	1,364	-	35	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-
Total assets	<u>\$ 1,166</u>	<u>\$ 1,002</u>	<u>\$ 1,364</u>	<u>\$ 109</u>	<u>\$ 83</u>	<u>\$ 1,048</u>	<u>\$ -</u>	<u>\$ 394</u>
Liabilities and fund balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17
Due to other County funds	-	-	1,364	-	83	-	-	-
Salaries and benefits payable	-	-	-	-	-	-	-	-
Deferred revenue	1,166	1,002	-	-	-	-	-	-
Advances from other County funds	-	-	-	-	-	-	-	-
Total liabilities	<u>1,166</u>	<u>1,002</u>	<u>1,364</u>	<u>-</u>	<u>83</u>	<u>-</u>	<u>-</u>	<u>17</u>
Fund balances:								
Reserved for:								
Imprest cash	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-
Unreserved								
Unreserved, reported in nonmajor:								
Special revenue funds	-	-	-	109	-	1,048	-	377
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>109</u>	<u>-</u>	<u>1,048</u>	<u>-</u>	<u>377</u>
Total liabilities and fund balances	<u>\$ 1,166</u>	<u>\$ 1,002</u>	<u>\$ 1,364</u>	<u>\$ 109</u>	<u>\$ 83</u>	<u>\$ 1,048</u>	<u>\$ -</u>	<u>\$ 394</u>

Cont.

County of Tulare
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003
(amounts expressed in thousands)

	Redevelopment RE4	Redevelopment RI2	Redevelopment RI3	Redevelopment RI4	Redevelopment RM2	Redevelopment RM3	Redevelopment RM4	Redevelopment RO2
Assets								
Investment in treasury pool	\$ 173	\$ -	\$ 89	\$ 36	\$ -	\$ 400	\$ 433	\$ 51
Investments	-	-	-	-	-	-	-	-
Imprest cash	-	-	-	-	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):								
Accounts	-	-	-	-	-	-	-	-
Due from other County funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	231	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	71	-	-
Notes receivable	141	-	-	2	-	-	345	-
Total assets	\$ 314	\$ -	\$ 89	\$ 38	\$ -	\$ 702	\$ 778	\$ 51
Liabilities and fund balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15	\$ 1	\$ -
Due to other County funds	-	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	9	-	-
Advances from other County funds	-	-	29	-	-	-	-	-
Total liabilities	-	-	29	-	-	24	1	-
Fund balances:								
Reserved for:								
Imprest cash	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	71	-	-
Notes receivable	141	-	-	2	-	-	345	-
Unreserved								
Unreserved, reported in nonmajor:								
Special revenue funds	173	-	60	36	-	607	432	51
Total fund balances	314	-	60	38	-	678	777	51
Total liabilities and fund balances	\$ 314	\$ -	\$ 89	\$ 38	\$ -	\$ 702	\$ 778	\$ 51

Cont.

County of Tulare
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003
(amounts expressed in thousands)

	Redevelopment RQ3	Redevelopment RQ4	Redevelopment RP2	Redevelopment RP3	Redevelopment RP4	Redevelopment RT2	Redevelopment RT3	Redevelopment RT4
Assets								
Investment in treasury pool	\$ 904	\$ 551	\$ 1	\$ 46	\$ 53	\$ -	\$ 556	\$ 169
Investments	-	-	-	-	-	-	-	-
Imprest cash	-	-	-	-	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):								
Accounts	-	-	-	-	-	-	-	-
Due from other County funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Notes receivable	-	292	-	-	-	-	-	84
Total assets	<u>\$ 904</u>	<u>\$ 843</u>	<u>\$ 1</u>	<u>\$ 46</u>	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ 556</u>	<u>\$ 253</u>
Liabilities and fund balances								
Liabilities:								
Accounts payable	\$ 53	\$ -	\$ -	\$ 4	\$ -	\$ -	\$ 12	\$ -
Due to other County funds	-	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Advances from other County funds	-	-	-	29	-	-	-	-
Total liabilities	<u>53</u>	<u>-</u>	<u>-</u>	<u>33</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>-</u>
Fund balances:								
Reserved for:								
Imprest cash	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Notes receivable	-	292	-	-	-	-	-	84
Unreserved								
Unreserved, reported in nonmajor:								
Special revenue funds	851	551	1	13	53	-	544	169
Total fund balances	851	843	1	13	53	-	544	253
Total liabilities and fund balances	<u>\$ 904</u>	<u>\$ 843</u>	<u>\$ 1</u>	<u>\$ 46</u>	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ 556</u>	<u>\$ 253</u>

Cont.

County of Tulare
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003
(amounts expressed in thousands)

	Redevelopment SG2	Redevelopment SG3	Redevelopment SG4	Redevelopment SP2	Redevelopment SP3	Redevelopment SP4	Total Special Revenue Funds
Assets							
Investment in treasury pool	\$ -	\$ 66	\$ 211	\$ -	\$ 97	\$ 58	\$ 16,257
Investments	-	-	-	-	-	-	-
Imprest cash	-	-	-	-	-	-	1
Receivables (net, where applicable, of allowances for uncollectibles):							
Accounts	-	-	-	-	-	-	77
Due from other County funds	-	-	-	-	-	-	10
Due from other governments	-	-	-	-	-	-	6,668
Inventories	-	-	-	-	-	-	327
Prepaid items	-	-	-	-	-	-	226
Notes receivable	-	-	145	-	-	-	1,009
Total assets	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ 356</u>	<u>\$ -</u>	<u>\$ 97</u>	<u>\$ 58</u>	<u>\$ 24,575</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ -	\$ 8	\$ -	\$ -	\$ 5	\$ -	\$ 4,995
Due to other County funds	-	-	-	-	-	-	1,472
Salaries and benefits payable	-	-	-	-	-	-	522
Deferred revenue	-	-	-	-	-	-	2,545
Advances from other County funds	-	54	-	-	29	-	150
Total liabilities	<u>-</u>	<u>62</u>	<u>-</u>	<u>-</u>	<u>34</u>	<u>-</u>	<u>9,684</u>
Fund balances:							
Reserved for:							
Imprest cash	-	-	-	-	-	-	1
Inventories	-	-	-	-	-	-	327
Prepaid items	-	-	-	-	-	-	226
Notes receivable	-	-	145	-	-	-	1,009
Unreserved							
Unreserved, reported in nonmajor:							
Special revenue funds	-	4	211	-	63	58	13,328
Total fund balances	<u>-</u>	<u>4</u>	<u>356</u>	<u>-</u>	<u>63</u>	<u>58</u>	<u>14,891</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ 356</u>	<u>\$ -</u>	<u>\$ 97</u>	<u>\$ 58</u>	<u>\$ 24,575</u>

Concluded

County of Tulare
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Indigent Health	Library	Fish and Game	Aviation	Structural Fire	Roads	Workforce Investment
Revenues:							
Taxes and special assessments	\$ -	\$ 2,035	\$ -	\$ -	\$ 5,581	\$ 2,413	\$ -
Licenses and permits	-	-	-	-	1	-	-
Fines, forfeitures and penalties	100	-	8	-	-	-	-
Interest, rents, and concessions	39	21	-	20	107	138	320
Intergovernmental revenues	953	490	-	20	573	15,007	20,465
Charges for services	-	75	-	-	219	1,310	4
Other revenues	2	146	-	-	108	326	277
Total revenues	<u>1,094</u>	<u>2,767</u>	<u>8</u>	<u>40</u>	<u>6,589</u>	<u>19,194</u>	<u>21,066</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public protection	-	-	3	-	9,367	-	-
Public ways and facilities	-	-	-	95	-	17,863	-
Health and sanitation	1,171	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-	21,045
Education	-	2,467	-	-	-	-	-
Capital Outlay	-	-	-	-	-	2,517	-
Total expenditures	<u>1,171</u>	<u>2,467</u>	<u>3</u>	<u>95</u>	<u>9,367</u>	<u>20,380</u>	<u>21,045</u>
Excess (deficiency) of revenues over (under) expenditures	(77)	300	5	(55)	(2,778)	(1,186)	21
Other financing sources (uses):							
Sale of general fixed assets	-	-	-	-	3	-	-
Transfers in	-	-	-	-	3,296	400	-
Transfers (out)	(2)	(102)	-	-	(866)	(138)	(78)
Total other financing sources (uses)	<u>(2)</u>	<u>(102)</u>	<u>-</u>	<u>-</u>	<u>2,433</u>	<u>262</u>	<u>(78)</u>
Net change in fund balances	(79)	198	5	(55)	(345)	(924)	(57)
Fund balances, July 1	<u>426</u>	<u>447</u>	<u>4</u>	<u>216</u>	<u>1,498</u>	<u>7,000</u>	<u>66</u>
Fund balances, June 30	<u>\$ 347</u>	<u>\$ 645</u>	<u>\$ 9</u>	<u>\$ 161</u>	<u>\$ 1,153</u>	<u>\$ 6,076</u>	<u>\$ 9</u>

cont.

County of Tulare
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Mental Health Realignment	Health Realignment	Social Services Realignment	Tobacco Settlement	TCIHSS Public Authority	Flood Control	Redevelopment RE2	Redevelopment RE3
Revenues:								
Taxes and special assessments	\$ 9,841	\$ 2,240	\$ 12,687	\$ -	\$ -	\$ 321	\$ 146	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Interest, rents, and concessions	-	-	-	-	-	38	1	13
Intergovernmental revenues	-	-	-	-	92	22	6	-
Charges for services	-	-	-	-	-	-	-	-
Other revenues	-	-	-	4,636	-	-	-	-
Total revenues	<u>9,841</u>	<u>2,240</u>	<u>12,687</u>	<u>4,636</u>	<u>92</u>	<u>381</u>	<u>153</u>	<u>13</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	111
Public protection	-	-	-	-	-	529	-	-
Public ways and facilities	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-
Public assistance	-	-	-	-	92	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92</u>	<u>529</u>	<u>-</u>	<u>111</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,841</u>	<u>2,240</u>	<u>12,687</u>	<u>4,636</u>	<u>-</u>	<u>(148)</u>	<u>153</u>	<u>(98)</u>
Other financing sources (uses):								
Sale of general fixed assets	-	-	-	-	-	-	-	-
Transfers in	5,589	12,047	786	-	-	-	-	159
Transfers (out)	(15,430)	(14,287)	(13,473)	(4,527)	-	-	(159)	-
Total other financing sources (uses)	<u>(9,841)</u>	<u>(2,240)</u>	<u>(12,687)</u>	<u>(4,527)</u>	<u>-</u>	<u>-</u>	<u>(159)</u>	<u>159</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>109</u>	<u>-</u>	<u>(148)</u>	<u>(6)</u>	<u>61</u>
Fund balances, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,196</u>	<u>6</u>	<u>316</u>
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109</u>	<u>\$ -</u>	<u>\$ 1,048</u>	<u>\$ -</u>	<u>\$ 377</u>

cont.

County of Tulare
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Redevelopment RE4	Redevelopment RI2	Redevelopment RI3	Redevelopment RI4	Redevelopment RM2	Redevelopment RM3	Redevelopment RM4	Redevelopment RO2
Revenues:								
Taxes and special assessments	\$ 56	\$ 39	\$ -	\$ 14	\$ 355	\$ -	\$ 131	\$ 331
Licenses and permits	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Interest, rents, and concessions	6	-	3	1	3	16	14	3
Intergovernmental revenues	-	1	-	-	14	658	-	13
Charges for services	-	-	-	-	-	-	-	-
Other revenues	-	-	1	-	-	-	-	-
Total revenues	<u>62</u>	<u>40</u>	<u>4</u>	<u>15</u>	<u>372</u>	<u>674</u>	<u>145</u>	<u>347</u>
Expenditures:								
Current:								
General government	32	-	28	6	53	596	51	-
Public protection	-	-	-	-	-	-	-	-
Public ways and facilities	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	228	-	-
Total expenditures	<u>32</u>	<u>-</u>	<u>28</u>	<u>6</u>	<u>53</u>	<u>824</u>	<u>51</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	30	40	(24)	9	319	(150)	94	347
Other financing sources (uses):								
Sale of general fixed assets	-	-	-	-	-	-	-	-
Transfers in	-	-	41	-	-	331	-	-
Transfers (out)	-	(41)	-	-	(331)	-	-	(476)
Total other financing sources (uses)	<u>-</u>	<u>(41)</u>	<u>41</u>	<u>-</u>	<u>(331)</u>	<u>331</u>	<u>-</u>	<u>(476)</u>
Net change in fund balances	30	(1)	17	9	(12)	181	94	(129)
Fund balances, July 1	284	1	43	29	12	497	683	180
Fund balances, June 30	<u>\$ 314</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 678</u>	<u>\$ 777</u>	<u>\$ 51</u>

cont.

County of Tulare
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Redevelopment RO3	Redevelopment RO4	Redevelopment RP2	Redevelopment RP3	Redevelopment RP4	Redevelopment RT2	Redevelopment RT3	Redevelopment RT4
Revenues:								
Taxes and special assessments	\$ -	\$ 123	\$ 59	\$ -	\$ 19	\$ 95	\$ -	\$ 31
Licenses and permits	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Interest, rents, and concessions	30	20	-	1	2	-	18	7
Intergovernmental revenues	-	-	2	-	-	3	-	-
Charges for services	-	-	-	-	-	-	-	-
Other revenues	59	-	-	-	-	-	-	-
Total revenues	<u>89</u>	<u>143</u>	<u>61</u>	<u>1</u>	<u>21</u>	<u>98</u>	<u>18</u>	<u>38</u>
Expenditures:								
Current:								
General government	399	44	-	77	7	-	47	29
Public protection	-	-	-	-	-	-	-	-
Public ways and facilities	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>399</u>	<u>44</u>	<u>-</u>	<u>77</u>	<u>7</u>	<u>-</u>	<u>47</u>	<u>29</u>
Excess (deficiency) of revenues over (under) expenditures	(310)	99	61	(76)	14	98	(29)	9
Other financing sources (uses):								
Sale of general fixed assets	-	-	-	-	-	-	-	-
Transfers in	489	-	-	61	-	-	102	-
Transfers (out)	-	-	(61)	-	-	(102)	-	-
Total other financing sources (uses)	<u>489</u>	<u>-</u>	<u>(61)</u>	<u>61</u>	<u>-</u>	<u>(102)</u>	<u>102</u>	<u>-</u>
Net change in fund balances	179	99	-	(15)	14	(4)	73	9
Fund balances, July 1	672	744	1	28	39	4	471	244
Fund balances, June 30	<u>\$ 851</u>	<u>\$ 843</u>	<u>\$ 1</u>	<u>\$ 13</u>	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ 544</u>	<u>\$ 253</u>

cont.

County of Tulare
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Redevelopment SG2	Redevelopment SG3	Redevelopment SG4	Redevelopment SP2	Redevelopment SP3	Redevelopment SP4	Total Special Revenue Funds
Revenues:							
Taxes and special assessments	\$ 106	\$ -	\$ 47	\$ 53	\$ -	\$ 18	\$ 36,741
Licenses and permits	-	-	-	-	-	-	1
Fines, forfeitures and penalties	-	-	-	-	-	-	108
Interest, rents, and concessions	1	1	8	-	3	2	836
Intergovernmental revenues	5	-	-	2	-	-	38,326
Charges for services	-	-	-	-	-	-	1,608
Other revenues	-	-	-	-	-	-	5,555
Total revenues	<u>112</u>	<u>1</u>	<u>55</u>	<u>55</u>	<u>3</u>	<u>20</u>	<u>83,175</u>
Expenditures:							
Current:							
General government	-	162	6	-	49	6	1,703
Public protection	-	-	-	-	-	-	9,899
Public ways and facilities	-	-	-	-	-	-	17,958
Health and sanitation	-	-	-	-	-	-	1,171
Public assistance	-	-	-	-	-	-	21,137
Education	-	-	-	-	-	-	2,467
Capital Outlay	-	-	-	-	-	-	2,745
Total expenditures	<u>-</u>	<u>162</u>	<u>6</u>	<u>-</u>	<u>49</u>	<u>6</u>	<u>57,080</u>
Excess (deficiency) of revenues over (under) expenditures	<u>112</u>	<u>(161)</u>	<u>49</u>	<u>55</u>	<u>(46)</u>	<u>14</u>	<u>26,095</u>
Other financing sources (uses):							
Sale of general fixed assets	-	-	-	-	-	-	3
Transfers in	-	116	-	-	57	-	23,474
Transfers (out)	(116)	-	-	(57)	-	-	(50,246)
Total other financing sources (uses)	<u>(116)</u>	<u>116</u>	<u>-</u>	<u>(57)</u>	<u>57</u>	<u>-</u>	<u>(26,769)</u>
Net change in fund balances	<u>(4)</u>	<u>(45)</u>	<u>49</u>	<u>(2)</u>	<u>11</u>	<u>14</u>	<u>(674)</u>
Fund balances, July 1	<u>4</u>	<u>49</u>	<u>307</u>	<u>2</u>	<u>52</u>	<u>44</u>	<u>15,565</u>
Fund balances, June 30	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 356</u>	<u>\$ -</u>	<u>\$ 63</u>	<u>\$ 58</u>	<u>\$ 14,891</u>

Concluded

County of Tulare
 Nonmajor Special Revenue Fund - Indigent Health Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Fines, forfeitures and penalties	\$ 95	\$ 95	\$ -	\$ 100	\$ 5
Interest, rents, and concessions	-	-	-	39	39
Intergovernmental revenues	1,248	1,195	(53)	953	(242)
Other revenues	-	-	-	2	2
Total revenues	<u>1,343</u>	<u>1,290</u>	<u>(53)</u>	<u>1,094</u>	<u>(196)</u>
Expenditures:					
Current:					
Health and sanitation	<u>1,581</u>	<u>1,528</u>	<u>53</u>	<u>1,171</u>	<u>357</u>
Total expenditures	<u>1,581</u>	<u>1,528</u>	<u>53</u>	<u>1,171</u>	<u>357</u>
Excess (deficiency) of revenues over (under) expenditures	(238)	(238)	-	(77)	161
Net change in fund balance	(238)	(238)	-	(79)	159
Fund balance, July 1	<u>238</u>	<u>238</u>	<u>-</u>	<u>426</u>	<u>188</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 347</u>	<u>\$ 347</u>

County of Tulare
 Nonmajor Special Revenue Fund - Library Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 1,959	\$ 1,959	\$ -	\$ 2,035	\$ 76
Interest, rents, and concessions	20	20	-	21	1
Intergovernmental revenues	680	757	77	490	(267)
Charges for services	98	98	-	75	(23)
Other revenues	122	122	-	146	24
Total revenues	<u>2,879</u>	<u>2,956</u>	<u>77</u>	<u>2,767</u>	<u>(189)</u>
Expenditures:					
Current:					
Education	3,240	3,317	(77)	2,467	850
Capital Outlay	<u>75</u>	<u>75</u>	<u>-</u>	<u>-</u>	<u>75</u>
Total expenditures	<u>3,315</u>	<u>3,392</u>	<u>(77)</u>	<u>2,467</u>	<u>925</u>
Excess (deficiency) of revenues over (under) expenditures	(436)	(436)	-	300	736
Other financing sources (uses):					
Transfers (out)	-	-	-	(102)	(102)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(102)</u>	<u>(102)</u>
Net change in fund balance	(436)	(436)	-	198	634
Fund balance, July 1	436	436	-	447	11
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 645</u>	<u>\$ 645</u>

County of Tulare
 Nonmajor Special Revenue Fund - Fish and Game Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Fines, forfeitures and penalties	\$ <u>3</u>	\$ <u>3</u>	\$ <u>-</u>	\$ <u>8</u>	\$ <u>5</u>
Total revenues	<u>3</u>	<u>3</u>	<u>-</u>	<u>8</u>	<u>5</u>
Expenditures:					
Current:					
Public protection	<u>3</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>-</u>
Total expenditures	<u>3</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Fund balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Fund balance, June 30	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>9</u></u>	\$ <u><u>9</u></u>

County of Tulare
 Nonmajor Special Revenue Fund - Aviation Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 26	\$ 26	\$ -	\$ 20	\$ (6)
Intergovernmental revenues	482	482	-	20	(462)
Total revenues	<u>508</u>	<u>508</u>	<u>-</u>	<u>40</u>	<u>(468)</u>
Expenditures:					
Current:					
Public ways and facilities	162	162	-	95	67
Capital Outlay	<u>653</u>	<u>653</u>	<u>-</u>	<u>-</u>	<u>653</u>
Total expenditures	<u>815</u>	<u>815</u>	<u>-</u>	<u>95</u>	<u>720</u>
Excess (deficiency) of revenues over (under) expenditures	(307)	(307)	-	(55)	252
Other financing sources (uses):					
Transfers in	90	90	-	-	(90)
Total other financing sources (uses)	<u>90</u>	<u>90</u>	<u>-</u>	<u>-</u>	<u>(90)</u>
Net change in fund balance	(217)	(217)	-	(55)	162
Fund balance, July 1	217	217	-	216	(1)
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161</u>	<u>\$ 161</u>

County of Tulare
 Nonmajor Special Revenue Fund - Structural Fire Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 5,326	\$ 5,326	\$ -	\$ 5,581	\$ 255
Licenses and permits	1	1	-	1	-
Interest, rents, and concessions	55	55	-	107	52
Intergovernmental revenues	390	389	(1)	573	184
Charges for services	192	231	39	219	(12)
Other revenues	236	236	-	108	(128)
Total revenues	<u>6,200</u>	<u>6,238</u>	<u>38</u>	<u>6,589</u>	<u>351</u>
Expenditures:					
Current:					
Public protection	<u>10,965</u>	<u>11,003</u>	<u>(38)</u>	<u>9,367</u>	<u>1,636</u>
Total expenditures	<u>10,965</u>	<u>11,003</u>	<u>(38)</u>	<u>9,367</u>	<u>1,636</u>
Excess (deficiency) of revenues over (under) expenditures	(4,765)	(4,765)	(38)	(2,778)	1,987
Other financing sources (uses):					
Sale of general fixed assets	-	-	-	3	3
Transfers in	3,296	3,296	-	3,296	-
Transfers (out)	-	-	-	(866)	(866)
Total other financing sources (uses)	<u>3,296</u>	<u>3,296</u>	<u>-</u>	<u>2,433</u>	<u>(863)</u>
Net change in fund balance	(1,469)	(1,469)	-	(345)	1,124
Fund balance, July 1	<u>1,469</u>	<u>1,469</u>	-	<u>1,498</u>	<u>29</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,153</u>	<u>\$ 1,153</u>

County of Tulare
 Nonmajor Special Revenue Fund - Roads Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 2,399	\$ 2,399	\$ -	\$ 2,413	\$ 14
Interest, rents, and concessions	102	102	-	138	36
Intergovernmental revenues	22,432	22,432	-	15,007	(7,425)
Charges for services	1,130	1,141	11	1,310	169
Other revenues	125	125	-	326	201
Total revenues	<u>26,188</u>	<u>26,199</u>	<u>11</u>	<u>19,194</u>	<u>(7,005)</u>
Expenditures:					
Current:					
Public ways and facilities	31,107	31,101	6	17,863	13,238
Capital Outlay	<u>2,076</u>	<u>2,093</u>	<u>(17)</u>	<u>2,517</u>	<u>(424)</u>
Total expenditures	<u>33,183</u>	<u>33,194</u>	<u>(11)</u>	<u>20,380</u>	<u>12,814</u>
Excess (deficiency) of revenues over (under) expenditures	(6,995)	(6,995)	-	(1,186)	5,809
Other financing sources (uses):					
Sale of general fixed assets	30	30	-	-	(30)
Transfers in	400	400	-	400	-
Transfers (out)	-	-	-	(138)	(138)
Total other financing sources (uses)	<u>430</u>	<u>430</u>	<u>-</u>	<u>262</u>	<u>(168)</u>
Net change in fund balance	(6,565)	(6,565)	-	(924)	5,641
Fund balance, July 1	<u>6,565</u>	<u>6,565</u>	<u>-</u>	<u>7,000</u>	<u>435</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,076</u>	<u>\$ 6,076</u>

County of Tulare
 Nonmajor Special Revenue Fund - Workforce Investment Act Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 35	\$ 27	\$ (8)	\$ 320	\$ 293
Intergovernmental revenues	26,272	26,281	9	20,465	(5,816)
Charges for services	-	8	8	4	(4)
Other revenues	35	35	-	277	242
Total revenues	<u>26,342</u>	<u>26,351</u>	<u>9</u>	<u>21,066</u>	<u>(5,285)</u>
Expenditures:					
Current:					
Public assistance	26,393	26,342	51	21,045	5,297
Capital Outlay	-	60	(60)	-	60
Total expenditures	<u>26,393</u>	<u>26,402</u>	<u>(9)</u>	<u>21,045</u>	<u>5,357</u>
Excess (deficiency) of revenues over (under) expenditures	(51)	(51)	-	21	72
Other financing sources (uses):					
Transfers (out)	-	-	-	(78)	(78)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(78)</u>	<u>(78)</u>
Net change in fund balance	(51)	(51)	-	(57)	(6)
Fund balance, July 1	51	51	-	66	15
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 9</u>

County of Tulare
 Nonmajor Special Revenue Fund - Mental Health Realignment Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 9,813	\$ 9,813	\$ -	\$ 9,841	\$ 28
Total revenues	<u>9,813</u>	<u>9,813</u>	<u>-</u>	<u>9,841</u>	<u>28</u>
Other financing sources (uses):					
Transfers in	4,731	5,617	886	5,589	(28)
Transfers (out)	<u>(14,544)</u>	<u>(15,430)</u>	<u>(886)</u>	<u>(15,430)</u>	<u>-</u>
Total other financing sources (uses)	<u>(9,813)</u>	<u>(9,813)</u>	<u>-</u>	<u>(9,841)</u>	<u>(28)</u>
Net change in fund balance	-	-	-	-	-
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Health Realignment Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 2,509	\$ 2,509	\$ -	\$ 2,240	\$ (269)
Total revenues	<u>2,509</u>	<u>2,509</u>	<u>-</u>	<u>2,240</u>	<u>(269)</u>
Other financing sources (uses):					
Transfers in	11,385	11,778	393	12,047	269
Transfers (out)	<u>(13,894)</u>	<u>(14,287)</u>	<u>(393)</u>	<u>(14,287)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,509)</u>	<u>(2,509)</u>	<u>-</u>	<u>(2,240)</u>	<u>269</u>
Net change in fund balance	-	-	-	-	-
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Social Services Realignment Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 12,569	\$ 12,621	\$ 52	\$ 12,687	\$ 66
Total revenues	<u>12,569</u>	<u>12,621</u>	<u>52</u>	<u>12,687</u>	<u>66</u>
Other financing sources (uses):					
Transfers in	551	852	301	786	(66)
Transfers (out)	<u>(13,120)</u>	<u>(13,473)</u>	<u>(353)</u>	<u>(13,473)</u>	<u>-</u>
Total other financing sources (uses)	<u>(12,569)</u>	<u>(12,621)</u>	<u>(52)</u>	<u>(12,687)</u>	<u>(66)</u>
Net change in fund balance	-	-	-	-	-
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Tobacco Settlement Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Other revenues	\$ 4,434	\$ 4,528	\$ 94	\$ 4,636	\$ 108
Total revenues	<u>4,434</u>	<u>4,528</u>	<u>94</u>	<u>4,636</u>	<u>108</u>
Other financing sources (uses):					
Transfers (out)	(4,434)	(4,528)	(94)	(4,527)	1
Total other financing sources (uses)	<u>(4,434)</u>	<u>(4,528)</u>	<u>(94)</u>	<u>(4,527)</u>	<u>1</u>
Net change in fund balance	-	-	-	109	109
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109</u>	<u>\$ 109</u>

County of Tulare
 Nonmajor Special Revenue Fund - Tulare County In Home Supportive Services Public Authority
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Intergovernmental revenues	\$ -	\$ 315	\$ 315	\$ 92	\$ (223)
Charges for services	-	5	5	-	(5)
Other revenues	-	4	4	-	(4)
Total revenues	-	324	324	92	(232)
Expenditures:					
Current:					
Public assistance	-	269	(269)	92	177
Capital Outlay	-	46	(46)	-	46
Total expenditures	-	315	(315)	92	223
Excess (deficiency) of revenues over (under) expenditures	-	9	9	-	(9)
Net change in fund balance	-	9	9	-	(9)
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	\$ -	\$ 9	\$ 9	\$ -	\$ (9)

County of Tulare
 Nonmajor Special Revenue Fund - Flood Control District Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 301	\$ 301	\$ -	\$ 321	\$ 20
Interest, rents, and concessions	35	35	-	38	3
Intergovernmental revenues	<u>22</u>	<u>22</u>	<u>-</u>	<u>22</u>	<u>-</u>
Total revenues	<u>358</u>	<u>358</u>	<u>-</u>	<u>381</u>	<u>23</u>
Expenditures:					
Current:					
Public protection	<u>1,536</u>	<u>1,536</u>	<u>-</u>	<u>529</u>	<u>1,007</u>
Total expenditures	<u>1,536</u>	<u>1,536</u>	<u>-</u>	<u>529</u>	<u>1,007</u>
Excess (deficiency) of revenues over (under) expenditures	(1,178)	(1,178)	-	(148)	1,030
Net change in fund balance	(1,178)	(1,178)	-	(148)	1,030
Fund balance, July 1	<u>1,178</u>	<u>1,178</u>	<u>-</u>	<u>1,196</u>	<u>18</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,048</u>	<u>\$ 1,048</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RE2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 156	\$ 146	\$ (10)	\$ 146	\$ -
Interest, rents, and concessions	-	4	4	1	(3)
Intergovernmental revenues	2	6	4	6	-
Total revenues	<u>158</u>	<u>156</u>	<u>(2)</u>	<u>153</u>	<u>(3)</u>
Other financing sources (uses):					
Transfers (out)	(158)	(159)	(1)	(159)	-
Total other financing sources (uses)	<u>(158)</u>	<u>(159)</u>	<u>(1)</u>	<u>(159)</u>	<u>-</u>
Net change in fund balance	-	(3)	(3)	(6)	(3)
Fund balance, July 1	3	3	-	6	3
Fund balance, June 30	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RE3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 9	\$ 9	\$ -	\$ 13	\$ 4
Intergovernmental revenues	275	275	-	-	(275)
Total revenues	284	284	-	13	(271)
Expenditures:					
Current:					
General government	324	324	-	111	213
Total expenditures	324	324	-	111	213
Excess (deficiency) of revenues over (under) expenditures	(40)	(40)	-	(98)	(58)
Other financing sources (uses):					
Transfers in	158	158	-	159	1
Total other financing sources (uses)	158	158	-	159	1
Net change in fund balance	118	118	-	61	(57)
Fund balance, July 1	313	313	-	316	3
Fund balance, June 30	\$ 431	\$ 431	\$ -	\$ 377	\$ (54)

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RE4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 53	\$ 53	\$ -	\$ 56	\$ 3
Interest, rents, and concessions	5	5	-	6	1
Total revenues	<u>58</u>	<u>58</u>	<u>-</u>	<u>62</u>	<u>4</u>
Expenditures:					
Current:					
General government	<u>128</u>	<u>132</u>	<u>(4)</u>	<u>32</u>	<u>100</u>
Total expenditures	<u>128</u>	<u>132</u>	<u>(4)</u>	<u>32</u>	<u>100</u>
Excess (deficiency) of revenues over (under) expenditures	(70)	(74)	(4)	30	104
Net change in fund balance	(70)	(74)	(4)	30	104
Fund balance, July 1	<u>142</u>	<u>142</u>	<u>-</u>	<u>284</u>	<u>142</u>
Fund balance, June 30	<u>\$ 72</u>	<u>\$ 68</u>	<u>\$ (4)</u>	<u>\$ 314</u>	<u>\$ 246</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RI2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 26	\$ 38	\$ 12	\$ 39	\$ 1
Interest, rents, and concessions	-	1	1	-	(1)
Intergovernmental revenues	-	1	1	1	-
Total revenues	<u>26</u>	<u>40</u>	<u>14</u>	<u>40</u>	<u>-</u>
Other financing sources (uses):					
Transfers (out)	(26)	(41)	(15)	(41)	-
Total other financing sources (uses)	<u>(26)</u>	<u>(41)</u>	<u>(15)</u>	<u>(41)</u>	<u>-</u>
Net change in fund balance	-	(1)	(1)	(1)	-
Fund balance, July 1	1	1	-	1	-
Fund balance, June 30	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RI3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 1	\$ 2	\$ 1	\$ 3	\$ 1
Other revenues	-	-	-	1	1
Total revenues	<u>1</u>	<u>2</u>	<u>1</u>	<u>4</u>	<u>2</u>
Expenditures:					
Current:					
General government	25	39	(14)	28	11
Total expenditures	<u>25</u>	<u>39</u>	<u>(14)</u>	<u>28</u>	<u>11</u>
Excess (deficiency) of revenues over (under) expenditures	(24)	(37)	(13)	(24)	13
Other financing sources (uses):					
Transfers in	26	41	15	41	-
Total other financing sources (uses)	<u>26</u>	<u>41</u>	<u>15</u>	<u>41</u>	<u>-</u>
Net change in fund balance	2	4	2	17	13
Fund balance, July 1	43	43	-	43	-
Fund balance, June 30	<u>\$ 45</u>	<u>\$ 47</u>	<u>\$ 2</u>	<u>\$ 60</u>	<u>\$ 13</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RI4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 9	\$ 9	\$ -	\$ 14	\$ 5
Interest, rents, and concessions	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total revenues	<u>10</u>	<u>10</u>	<u>-</u>	<u>15</u>	<u>5</u>
Expenditures:					
Current:					
General government	<u>5</u>	<u>8</u>	<u>(3)</u>	<u>6</u>	<u>2</u>
Total expenditures	<u>5</u>	<u>8</u>	<u>(3)</u>	<u>6</u>	<u>2</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5</u>	<u>2</u>	<u>(3)</u>	<u>9</u>	<u>7</u>
Net change in fund balance	<u>5</u>	<u>2</u>	<u>(3)</u>	<u>9</u>	<u>7</u>
Fund balance, July 1	<u>28</u>	<u>28</u>	<u>-</u>	<u>29</u>	<u>1</u>
Fund balance, June 30	<u>\$ 33</u>	<u>\$ 30</u>	<u>\$ (3)</u>	<u>\$ 38</u>	<u>\$ 8</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RM2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 296	\$ 355	\$ 59	\$ 355	\$ -
Interest, rents, and concessions	-	9	9	3	(6)
Intergovernmental revenues	5	14	9	14	-
Total revenues	<u>301</u>	<u>378</u>	<u>77</u>	<u>372</u>	<u>(6)</u>
Expenditures:					
Current:					
General government	53	53	-	53	-
Total expenditures	<u>53</u>	<u>53</u>	<u>-</u>	<u>53</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	248	325	77	319	(6)
Other financing sources (uses):					
Transfers (out)	(248)	(331)	(83)	(331)	-
Total other financing sources (uses)	<u>(248)</u>	<u>(331)</u>	<u>(83)</u>	<u>(331)</u>	<u>-</u>
Net change in fund balance	-	(6)	(6)	(12)	(6)
Fund balance, July 1	6	6	-	12	6
Fund balance, June 30	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ (6)</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RM3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 5	\$ 5	\$ -	\$ 16	\$ 11
Intergovernmental revenues	3,640	3,640	-	658	(2,982)
Other revenues	750	750	-	-	(750)
Total revenues	<u>4,395</u>	<u>4,395</u>	<u>-</u>	<u>674</u>	<u>(3,721)</u>
Expenditures:					
Current:					
General government	4,315	4,030	285	596	3,434
Capital Outlay	25	315	(290)	228	87
Total expenditures	<u>4,340</u>	<u>4,345</u>	<u>(5)</u>	<u>824</u>	<u>3,521</u>
Excess (deficiency) of revenues over (under) expenditures	55	50	(5)	(150)	(200)
Other financing sources (uses):					
Transfers in	249	249	-	331	82
Total other financing sources (uses)	<u>249</u>	<u>249</u>	<u>-</u>	<u>331</u>	<u>82</u>
Net change in fund balance	304	299	(5)	181	(118)
Fund balance, July 1	494	494	-	497	3
Fund balance, June 30	<u>\$ 798</u>	<u>\$ 793</u>	<u>\$ (5)</u>	<u>\$ 678</u>	<u>\$ (115)</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RM4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 111	\$ 111	\$ -	\$ 131	\$ 20
Interest, rents, and concessions	10	10	-	14	4
Total revenues	<u>121</u>	<u>121</u>	<u>-</u>	<u>145</u>	<u>24</u>
Expenditures:					
Current:					
General government	219	374	(155)	51	323
Total expenditures	<u>219</u>	<u>374</u>	<u>(155)</u>	<u>51</u>	<u>323</u>
Excess (deficiency) of revenues over (under) expenditures	(98)	(253)	(155)	94	347
Net change in fund balance	(98)	(253)	(155)	94	347
Fund balance, July 1	334	334	-	683	349
Fund balance, June 30	<u>\$ 236</u>	<u>\$ 81</u>	<u>\$ (155)</u>	<u>\$ 777</u>	<u>\$ 696</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RO2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 323	\$ 330	\$ 7	\$ 331	\$ 1
Interest, rents, and concessions	-	10	10	3	(7)
Intergovernmental revenues	4	13	9	13	-
Total revenues	<u>327</u>	<u>353</u>	<u>26</u>	<u>347</u>	<u>(6)</u>
Expenditures:					
Current:					
General government	58	-	58	-	-
Total expenditures	<u>58</u>	<u>-</u>	<u>58</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	269	353	84	347	(6)
Other financing sources (uses):					
Transfers (out)	(269)	(357)	(88)	(476)	(119)
Total other financing sources (uses)	<u>(269)</u>	<u>(357)</u>	<u>(88)</u>	<u>(476)</u>	<u>(119)</u>
Net change in fund balance	-	(4)	(4)	(129)	(125)
Fund balance, July 1	54	54	-	180	126
Fund balance, June 30	<u>\$ 54</u>	<u>\$ 50</u>	<u>\$ (4)</u>	<u>\$ 51</u>	<u>\$ 1</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RO3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 25	\$ 25	\$ -	\$ 30	\$ 5
Other revenues	-	-	-	59	59
Total revenues	<u>25</u>	<u>25</u>	<u>-</u>	<u>89</u>	<u>64</u>
Expenditures:					
Current:					
General government	<u>716</u>	<u>895</u>	<u>(179)</u>	<u>399</u>	<u>496</u>
Total expenditures	<u>716</u>	<u>895</u>	<u>(179)</u>	<u>399</u>	<u>496</u>
Excess (deficiency) of revenues over (under) expenditures	(691)	(870)	(179)	(310)	560
Other financing sources (uses):					
Transfers in	<u>309</u>	<u>309</u>	<u>-</u>	<u>489</u>	<u>180</u>
Total other financing sources (uses)	<u>309</u>	<u>309</u>	<u>-</u>	<u>489</u>	<u>180</u>
Net change in fund balance	(382)	(561)	(179)	179	740
Fund balance, July 1	<u>666</u>	<u>666</u>	<u>-</u>	<u>672</u>	<u>6</u>
Fund balance, June 30	<u>\$ 284</u>	<u>\$ 105</u>	<u>\$ (179)</u>	<u>\$ 851</u>	<u>\$ 746</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RO4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 108	\$ 108	\$ -	\$ 123	\$ 15
Interest, rents, and concessions	7	7	-	20	13
Total revenues	<u>115</u>	<u>115</u>	<u>-</u>	<u>143</u>	<u>28</u>
Expenditures:					
Current:					
General government	184	301	(117)	44	257
Total expenditures	<u>184</u>	<u>301</u>	<u>(117)</u>	<u>44</u>	<u>257</u>
Excess (deficiency) of revenues over (under) expenditures	(69)	(186)	117	99	285
Net change in fund balance	(69)	(186)	117	99	285
Fund balance, July 1	451	451	-	744	293
Fund balance, June 30	<u>\$ 382</u>	<u>\$ 265</u>	<u>\$ 117</u>	<u>\$ 843</u>	<u>\$ 578</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RP2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 33	\$ 57	\$ 24	\$ 59	\$ 2
Interest, rents, and concessions	-	1	1	-	(1)
Intergovernmental revenues	1	2	1	2	-
Total revenues	<u>34</u>	<u>60</u>	<u>26</u>	<u>61</u>	<u>1</u>
Expenditures:					
Other financing sources (uses):					
Transfers (out)	(34)	(61)	-	(61)	-
Total other financing sources (uses)	<u>(34)</u>	<u>(61)</u>	<u>-</u>	<u>(61)</u>	<u>-</u>
Net change in fund balance	-	(1)	26	-	1
Fund balance, July 1	1	1	-	1	-
Fund balance, June 30	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 1</u>	<u>\$ 1</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RP3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 1	\$ 1	\$ -	\$ 1	\$ -
Intergovernmental revenues	34	34	-	-	(34)
Total revenues	<u>35</u>	<u>35</u>	<u>-</u>	<u>1</u>	<u>(34)</u>
Expenditures:					
Current:					
General government	63	93	(30)	77	16
Total expenditures	<u>63</u>	<u>93</u>	<u>(30)</u>	<u>77</u>	<u>16</u>
Excess (deficiency) of revenues over (under) expenditures	(28)	(58)	(30)	(76)	(18)
Other financing sources (uses):					
Transfers in	-	-	-	61	61
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>61</u>
Net change in fund balance	(28)	(58)	(30)	(15)	43
Fund balance, July 1	27	27	-	28	1
Fund balance, June 30	<u>\$ (1)</u>	<u>\$ (31)</u>	<u>\$ (30)</u>	<u>\$ 13</u>	<u>\$ 44</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RP4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 11	\$ 11	\$ -	\$ 19	\$ 8
Interest, rents, and concessions	1	1	-	2	1
Total revenues	<u>12</u>	<u>12</u>	<u>-</u>	<u>21</u>	<u>9</u>
Expenditures:					
Current:					
General government	5	8	(3)	7	1
Total expenditures	<u>5</u>	<u>8</u>	<u>(3)</u>	<u>7</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	7	4	(3)	14	10
Net change in fund balance	7	4	(3)	14	10
Fund balance, July 1	38	38	-	39	1
Fund balance, June 30	<u>\$ 45</u>	<u>\$ 42</u>	<u>\$ (3)</u>	<u>\$ 53</u>	<u>\$ 11</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RT2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 89	\$ 95	\$ 6	\$ 95	\$ -
Interest, rents, and concessions	-	2	2	-	(2)
Intergovernmental revenues	2	3	1	3	-
Total revenues	<u>91</u>	<u>100</u>	<u>9</u>	<u>98</u>	<u>(2)</u>
Other financing sources (uses):					
Transfers (out)	(91)	(102)	(11)	(102)	-
Total other financing sources (uses)	<u>(91)</u>	<u>(102)</u>	<u>(11)</u>	<u>(102)</u>	<u>-</u>
Net change in fund balance	-	(2)	(2)	(4)	(2)
Fund balance, July 1	1	1	-	4	3
Fund balance, June 30	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ 1</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RT3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 10	\$ 10	\$ -	\$ 18	\$ 8
Total revenues	<u>10</u>	<u>10</u>	<u>-</u>	<u>18</u>	<u>8</u>
Expenditures:					
Current:					
General government	225	223	2	47	176
Total expenditures	<u>225</u>	<u>223</u>	<u>2</u>	<u>47</u>	<u>176</u>
Excess (deficiency) of revenues over (under) expenditures	(215)	(213)	2	(29)	184
Other financing sources (uses):					
Transfers in	91	91	-	102	11
Total other financing sources (uses)	<u>91</u>	<u>91</u>	<u>-</u>	<u>102</u>	<u>11</u>
Net change in fund balance	(124)	(122)	2	73	195
Fund balance, July 1	465	465	-	471	6
Fund balance, June 30	<u>\$ 341</u>	<u>\$ 343</u>	<u>\$ 2</u>	<u>\$ 544</u>	<u>\$ 201</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment RT4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 33	\$ 33	\$ -	\$ 31	\$ (2)
Interest, rents, and concessions	5	5	-	7	2
Total revenues	<u>38</u>	<u>38</u>	<u>-</u>	<u>38</u>	<u>-</u>
Expenditures:					
Current:					
General government	85	87	(2)	29	58
Total expenditures	<u>85</u>	<u>87</u>	<u>(2)</u>	<u>29</u>	<u>58</u>
Excess (deficiency) of revenues over (under) expenditures	(47)	(49)	(2)	9	58
Net change in fund balance	(47)	(49)	(2)	9	58
Fund balance, July 1	154	154	-	244	90
Fund balance, June 30	<u>\$ 107</u>	<u>\$ 105</u>	<u>\$ (2)</u>	<u>\$ 253</u>	<u>\$ 148</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment SG2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 89	\$ 105	\$ 16	\$ 106	\$ 1
Interest, rents, and concessions	-	3	3	1	(2)
Intergovernmental revenues	2	5	3	5	-
Total revenues	<u>91</u>	<u>113</u>	<u>22</u>	<u>112</u>	<u>(1)</u>
Other financing sources (uses):					
Transfers (out)	(91)	(115)	(24)	(116)	(1)
Total other financing sources (uses)	<u>(91)</u>	<u>(115)</u>	<u>(24)</u>	<u>(116)</u>	<u>(1)</u>
Net change in fund balance	-	(2)	(2)	(4)	(2)
Fund balance, July 1	2	2	-	4	2
Fund balance, June 30	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment SG3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 6	\$ 6	\$ -	\$ 1	\$ (5)
Intergovernmental revenues	996	996	-	-	(996)
Total revenues	<u>1,002</u>	<u>1,002</u>	<u>-</u>	<u>1</u>	<u>(1,001)</u>
Expenditures:					
Current:					
General government	1,152	1,184	(32)	162	1,022
Capital Outlay	78	78	-	-	78
Total expenditures	<u>1,230</u>	<u>1,262</u>	<u>(32)</u>	<u>162</u>	<u>1,100</u>
Excess (deficiency) of revenues over (under) expenditures	(228)	(260)	(32)	(161)	99
Other financing sources (uses):					
Transfers in	91	91	-	116	25
Total other financing sources (uses)	<u>91</u>	<u>91</u>	<u>-</u>	<u>116</u>	<u>25</u>
Net change in fund balance	(137)	(169)	(32)	(45)	124
Fund balance, July 1	48	48	-	49	1
Fund balance, June 30	<u>\$ (89)</u>	<u>\$ (121)</u>	<u>\$ (32)</u>	<u>\$ 4</u>	<u>\$ 125</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment SG4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 43	\$ 43	\$ -	\$ 47	\$ 4
Interest, rents, and concessions	5	5	-	8	3
Total revenues	<u>48</u>	<u>48</u>	<u>-</u>	<u>55</u>	<u>7</u>
Expenditures:					
Current:					
General government	162	154	8	6	148
Total expenditures	<u>162</u>	<u>154</u>	<u>8</u>	<u>6</u>	<u>148</u>
Excess (deficiency) of revenues over (under) expenditures	(114)	(106)	8	49	155
Net change in fund balance	(114)	(106)	8	49	155
Fund balance, July 1	156	156	-	307	151
Fund balance, June 30	<u>\$ 42</u>	<u>\$ 50</u>	<u>\$ 8</u>	<u>\$ 356</u>	<u>\$ 306</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment SP2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 41	\$ 53	\$ 12	\$ 53	\$ -
Interest, rents, and concessions	-	1	1	-	(1)
Intergovernmental revenues	1	2	1	2	-
Total revenues	<u>42</u>	<u>56</u>	<u>14</u>	<u>55</u>	<u>(1)</u>
Other financing sources (uses):					
Transfers (out)	(46)	(57)	(11)	(57)	-
Total other financing sources (uses)	<u>(46)</u>	<u>(57)</u>	<u>(11)</u>	<u>(57)</u>	<u>-</u>
Net change in fund balance	(4)	(1)	3	(2)	(1)
Fund balance, July 1	-	-	-	2	2
Fund balance, June 30	<u>\$ (4)</u>	<u>\$ (1)</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 1</u>

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment SP3 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ 2	\$ 2	\$ -	\$ 3	\$ 1
Intergovernmental revenues	907	907	-	-	(907)
Total revenues	909	909	-	3	(908)
Expenditures:					
Current:					
General government	807	831	(24)	49	782
Total expenditures	807	831	(24)	49	782
Excess (deficiency) of revenues over (under) expenditures	102	78	(24)	(46)	(124)
Other financing sources (uses):					
Transfers in	41	41	-	57	16
Total other financing sources (uses)	41	41	-	57	16
Net change in fund balance	143	119	(24)	11	(108)
Fund balance, July 1	51	51	-	52	1
Fund balance, June 30	\$ 194	\$ 170	\$ (24)	\$ 63	\$ (107)

County of Tulare
 Nonmajor Special Revenue Fund - Redevelopment SP4 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 16	\$ 16	\$ -	\$ 18	\$ 2
Interest, rents, and concessions	1	1	-	2	1
Total revenues	<u>17</u>	<u>17</u>	<u>-</u>	<u>20</u>	<u>3</u>
Expenditures:					
Current:					
General government	6	9	(3)	6	3
Total expenditures	<u>6</u>	<u>9</u>	<u>(3)</u>	<u>6</u>	<u>3</u>
Excess (deficiency) of revenues over (under) expenditures	11	8	(3)	14	6
Net change in fund balance	11	8	(3)	14	6
Fund balance, July 1	44	44	-	44	-
Fund balance, June 30	<u>\$ 55</u>	<u>\$ 52</u>	<u>\$ (3)</u>	<u>\$ 58</u>	<u>\$ 6</u>



Nonmajor Governmental Funds

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources and payment of principal and interest from governmental sources when the government is obligated in some manner for the payment.

Pension Obligation Fund - This fund accumulates resources from other County funds for the payment of principal and interest on Pension Obligation Bonds; the proceeds of which were used to pay an unfunded actuarially accrued liability for the fiscal year ended June 30, 1996.

Equipment Loans Fund - This fund receives transfers of resources from other County funds for principal and interest payments on various loans which financed the acquisition of vehicles and equipment used in daily operations.

Building Loans Fund - This fund receives transfers of resources from County building occupants for the payment of the County's lease obligations to TCPFC.

Redevelopment Agency Fund (R & S Funds) - These funds receive tax increment revenues to pay principal and interest for Redevelopment Agency Tax Allocation Bonds. These bonds are legal obligations of the Redevelopment Agency and were issued to finance construction of infrastructure and public facilities within various project areas.

County of Tulare
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2003
(amounts expressed in thousands)

	Pension Obligation	Equipment Loans	Building Loans	Redevelopment RC1	Redevelopment RC2	Total Debt Service Funds
Assets						
Investment in treasury pool	\$ -	\$ -	\$ 101	\$ -	\$ -	\$ 101
Investments	7	-	-	-	-	7
Lease payments receivable, net of interest	-	-	1,818	-	-	1,818
Total assets	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ 1,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,926</u>
Liabilities and fund balances						
Liabilities:						
Due to other County funds	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ 70
Deferred revenue	-	-	1,821	-	-	1,821
Total liabilities	<u>70</u>	<u>-</u>	<u>1,821</u>	<u>-</u>	<u>-</u>	<u>1,891</u>
Fund balances:						
Reserved for:						
Debt service	(63)	-	98	-	-	35
Total fund balances	<u>(63)</u>	<u>-</u>	<u>98</u>	<u>-</u>	<u>-</u>	<u>35</u>
Total liabilities and fund balances	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ 1,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,926</u>

County of Tulare
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Pension Obligation	Equipment Loans	Building Loans	Redevelopment RC1	Redevelopment RC2	Total Debt Service Funds
Revenues:						
Fines, forfeitures and penalties	\$ -	\$ -	\$ 1,398	\$ -	\$ -	\$ 1,398
Interest, rents, and concessions	10	-	227	-	-	237
Intergovernmental revenues	-	-	(1,818)	-	-	(1,818)
Other revenues	202	-	-	-	-	202
Total revenues	<u>212</u>	<u>-</u>	<u>(193)</u>	<u>-</u>	<u>-</u>	<u>19</u>
Expenditures:						
Current:						
Debt service:						
Principal retirement	1,730	3,024	-	-	-	4,754
Interest and fiscal charges	2,656	269	12	-	-	2,937
Total expenditures	<u>4,386</u>	<u>3,293</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>7,691</u>
Excess (deficiency) of revenues over (under) expenditures	(4,174)	(3,293)	(205)	-	-	(7,672)
Other financing sources (uses):						
Transfers in	4,082	3,293	7,265	-	-	14,640
Transfers (out)	-	-	(8,875)	(10)	(3)	(8,888)
Total other financing sources (uses)	<u>4,082</u>	<u>3,293</u>	<u>(1,610)</u>	<u>(10)</u>	<u>(3)</u>	<u>5,752</u>
Net change in fund balance	(92)	-	(1,815)	(10)	(3)	(1,920)
Fund balance, July 1	29	-	1,913	10	3	1,955
Fund balance, June 30	<u>\$ (63)</u>	<u>\$ -</u>	<u>\$ 98</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35</u>

County of Tulare
 Nonmajor Debt Service Fund - Pension Obligation Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ -	\$ -	\$ -	\$ 10	\$ 10
Other revenues	4,829	4,829	-	202	(4,627)
Total revenues	4,829	4,829	-	212	(4,617)
Expenditures:					
Debt service:					
Principal retirement	1,906	1,906	-	1,730	176
Interest and fiscal charges	2,923	2,923	-	2,656	267
Total expenditures	4,829	4,829	-	4,386	443
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(4,174)	(4,174)
Other financing sources (uses):					
Transfers in	-	-	-	4,082	4,082
Total other financing sources (uses)	-	-	-	4,082	4,082
Net change in fund balance	-	-	-	(92)	(92)
Fund balance, July 1	-	-	-	29	29
Fund balance, June 30	\$ -	\$ -	\$ -	\$ (63)	\$ (63)

County of Tulare
 Nonmajor Debt Service Fund - Equipment Loans Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Charges for services	\$ 3,006	\$ 3,207	\$ 201	\$ -	\$ (3,207)
Total revenues	<u>3,006</u>	<u>3,207</u>	<u>201</u>	<u>-</u>	<u>(3,207)</u>
Expenditures:					
Debt service:					
Principal retirement	2,727	3,163	(436)	3,024	139
Interest and fiscal charges	286	278	8	269	9
Capital outlay	<u>1,729</u>	<u>-</u>	<u>1,729</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,742</u>	<u>3,441</u>	<u>1,301</u>	<u>3,293</u>	<u>148</u>
Excess (deficiency) of revenues over (under) expenditures	(1,736)	(234)	1,502	(3,293)	(3,059)
Other financing sources (uses):					
Transfers in	1,736	234	(1,502)	3,293	3,059
Transfers (out)	<u>(1,291)</u>	<u>(1,291)</u>	<u>-</u>	<u>-</u>	<u>1,291</u>
Total other financing sources (uses)	<u>445</u>	<u>(1,057)</u>	<u>(1,502)</u>	<u>3,293</u>	<u>4,350</u>
Net change in fund balance	(1,291)	(1,291)	-	-	1,291
Fund balance, July 1	<u>1,291</u>	<u>1,291</u>	<u>-</u>	<u>-</u>	<u>(1,291)</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Debt Service Fund - Building Loans Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Fines, forfeitures and penalties	\$ 1,687	\$ 1,687	\$ -	\$ 1,398	\$ (289)
Interest, rents, and concessions	265	265	-	227	(38)
Intergovernmental revenues	3,393	3,393	-	(1,818)	(5,211)
Total revenues	<u>5,345</u>	<u>5,345</u>	<u>-</u>	<u>(193)</u>	<u>(5,538)</u>
Expenditures:					
Debt service:					
Principal retirement	5,725	5,725	-	-	5,725
Interest and fiscal charges	3,536	3,536	-	12	3,524
Total expenditures	<u>9,261</u>	<u>9,261</u>	<u>-</u>	<u>12</u>	<u>9,249</u>
Excess (deficiency) of revenues over (under) expenditures	(3,916)	(3,916)	-	(205)	3,711
Other financing sources (uses):					
Transfers in	3,821	3,821	-	7,265	3,444
Transfers (out)	-	-	-	(8,875)	(8,875)
Total other financing sources (uses)	<u>3,821</u>	<u>3,821</u>	<u>-</u>	<u>(1,610)</u>	<u>(5,431)</u>
Net change in fund balance	(95)	(95)	-	(1,815)	(1,720)
Fund balance, July 1	1,913	1,913	-	1,913	-
Fund balance, June 30	<u>\$ 1,818</u>	<u>\$ 1,818</u>	<u>\$ -</u>	<u>\$ 98</u>	<u>\$ (1,720)</u>

County of Tulare
 Nonmajor Debt Service Fund - Redevelopment RC1 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Other financing sources (uses):					
Transfers (out)	\$ -	\$ -	\$ -	\$ (10)	\$ (10)
Total other financing sources (uses)	-	-	-	(10)	(10)
Net change in fund balance	-	-	-	(10)	(10)
Fund balance, July 1	-	-	-	10	10
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Tulare
 Nonmajor Debt Service Fund - Redevelopment RC2 Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Other financing sources (uses):					
Transfers (out)	\$ -	\$ -	\$ -	\$ (3)	\$ (3)
Total other financing sources (uses)	-	-	-	(3)	(3)
Net change in fund balance	-	-	-	(3)	(3)
Fund balance, July 1	-	-	-	3	3
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Nonmajor Governmental Funds

Capital Projects Fund

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trusts funds.

Capital Project Fund - This fund is used to finance the acquisition and construction of public buildings, including major maintenance and improvements. Revenues are obtained from State funding and from other funds when allocated by the Board of Supervisors.

Exhibit D-1

County of Tulare
Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2003
(amounts expressed in thousands)

		Capital Projects
Assets		
Investment in treasury pool	\$	9,958
Due from other County funds		<u>25</u>
Total assets		<u><u>9,983</u></u>
Liabilities and fund balance		
Liabilities:		
Accounts payable	\$	<u>64</u>
Total liabilities		<u>64</u>
Fund balance:		
Reserved for:		
Harmon Field cleanup		5,000
Unreserved, reported in nonmajor:		
Capital projects fund		<u>4,919</u>
Total fund balance		<u>9,919</u>
Total liabilities and fund balance	\$	<u><u>9,983</u></u>

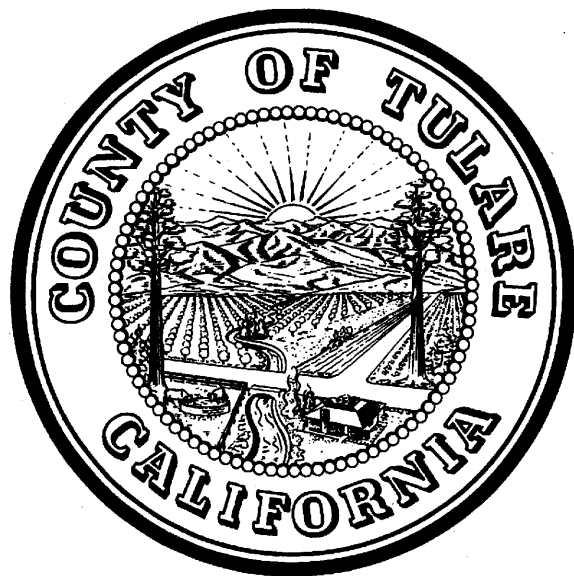
Exhibit D-2

County of Tulare
Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Capital Projects Fund
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Capital Projects
Revenues:	
Interest, rents, and concessions	\$ 185
Other revenues	<u>44</u>
Total revenues	<u>229</u>
Expenditures:	
Current:	
General government	1,142
Capital outlay	<u>45</u>
Total expenditures	<u>1,187</u>
Excess (deficiency) of revenues over (under) expenditures	(958)
Other financing sources (uses):	
Transfers in	<u>2,500</u>
Total other financing sources (uses)	<u>2,500</u>
Net change in fund balance	1,542
Fund balance, July 1	<u>8,377</u>
Fund balance, June 30	\$ <u><u>9,919</u></u>

County of Tulare
 Nonmajor Capital Projects Fund - Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

	Budgeted Amounts		Variance with Original Budget - Positive (Negative)	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final			
Revenues:					
Interest, rents, and concessions	\$ -	\$ -	\$ -	\$ 185	\$ 185
Other revenues	<u>150</u>	<u>150</u>	<u>-</u>	<u>44</u>	<u>(106)</u>
Total revenues	<u>150</u>	<u>150</u>	<u>-</u>	<u>229</u>	<u>79</u>
Expenditures:					
Current:					
General government	4,044	4,044	-	1,142	2,902
Capital outlay	<u>1,517</u>	<u>1,517</u>	<u>-</u>	<u>45</u>	<u>1,472</u>
Total expenditures	<u>5,561</u>	<u>5,561</u>	<u>-</u>	<u>1,187</u>	<u>4,374</u>
Excess (deficiency) of revenues over (under) expenditures	(5,411)	(5,411)	-	(958)	4,453
Other financing sources (uses):					
Transfers in	2,500	2,500	-	2,500	-
Transfers (out)	<u>(302)</u>	<u>(302)</u>	<u>-</u>	<u>-</u>	<u>302</u>
Total other financing sources (uses)	<u>2,198</u>	<u>2,198</u>	<u>-</u>	<u>2,500</u>	<u>302</u>
Net change in fund balance	(3,213)	(3,213)	-	1,542	4,755
Fund balance, July 1	<u>3,213</u>	<u>3,213</u>	<u>-</u>	<u>8,377</u>	<u>5,164</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,919</u>	<u>\$ 9,919</u>



Nonmajor Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Board of Supervisors is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Board of Supervisors has decided that periodic determination of net income is appropriate for accountability purposes.

Transit Fund - This fund is used to account for the operation, maintenance, and development of a rural transit system and transit related projects.

Terra Bella Sewer Maintenance Fund - This fund is used to account for the operation, maintenance, and development of the Terra Bella Sanitation District governed by the County Board of Supervisors.

Assessment District Funds - These funds are used to account for the costs of maintenance and improvement of the Landscaping Assessment Districts.

County Service Area Funds - These funds are used to account for the development, operation, and maintenance of clean and safe drinking water systems in rural communities of the County.

County of Tulare
Combining Statement of Fund Net Assets
Nonmajor Enterprise Funds
June 30, 2003
(amounts expressed in thousands)

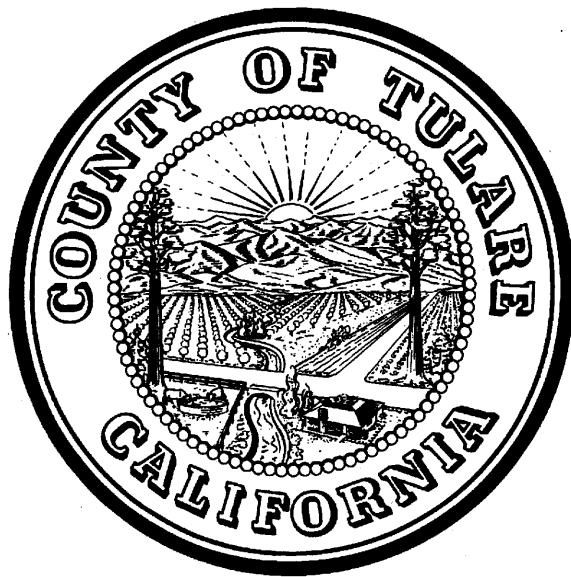
	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Service Area #2	Total Nonmajor Enterprise Funds
Assets						
Current assets:						
Investment in treasury pool	\$ 302	\$ 705	\$ 113	\$ 302	\$ 43	\$ 1,465
Accounts receivable	94	15	-	52	6	167
Deposits with others	-	-	-	39	3	42
Due from other County funds	-	-	-	2	2	4
Total current assets	396	720	113	395	54	1,678
Noncurrent assets:						
Restricted assets	-	-	-	-	5	5
Capital assets:						
Land	-	68	-	503	41	612
Buildings and improvements, net	-	1,654	-	4,794	449	6,897
Equipment and vehicles, net	223	-	-	42	-	265
Total capital assets (net of accumulated depreciation)	223	1,722	-	5,339	490	7,774
Total noncurrent assets	223	1,722	-	5,339	495	7,779
Total assets	619	2,442	113	5,734	549	9,457
Liabilities						
Current liabilities:						
Accounts payable	74	2	-	6	1	83
Due to other County funds	-	-	-	2	2	4
Interest payable	-	-	-	15	1	16
COP's payable	-	15	-	10	2	27
Total current liabilities	74	17	-	33	6	130
Noncurrent liabilities:						
Advances from other County funds	-	-	-	460	-	460
Bonds payable	-	-	-	9	-	9
COP's payable	-	910	-	655	45	1,610
Total noncurrent liabilities	-	910	-	1,124	45	2,079
Total liabilities	74	927	-	1,157	51	2,209
Net assets						
Invested in capital assets, net of related debt	223	797	-	4,665	443	6,128
Restricted	-	-	-	-	5	5
Unrestricted	322	718	113	(88)	50	1,115
Total net assets	\$ 545	\$ 1,515	\$ 113	\$ 4,577	\$ 498	\$ 7,248

County of Tulare
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Service Area #2	Total Nonmajor Enterprise Funds
Operating revenues:						
Charges for services	\$ 82	\$ 140	\$ 33	\$ 307	\$ 44	\$ 606
Rents and concessions	-	-	-	2	-	2
Other revenues	34	-	-	-	-	34
Total operating revenues	<u>116</u>	<u>140</u>	<u>33</u>	<u>309</u>	<u>44</u>	<u>642</u>
Operating expenses:						
Services and supplies	997	107	18	260	27	1,409
Depreciation	20	78	-	230	16	344
Total operating expenses	<u>1,017</u>	<u>185</u>	<u>18</u>	<u>490</u>	<u>43</u>	<u>1,753</u>
Operating income (loss)	<u>(901)</u>	<u>(45)</u>	<u>15</u>	<u>(181)</u>	<u>1</u>	<u>(1,111)</u>
Nonoperating revenues (expenses):						
Intergovernmental revenues	94	-	-	-	-	94
Special assessments	793	# 22	-	-	-	815
Investment earnings	4	25	2	11	2	44
Interest expense	-	(42)	-	(72)	(6)	(120)
Total nonoperating revenues (expenses)	<u>891</u>	<u>5</u>	<u>2</u>	<u>(61)</u>	<u>(4)</u>	<u>833</u>
Net income (loss) before transfers	<u>(10)</u>	<u>(40)</u>	<u>17</u>	<u>(242)</u>	<u>(3)</u>	<u>(278)</u>
Transfers in	2	-	45	-	-	47
Transfers (out)	<u>(1)</u>	<u>-</u>	<u>(45)</u>	<u>-</u>	<u>-</u>	<u>(46)</u>
Total transfers	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Change in net assets	<u>(9)</u>	<u>(40)</u>	<u>17</u>	<u>(242)</u>	<u>(3)</u>	<u>(277)</u>
Total net assets, July 1	<u>554</u>	<u>1,555</u>	<u>96</u>	<u>4,819</u>	<u>501</u>	<u>7,525</u>
Total net assets, June 30	<u>\$ 545</u>	<u>\$ 1,515</u>	<u>\$ 113</u>	<u>\$ 4,577</u>	<u>\$ 498</u>	<u>\$ 7,248</u>

County of Tulare
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Transit	Terra Bella Sewer Maintenance	Assessment Districts	County Service Area #1	County Service Area #2	Total Nonmajor Enterprise Funds
Cash flows from operating activities:						
Receipts from customers	\$ 82	\$ 137	\$ 33	\$ 305	\$ 45	\$ 602
Internal activity - receipts from (payments to) other County funds	(196)	(35)	(7)	(81)	(7)	(326)
Rents and concessions	-	-	-	2	-	2
Other revenue	34	-	-	-	-	34
Payments to suppliers	(823)	(95)	(11)	(188)	(20)	(1,137)
Net cash provided (used) by operating activities	(903)	7	15	38	18	(825)
Cash flows from noncapital financing activities:						
Taxes and assessments	793	22	-	-	-	815
Internal activity - (to) from other County funds	1	3	-	(20)	(1)	(17)
Net cash provided (used) by noncapital financing activities	794	25	-	(20)	(1)	798
Cash flows from capital and related financing activities:						
Acquisition and construction of fixed assets	(118)	-	-	-	-	(118)
Principal paid on capital debt	-	(10)	-	(9)	(47)	(66)
Interest paid on capital debt	-	(42)	-	(57)	(5)	(104)
Net cash provided (used) by capital and related financing activities	(118)	(52)	-	(66)	(52)	(288)
Cash flows from investing activities:						
Investment earnings	4	25	2	11	2	44
Net cash provided (used) by investing activities	4	25	2	11	2	44
Net increase (decrease) in cash and cash equivalents	(223)	5	17	(37)	(33)	(271)
Cash and cash equivalents, July 1	525	700	96	339	81	1,741
Cash and cash equivalents, June 30	<u>\$ 302</u>	<u>\$ 705</u>	<u>\$ 113</u>	<u>\$ 302</u>	<u>\$ 48</u>	<u>\$ 1,470</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (901)	\$ (45)	\$ 15	\$ (181)	\$ 1	\$ (1,111)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	20	78	-	230	16	344
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	-	(3)	-	(2)	1	(4)
Increase (decrease) accounts payable	(22)	(23)	-	(9)	-	(54)
Total adjustments	(2)	52	-	219	17	286
Net cash provided (used) by operating activities	<u>\$ (903)</u>	<u>\$ 7</u>	<u>\$ 15</u>	<u>\$ 38</u>	<u>\$ 18</u>	<u>\$ (825)</u>



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 County and to other governmental units on a cost reimbursement basis.

Insurance Funds - These funds account for the financing of workers' compensation to applicable bargaining units, general liability, property casualty liability, and malpractice insurances. All other insurance functions are accounted for in the General Fund.

Central Services Funds - These funds account for partial financing of the Print Services Branch and Utilities Branch of the Resource Management Agency in Fiscal Year 2002-2003. All other functions are accounted for in the General Fund.

County of Tulare
Internal Service Funds
Combining Statement of Fund Net Assets
June 30, 2003
(amounts expressed in thousands)

	<u>Insurance</u>	<u>Central Services</u>	<u>Total</u>
Assets			
Current assets:			
Investment in treasury pool	\$ 7,736	\$ 7,165	\$ 14,901
Total current assets	<u>7,736</u>	<u>7,165</u>	<u>14,901</u>
Noncurrent assets:			
Capital assets:			
Equipment and vehicles, net	-	186	186
Total capital assets (net of accumulated depreciation)	-	186	186
Total noncurrent assets	-	186	186
Total assets	<u>7,736</u>	<u>7,351</u>	<u>15,087</u>
Liabilities			
Current liabilities:			
Accounts payable	867	-	867
Due to other County funds	-	64	64
Interest payable	-	469	469
Claims payable	2,767	-	2,767
Loans payable	-	461	461
Capital lease payable	-	60	60
Total current liabilities	<u>3,634</u>	<u>1,054</u>	<u>4,688</u>
Noncurrent liabilities:			
Claims payable	2,693	-	2,693
Loans payable	-	10,459	10,459
Capital lease payable	-	62	62
Total noncurrent liabilities	<u>2,693</u>	<u>10,521</u>	<u>13,214</u>
Total liabilities	<u>6,327</u>	<u>11,575</u>	<u>17,902</u>
Net assets			
Invested in capital assets, net of related debt	-	64	64
Restricted for:			
Other purposes	-	7,165	7,165
Unrestricted	1,409	(11,453)	(10,044)
Total net assets	<u>\$ 1,409</u>	<u>\$ (4,224)</u>	<u>\$ (2,815)</u>

County of Tulare
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Insurance	Central Services	Total
Operating revenues:			
Charges for services - internal	\$ 10,832	\$ -	\$ 10,832
Other revenues	59	-	59
Total operating revenues	<u>10,891</u>	<u>-</u>	<u>10,891</u>
Operating expenses:			
Services and supplies	1,705	4,127	5,832
Insurance premiums paid	8,932	-	8,932
Depreciation	4	-	4
Claims incurred	(238)	-	(238)
Total operating expenses	<u>10,403</u>	<u>4,127</u>	<u>14,530</u>
Operating income (loss)	<u>488</u>	<u>(4,127)</u>	<u>(3,639)</u>
Nonoperating revenues (expenses):			
Investment earnings	175	372	547
Interest expense	-	(469)	(469)
Total nonoperating revenues (expenses)	<u>175</u>	<u>(97)</u>	<u>78</u>
Change in net assets	<u>663</u>	<u>(4,224)</u>	<u>(3,561)</u>
Net assets, July 1	746	-	746
Net assets, June 30	<u>\$ 1,409</u>	<u>\$ (4,224)</u>	<u>\$ (2,815)</u>

County of Tulare
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Insurance	Central Services	Total
Cash flows from operating activities:			
Premiums from departments	\$ 10,832	\$ -	\$ 10,832
Other revenues	59	-	59
Payments to suppliers	(9,405)	(4,127)	(13,532)
Payments for quasi-external transactions	(776)	-	(776)
Payments for claims	(777)	-	(777)
Net cash provided (used) by operating activities	<u>(67)</u>	<u>(4,127)</u>	<u>(4,194)</u>
Cash flows from noncapital financing activities:			
Internal activity - (to) from other County funds	178	-	178
Net cash provided (used) by noncapital financing activities	<u>178</u>	<u>-</u>	<u>178</u>
Cash flows from capital and related financing activities:			
Loan proceeds	-	10,920	10,920
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>10,920</u>	<u>10,920</u>
Cash flows from investing activities:			
Investment earnings	175	372	547
Net cash provided by investing activities	<u>175</u>	<u>372</u>	<u>547</u>
Net increase (decrease) in cash and cash equivalents	286	7,165	7,451
Cash and cash equivalents, July 1	7,450	-	7,450
Cash and cash equivalents, June 30	<u>\$ 7,736</u>	<u>\$ 7,165</u>	<u>\$ 14,901</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 488	\$ (4,127)	\$ (3,639)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	4	-	4
Changes in assets and liabilities:			
Increase (decrease) in accounts payable	456	-	456
Increase (decrease) in claims payable	(1,015)	-	(1,015)
Total adjustments	<u>(555)</u>	<u>-</u>	<u>(555)</u>
Net cash provided (used) by operating activities	<u>\$ (67)</u>	<u>\$ (4,127)</u>	<u>\$ (4,194)</u>



Capital Assets Used in the Operation of Governmental Funds

These schedules report capital assets acquired for general government operations. These capital assets are tangible and of significant value having a utility which extends beyond the current year. They are broadly classified as land, structures and improvements, machinery and equipment, vehicles, infrastructure and construction in progress.

County of Tulare
 Capital Assets Used in the Operation of Governmental Funds
 Comparative Schedule by Source
 June 30, 2003 and 2002
 (amounts expressed in thousands)

	<u>2003</u>	<u>2002</u>
Governmental funds capital assets:		
Land	\$ 8,256	\$ 7,985
Structures and improvements	163,282	167,119
Machinery and equipment	7,650	7,789
Vehicles	33,457	33,704
Construction in progress	1,483	69
Infrastructure in progress	4,848	3,356
Total governmental funds capital assets	\$ <u>218,976</u>	\$ <u>220,022</u>
Investment in governmental funds capital assets by source:		
General fund	\$ 176,811	\$ 169,904
Federal revenue sharing fund	12,443	26,927
Special revenue funds	27,546	22,665
Capital projects funds	1,483	69
Redevelopment funds	236	-
Donations	457	457
Total governmental funds capital assets	\$ <u>218,976</u>	\$ <u>220,022</u>

County of Tulare
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 June 30, 2003
 (amounts expressed in thousands)

Function and Activity	Land	Infrastructure	Structures and Improvements	Machinery and Equipment	Vehicles	Total
General government:						
Administrative	\$ -	\$ -	\$ -	\$ 257	\$ 215	\$ 472
Finance	-	-	2	196	75	273
County Counsel	-	-	1,665	34	-	1,699
Personnel	-	-	25	16	-	41
Elections	-	-	5	544	90	639
Property management	5,209	-	6,721	232	138	12,300
Other general	228	-	5,229	944	5,802	12,203
Total general government	<u>5,437</u>	<u>-</u>	<u>13,647</u>	<u>2,223</u>	<u>6,320</u>	<u>27,627</u>
Public protection:						
Judicial	25	-	11,267	1,140	310	12,742
Sheriff	640	-	308	426	1,585	2,959
Other protection	-	-	2,023	786	5,278	8,087
Total public protection	<u>665</u>	<u>-</u>	<u>13,598</u>	<u>2,352</u>	<u>7,173</u>	<u>23,788</u>
Detention and correction:						
Detention	-	-	93,929	547	84	94,560
Fire	125	-	3,068	153	7,796	11,142
Inspection	-	-	4	104	48	156
Total detention and correction	<u>125</u>	<u>-</u>	<u>97,001</u>	<u>804</u>	<u>7,928</u>	<u>105,858</u>
Public ways and facilities	526	-	2,507	687	9,679	13,399
Public health	384	-	24,308	648	809	26,149
Public assistance	198	-	3,530	495	1,282	5,505
Education	-	-	3,549	172	-	3,721
Recreation and cultural services	921	-	5,142	269	266	6,598
	<u>2,029</u>	<u>-</u>	<u>39,036</u>	<u>2,271</u>	<u>12,036</u>	<u>55,372</u>
Total governmental funds capital assets	<u>\$ 8,256</u>	<u>\$ -</u>	<u>\$ 163,282</u>	<u>\$ 7,650</u>	<u>\$ 33,457</u>	<u>212,645</u>
Construction in progress	\$ -	\$ -	\$ 113	\$ 552	\$ 818	1,483
Infrastructure in progress	-	4,848	-	-	-	4,848
						<u>\$ 218,976</u>

County of Tulare
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of changes by Function and Activity
 For the Fiscal Year Ended June 30, 2003
 (amounts expressed in thousands)

Function and Activity	Governmental Fund Capital Assets July 1	Additions	Deletions	Adjustments	Governmental Fund Capital Assets June 30
General government:					
Administrative	\$ 447	\$ -	\$ -	\$ -	\$ 447
Finance	336	-	(63)	-	273
County Counsel	1,699	-	-	-	1,699
Personnel	41	-	-	-	41
Elections	655	-	(16)	-	639
Property management	12,252	25	(79)	102	12,300
Other general	13,044	427	(1,261)	18	12,228
Total general government	<u>28,474</u>	<u>452</u>	<u>(1,419)</u>	<u>120</u>	<u>27,627</u>
Public protection:					
Judicial	16,657	141	(4,056)	-	12,742
Sheriff	2,171	1,257	(458)	-	2,970
Other protection	7,816	265	-	(5)	8,076
Total public protection	<u>26,644</u>	<u>1,663</u>	<u>(4,514)</u>	<u>(5)</u>	<u>23,788</u>
Detention and correction:					
Detention	94,586	155	(181)	-	94,560
Fire	11,645	10	(513)	-	11,142
Inspection	156	-	-	-	156
Total detention and correction	<u>106,387</u>	<u>165</u>	<u>(694)</u>	<u>-</u>	<u>105,858</u>
Public ways and facilities	13,051	1,025	(710)	33	13,399
Public health	26,226	78	(180)	25	26,149
Public assistance	5,529	101	(150)	25	5,505
Education	3,721	-	-	-	3,721
Recreation and cultural services	6,565	84	(51)	-	6,598
	<u>55,092</u>	<u>1,288</u>	<u>(1,091)</u>	<u>83</u>	<u>55,372</u>
Construction/ projects in progress	69	1,414	-	-	1,483
Infrastructure projects in progress	3,356	1,492	-	-	4,848
Total governmental funds capital assets	<u>\$ 220,022</u>	<u>\$ 6,474</u>	<u>\$ (7,718)</u>	<u>\$ 198</u>	<u>\$ 218,976</u>



**STATISTICAL SECTION
(UNAUDITED)**



Table 1

County of Tulare
Government -wide Expenses by Function
Last Three Fiscal Years
(amounts expressed in thousands)

Fiscal Year	General Govern- ment	Public Protection	Public Ways and Facilities	Health and Sanitation	Public Assistance	Education	Culture & Recreation	Unallocated Depreciation	Unallocated Interest Expense	Solid Waste	Nonmajor Business type	Total
2000-01	\$13,804	\$134,214	\$19,852	\$76,877	\$190,696	\$3,387	\$1,490	\$571	\$10,374	\$9,384	\$1,659	\$462,308
2001-02	25,529	132,758	18,321	82,382	201,975	3,380	1,661	571	9,933	8,980	1,543	487,033
2002-03	37,409	130,282	18,699	87,856	202,308	3,481	1,839	627	9,023	10,361	1,873	503,758

* Discretely presented Component unit not included

Table 2

County of Tulare
Government-wide Revenues
Last Three Fiscal Years
(amounts expressed in thousands)

PROGRAM REVENUES			GENERAL REVENUES				
Fiscal Year	Charges for Services	Operating Grants and Contributions	Taxes	Grants and Contributions Not Restricted to Specific Programs	Unrestricted Investment Earnings	Miscellaneous	Total
2000-01	\$69,933	\$272,831	\$72,922	\$33,865	\$15,064	\$6,276	\$472,891
2001-02	81,083	323,617	42,506	34,901	11,410	5,708	499,225
2002-03	96,213	316,985	44,903	36,829	9,260	4,133	508,323

* Discretely presented Component unit not included

Table 3

County of Tulare
General Governmental
Expenditures by Function Table
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	General Government	Public Protection	Public Ways and Facilities	Health and Sanitation	Public Assistance	Education	Culture & Recreation	Debt Service	Capital Outlay	Total
1993-94	\$19,273	\$64,043	\$11,398	\$45,090	\$183,182	\$2,155	\$1,177	\$1,130	\$0	\$327,448
1994-95	19,149	74,704	11,249	45,997	186,023	2,277	1,213	1,648	0	342,260
1995-96	21,160	86,760	11,799	52,904	182,942	2,675	1,397	1,647	0	361,284
1996-97	25,836	87,755	13,579	53,131	172,143	2,522	1,331	2,884	0	359,181
1997-98	21,394	95,716	13,780	67,732	158,622	2,623	1,505	3,271	0	364,643
1998-99	19,275	112,997	15,172	61,646	175,251	2,729	1,390	2,153	0	390,613
1999-00	16,241	121,120	14,868	66,650	177,934	3,473	1,448	180	0	401,914
2000-01	12,257	136,160	19,617	76,596	191,993	3,439	1,507	261	0	441,083
2001-02	22,224	127,337	20,229	80,812	200,765	3,129	1,578	2,552	4,226	461,231
2002-03	23,609	123,937	17,958	86,567	201,211	3,200	1,759	897	6,374	484,174

Notes: Includes General and Special Revenue Funds including Blended Component Units.
Expenditures are reported on a modified accrual basis (GAAP).

County of Tulare
General Governmental
Expenditures by Function Graph
Last Ten Fiscal Years
(amounts expressed in thousands)

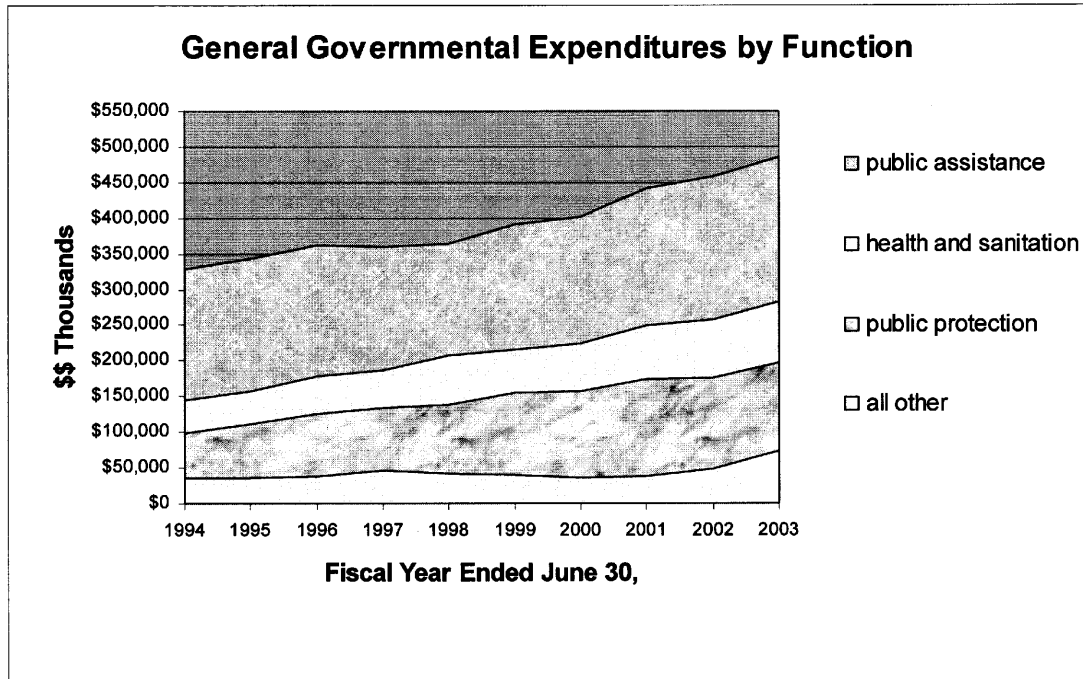


Table 4

County of Tulare
General Governmental
Revenues by Source Table
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Taxes and Special Assessments	Licenses and Permits	Fines, Forfeitures and Penalties	Interest, Rents and Conces- sions	Intergovernmen- tal Revenues	Charges for Services	Other Revenues	Total
1993-94	\$55,721	\$ 4,835	\$ 1,337	\$ 2,470	\$ 252,318	\$ 20,418	\$ 7,371	\$ 344,470
1994-95	38,800	5,102	1,396	4,542	265,175	23,241	6,466	344,722
1995-96	65,811	5,199	2,643	3,348	253,971	29,392	8,474	368,838
1996-97	66,898	5,157	2,996	7,413	243,460	33,572	7,375	366,871
1997-98	66,436	5,474	5,544	3,933	246,557	36,468	7,266	371,678
1998-99	67,091	5,836	6,725	3,960	257,048	42,213	6,420	389,293
1999-00	69,993	5,561	7,138	3,006	274,609	42,785	4,965	408,057
2000-01	71,717	6,096	5,234	5,544	306,645	52,245	9,487	456,968
2001-02	71,246	6,843	6,528	4,392	328,165	52,025	9,665	478,864
2002-03	71,269	6,920	7,164	3,860	326,699	53,662	10,724	480,298

Note: Includes General and Special Revenue Funds including Blended Component Units.

County of Tulare
General Governmental
Revenues by Source Graph
Last Ten Fiscal Years
(amounts expressed in thousands)

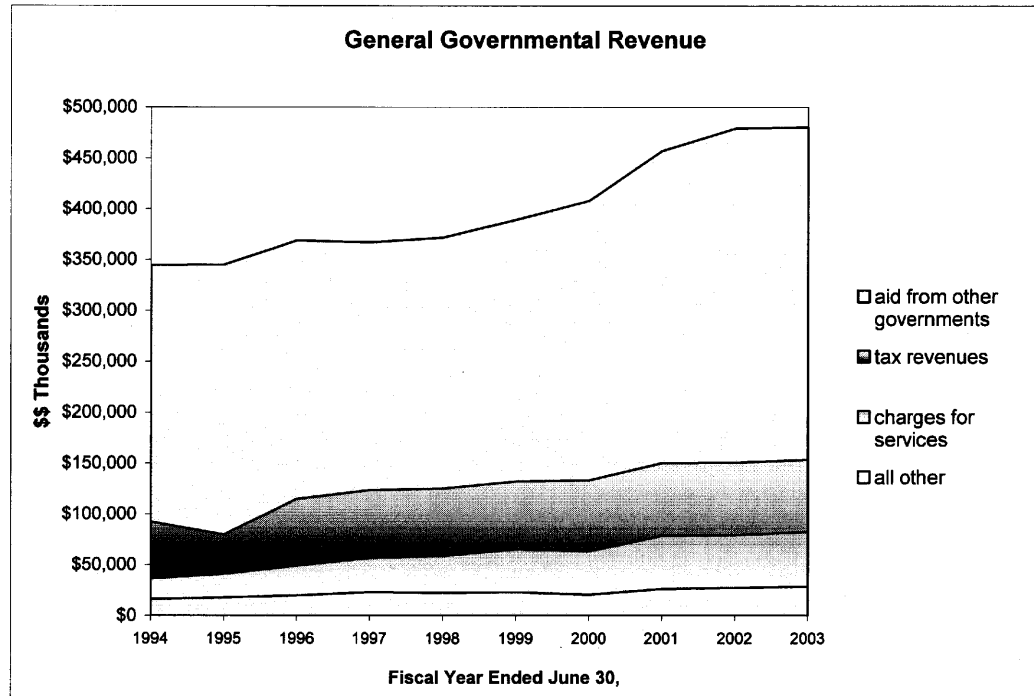


Table 5

County of Tulare
Property Tax Levies and Collections
Last Ten Fiscal Years
(dollar values expressed in thousands)

Fiscal Year	Current Tax Levy	Current Tax Collections	Percent of Levy Collected	Current Delinquent Taxes	Current Delinquent Taxes as % of Current Levy	Prior Delinquent Tax Collections
1993-94	\$109,753	\$105,296	96%	\$4,457	4%	\$4,295
1994-95	116,851	112,334	96	4,517	4	5,547
1995-96	122,046	117,479	96	4,568	4	4,532
1996-97	125,984	121,891	97	4,093	3	4,718
1997-98	130,632	126,442	97	4,190	3	7,331
1998-99	135,775	131,534	97	4,240	3	7,465
1999-00	140,642	136,380	97	4,262	3	5,756
2000-01	149,307	144,161	97	5,146	3	6,931
2001-02	154,682	149,897	97	4,785	3	5,966
2002-03	174,154	168,504	97	5,651	3	5,578

Table 6

County of Tulare
Equalized Roll Assessed Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value
1993-94	\$11,251,160	\$664,649	\$11,915,809
1994-95	11,914,650	690,693	12,605,343
1995-96	12,425,110	741,639	13,166,749
1996-97	12,719,639	802,996	13,522,635
1997-98	13,220,599	859,125	14,079,724
1998-99	13,646,997	917,125	14,564,122
1999-00	14,154,136	941,827	15,095,963
2000-01	14,731,050	1,065,525	15,796,575
2001-02	15,232,365	1,064,889	16,297,254
2002-03	16,004,259	1,150,562	17,154,821

Due to Constitutional Amendment, Section 13A, property is assessed at Full Cash Value as of 1975-76 with a maximum increase of 2% permitted each year. New construction and property sold are reassessed at Full Cash Value in the year the transaction occurs.

Table 7

County of Tulare
Property Tax Rates (A)-Direct & Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

Fiscal Year	Mandated Tax Rate (B) Countywide	County of Tulare	School Districts	Special Districts	Cities	Total
1993-94	1.00	--	0.04	--	--	1.04
1994-95	1.00	--	0.04	--	--	1.04
1995-96	1.00	--	0.03	--	--	1.03
1996-97	1.00	--	0.01	--	--	1.01
1997-98	1.00	--	0.01	--	--	1.01
1998-99	1.00	--	0.01	--	--	1.01
1999-00	1.00	--	0.07	--	--	1.07
2000-01	1.00	--	0.07	--	--	1.07
2001-02	1.00	--	0.06	--	--	1.06
2002-03	1.00	--	0.07	--	--	1.07

- (A) Each tax rate area within the County will have differing tax rates depending on which taxing agencies are located within that tax rate area. For comparison purposes, only one tax rate area with its corresponding tax rate is shown in this Schedule.
- (B) Effective 1978-79, Constitutional Amendment XIII A was enacted by vote of the people. This amendment mandates one rate for all taxing agencies, with \$1.00 per \$100 of value. Bonded indebtedness existing before July 1, 1978 was exempted from the amendment and may have an additional tax rate.

Table 8

County of Tulare
 Computation of Legal Debt Margin
 June 30, 2003
 (amounts expressed in thousands)

Net Assessed Value	\$17,154,821
Debt Limit - 1.25 Percent of Taxable Property (A)	\$ 214,435
Amount of Debt Applicable to Debt Limit (B)	-0
Legal Debt Margin (C)	\$ 214,435

- (A) Constitutional Amendment XIII A, passed by vote of the people and effective July 1, 1978, prohibits the County from raising ad valorem property taxes above 1% of full cash value. Thus, the legal debt is 1.25% of assessed valuation.
- (B) As of 6/30/03 the County had no tax supported general obligation bonded debt outstanding.
- (C) Legal debt margin is computed by subtracting the County legal general obligation bonded debt from the legal debt limit.

Table 9

County of Tulare
 Computation of Direct and Overlapping Debt
 June 30, 2003
 (dollar values expressed in thousands)

Jurisdiction	Outstanding Debt	Percentage Applicable to the County of Tulare	Amount Applicable to the County of Tulare
Special Districts	\$5,470	100%	\$5,470
School Districts	63,966	100%	63,966
County of Tulare	168,761 *	100%	168,761
Total	\$220,283		\$220,283

* Outstanding debt for the County of Tulare includes all Certificates of Participation, Leases, Loans, and Bonds outstanding for both governmental and business-type activities for the County and blended component units.

Table 10

County of Tulare
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Age (1)(3)	Unemployment Rate (2)
1993-94	332,900	29.2	16.0%
1994-95	352,100	29.0	16.6
1995-96	353,200	29.0	16.2
1996-97	354,400	29.0	15.7
1997-98	360,400	Unavailable	15.6
1998-99	363,300	Unavailable	15.2
1999-00	368,021	29.2	13.4
2000-01	373,100	Unavailable	14.0
2001-02	379,200	Unavailable	14.0
2002-03	386,200	Unavailable	13.6

(1) Source: California Department of Finance, Demographic Research Unit; Census every 10 years.

(2) Source: State Department of Employment Development

(3) Median age is the age at which there are as many residents older as there are younger.

Table 11

County of Tulare
Property Value and Construction
Last Ten Fiscal Years
(dollar values expressed in thousands)

Fiscal Year	Commercial Construction (1)		Residential Construction (1)		
	Number of Building Permits	Value	Number of Building Permits	Value	Taxable Property Value (2)
1993-94	372	\$17,419	1,327	\$32,798	\$11,251,160
1994-95	345	16,549	1,318	35,880	11,914,649
1995-96	288	11,366	1,714	39,172	12,425,109
1996-97	316	10,225	1,663	34,246	12,719,639
1997-98	292	71,491	1,678	42,864	13,220,599
1998-99	349	33,619	1,656	42,690	13,646,997
1999-00	533	27,850	1671	45,950	14,154,136
2000-01	416	26,890	1,756	45,268	14,731,050
2001-02	407	18,479	1,662	59,222	15,232,365
2002-03	399	23,769	1,585	66,454	16,004,259

Source: (1) Planning and Development Department
(2) Table 6

Table 12

County of Tulare
Principal Taxpayers
June 30, 2003
(dollar values expressed in thousands)

Name of Taxpayer	Type of Business	2002-03 Assessed Valuation	Percentage of Total Assessed Valuation
Land O' Lakes, Inc.	Food Processor	\$230,953	1.35%
Southern California Edison Company	Utility	164,853	0.96
Pacific Bell Telephone Company	Utility	102,065	0.59
Kraft Foods Inc / Oscar Mayer Food Corporation	Food Processor	100,442	0.58
Wal Mart Stores, Inc.	Distribution/Retail	93,879	0.54
California Milk Producers	Food Processor	65,908	0.38
Southern California Gas Company	Utility	65,312	0.38
Recot, Inc / Frito Lay	Food Processor	62,150	0.36
Best Buy Stores, LP	Distribution	39,035	0.23
Haagen-Dazs / Ice Cream Partners USA LLC	Food Processor	38,532	0.22
Total		\$963,129	5.59%

Total Assessed Value - \$17,154,821

**County of Tulare
Miscellaneous Statistics
June 30, 2003**

Form of Government	General Law County - Board of Supervisors	
Area	4,839	Square Miles
Miles of Roads	3,072	
Number of Street Lights	1,295	
Fire Protection:		
Number of Stations	29	
Number of Firefighter and Officers (Exclusive of Volunteer Firefighters)	70	
Number of Volunteer Firefighters	440	
Sheriff Protection:		
Number of Stations	4	
Number of Sworn Deputies & Officers	578	
Number of Non-sworn Deputies & Officers	223	
Solid Waste:		
Landfill sites	7	
Transfer Stations	7	
Building Permits Issued	3,790	
Culture and Recreation:		
Number of Parks	10	totaling 684.5 Acres
Lake Success	82,000	Acre Feet
Lake Kaweah	143,000	Acre Feet
Number of Libraries	15	
Number of Bookmobiles	2	
Number of Volumes	364,325	
County Grounds	2,200,000	Square Feet
County Museum	25,919	Square Feet
Employees	4378	

Table 14

County of Tulare
Summary of Financing Requirements
By Fund and Function
For Fiscal Years 2001-02, 2002-03, 2003-04
(amounts expressed in thousands)

	Actual Expenditures and Transfers 2001-2002	Actual Expenditures and Transfers 2002-2003	Budgeted Expenditures and Transfers 2003-2004		Actual Expenditures and Transfers 2001-02	Actual Expenditures and Transfers 2002-03	Budgeted Expenditures and Transfers 2003-04
Summary by fund				Summary by function			
General	\$ 441,008	\$ 442,770	\$ 462,900	General government	\$ 20,629	\$ 21,906	\$ 17,574
Indigent Health	1,271	1,173	1,405	Public protection	127,053	123,408	149,886
Children&Families	15	-	0	Public ways and facilities	20,229	17,958	29,491
Library	2,619	2,569	3,284	Health and sanitation	80,812	86,567	98,866
Fish and Game	14	3	6	Public assistance	200,765	201,119	211,360
Aviation	455	95	696	Education	3,129	3,200	4,286
Structural fire	9,812	10,233	11,362	Culture and Recreation	1,578	1,759	1,899
Roads	21,260	20,518	29,354	Debt service	9,110	8,575	16,793
Workforce Investment Act	22,682	21,123	19,571	Capital outlay	4,604	6,191	11,625
Child Support Services	-	0	16,862	Transfers out	92,821	93,271	74,607
Realignment	46,843	43,190	43,415				
Tobacco Settlement Revenue	4,447	4,527	4,558				
Debt service	7,550	16,566	16,794				
Capital Projects	2,754	1,187	5,980				
Total by fund	<u>\$ 560,730</u>	<u>\$ 563,954</u>	<u>\$ 616,187</u>	Total by function	<u>\$ 560,730</u>	<u>\$ 563,954</u>	<u>\$ 616,187</u>

Actual amounts from CAFR basic financial statements for governmental fund types not including component units.
Adopted budget amounts from the BOS Adopted Budget for governmental fund types not including component units.

Table 15

COUNTY OF TULARE
Insurance Policies in Force During Fiscal Year Ended June 30, 2003
 (amounts expressed in whole dollars)

Company	Policy #	Policy Period		Deductible	Limits	Premium Costs	Coverage	Fund
		From	To					
National Union Fire Insurance Company (AIG)	WC4552278	7/1/02	6/30/03	None	Statutory, including defense for Serious and Willful Actions	\$8,381,477	Worker's Compensation -	061
CSAC / EIA	EIA 01 GL2-12	7/1/02	6/30/03	\$1,000,000 per occurrence	\$10,000,000 per occurrence	\$106,488	Excess liability coverage - applies above SIR for liability claims by third parties	062
CSAC/ EIA		1/22/03	6/30/03	None	\$15,000,000 excess of first layer above	\$8,495	Excess liability coverage - applies above first layer	062
National Union Fire Insurance Company (AIG)	AP3229733-08	7/1/02	6/30/03	\$1,000 each aircraft	\$10,000,000 per occurrence \$1,000,000 for hangerkeeper liability	\$13,200	Aviation Commercial Liability for County owned airports	062
CSAC/ EIA	EIA PPR01-04	3/31/02	3/31/03	\$10,000	Various	\$131,793	Real and Personal Property	063
CSAC/ EIA	BM 1077609089	7/1/02	6/30/03	\$5,000	Various	\$11,372	Property damage to stationary machinery, generators, turbines, etc.	063
CSAC/ EIA	2809838	7/1/02	6/30/03	\$25,000	\$10,000,000	\$8,076	Covers losses as a result of employee dishonesty, theft, robbery and burglary.	063
CSAC/ EIA	033103B	3/31/02	3/31/03	\$500,000	\$125,000,000	\$37,112	Insures buildings and contents against loss or damage as a result of terrorism	063
National Union Fire Insurance Company (AIG)	AV 3224472-08	7/1/02	6/30/03	\$1,000 Liability \$100 Hull damage \$250 Non-motion	\$1,000,000 Liability \$83,000 Hull damage	\$6,622	Aircraft Liability	063
CSAC/ EIA	654745	10/1/00	10/1/03	\$10,000 per event	\$10,000,000 per event	\$228,538	Medical Malpractice	064