

STATEMENT OF NET ASSETS

June 30, 2003

(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	First 5 Commission
ASSETS				
Current assets:				
Equity in pooled cash and investments	\$ 792,586	70,910	863,496	152,091
Cash with fiscal agent	609,772		609,772	
Collections in transit	7,538	3	7,541	
Imprest cash	533	2	535	
Investments	2		2	
Accounts and notes receivable	325,359	1,696	327,055	7,989
Taxes receivable, net	15,983		15,983	
Internal balances	(106)	106		
Advances to other funds		9,494	9,494	
Inventory of materials and supplies	9,725		9,725	
Deposits with others	487		487	
Prepaid items	8		8	
Total current assets	1,761,887	82,211	1,844,098	160,080
Noncurrent assets:				
Restricted assets:				
Investments	45,413		45,413	
Deferred charges	54,346		54,346	
Capital assets:				
Land, construction and contracts in progress	443,649	21,307	464,956	
Other capital assets, net of depreciation	2,222,135	50,449	2,272,584	
Total noncurrent assets	2,765,543	71,756	2,837,299	
Total assets	4,527,430	153,967	4,681,397	160,080
LIABILITIES				
Current liabilities:				
Accounts payable	75,000	1,616	76,616	1,852
Accrued payroll	38,475	178	38,653	
Amount due for tax & revenue anticipation notes	139,039		139,039	
Accrued interest	25,492		25,492	
Advances from other funds	9,494		9,494	
Deferred revenue	52,672	12	52,684	
Current portion of long-term obligations	93,932	30	93,962	
Total current liabilities	434,104	1,836	435,940	1,852
Noncurrent liabilities:				
Noncurrent portion of long-term obligations	1,905,171	464	1,905,635	
Total noncurrent liabilities	1,905,171	464	1,905,635	
Total liabilities	2,339,275	2,300	2,341,575	1,852
NET ASSETS				
Invested in capital assets, net of related debt	2,261,697	71,293	2,332,990	
Restricted for:				
Capital projects	132	15	147	
Debt service	88,530		88,530	
Inactive landfill maintenance	92,218		92,218	
Other purposes	62,935		62,935	
Unrestricted	(317,357)	80,359	(236,998)	158,228
Total net assets	\$ 2,188,155	151,667	2,339,822	158,228

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

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2003
(In Thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 234,062	121,070	1,190	5,347
Public protection	1,140,484	170,221	163,817	24,711
Public ways and facilities	142,356	19,017	51,577	
Public assistance	1,035,065	7,338	819,795	
Health and sanitation	598,189	83,629	250,030	
Recreational and cultural	23,520	5,426	459	10,032
Education	30,850	2,159	1,298	497
Interest expense	87,627			
Total governmental activities	3,292,153	408,860	1,288,166	40,587
Business-type activities:				
Airport	7,125	7,396	3,769	
Wastewater Management	4,357	4,496		6
Sanitation Districts	15,216	15,444		833
Total business-type activities	26,698	27,336	3,769	839
Total primary government	3,318,851	436,196	1,291,935	41,426
Component unit:				
First 5 Commission	24,016		39,116	
Total component unit	\$ 24,016		39,116	

General revenues:

Taxes:

Property taxes

Franchise taxes

State sales tax and motor vehicle fees

Interest

Special item - gain on sale of properties

Transfers

Total general revenues, special item, and transfers

Change in net assets

Net assets - beginning (restated)

Net assets - ending

(Cont)

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2003
(In Thousands)

(Cont)

Net (Expense) Revenue and Changes in Net Assets				
Primary Government		Component Unit		
Governmental Activities	Business-Type Activities	Total	First 5 Commission	Functions/Programs
				Primary government:
				Governmental activities:
(106,455)		(106,455)		General government
(781,735)		(781,735)		Public protection
(71,762)		(71,762)		Public ways and facilities
(207,932)		(207,932)		Public assistance
(264,530)		(264,530)		Health and sanitation
(7,603)		(7,603)		Recreational and cultural
(26,896)		(26,896)		Education
(87,627)		(87,627)		Interest expense
(1,554,540)		(1,554,540)		Total governmental activities
				Business-type activities:
	4,040	4,040		Airport
	145	145		Wastewater Management
	1,061	1,061		Sanitation Districts
	5,246	5,246		Total business-type activities
(1,554,540)	5,246	(1,549,294)		Total primary government
				Component Unit:
			15,100	First 5 Commission
			15,100	Total component unit
				General revenues:
				Taxes:
\$ 459,340		459,340		Property taxes
3,964		3,964		Franchise taxes
636,225		636,225		State sales tax and motor vehicle fees
30,213	1,437	31,650	3,873	Interest
474	27	501		Special item - gain on sale of properties
(160)	160			Transfers
1,130,056	1,624	1,131,680	3,873	Total general revenues, special item, and transfers
(424,484)	6,870	(417,614)	18,973	Change in net assets
2,612,639	144,797	2,757,436	139,255	Net assets - beginning (restated)
\$ 2,188,155	151,667	2,339,822	158,228	Net assets - ending

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2003
(In Thousands)**

	General Fund	Tobacco Securitization Special Revenue Fund	Tobacco Securitization Joint Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
ASSETS AND OTHER DEBITS					
Equity in pooled cash and investments	\$ 355,746	332		265,081	621,159
Cash with fiscal agent	150,719	374,982	54,998	29,073	609,772
Collections in transit	6,996			258	7,254
Imprest cash	314			17	331
Investments	2				2
Taxes receivable	15,983				15,983
Accounts and notes receivable	164,901	889	382	114,018	280,190
Due from other funds	203,886	5		31,347	235,238
Advances to other funds	689			417	1,106
Inventory of materials and supplies	6,748			2,098	8,846
Deposits with others				487	487
Prepaid items				8	8
Restricted assets:					
Investments				45,413	45,413
Total assets	905,984	376,208	55,380	488,217	1,825,789
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	42,361			13,213	55,574
Accrued payroll	35,347			2,101	37,448
Amount due for tax and revenue anticipation notes	139,039				139,039
Due to other funds	23,476	7,934		126,213	157,623
Advances from other funds				11,232	11,232
Deferred revenue	67,100			6,986	74,086
Total liabilities	307,323	7,934		159,745	475,002
Fund balances:					
Reserved for encumbrances	94,617			45,061	139,678
Reserved for notes receivable and advances	7,551			30,331	37,882
Reserved for deposits with others				1,055	1,055
Reserved for inactive landfill maintenance				92,218	92,218
Reserved for inventory of materials and supplies	6,748			319	7,067
Reserved for debt service			41,813	30,020	71,833
Reserved for other purposes	101,361		13,567	40,359	155,287
Unreserved:					
Designated for subsequent years' expenditures	119,421				119,421
Undesignated	268,963	368,274			637,237
Unreserved, reported in nonmajor:					
Special revenue funds				79,338	79,338
Capital projects funds				9,771	9,771
Total fund balances	598,661	368,274	55,380	328,472	1,350,787
Total liabilities and fund balances	\$ 905,984	376,208	55,380	488,217	1,825,789

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
June 30, 2003
(In Thousands)**

Total fund balances-governmental funds	\$1,350,787
Pension obligation bonds originally issued in 1994 were partially refunded through the issuance of new pension obligation bonds in 2002. These costs represent the deferred costs on the refunded debt. These costs are to be capitalized and amortized over the remaining life of the 1994 pension obligation bonds.	17,590
Bond discounts are expended in governmental funds in the year of sale and are capitalized and amortized over the life of the corresponding bonds for purposes of the statement of net assets.	10,275
Costs of issuances are reported as expenditures in governmental funds and thus have the effect of reducing fund balance because current financial resources have been used. In the government-wide statements however, bond issuance costs are reported as a deferred charge and amortized over the life of the bond issue.	26,481
When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the County as a whole.	2,566,515
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(25,478)
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by deferred revenues in the governmental funds and thus are not included in fund balance.	30,020
Liabilities for long-term debt are not accrued in governmental funds, but rather are recognized as an expenditures when due.	(7,686)
Bond premiums are recognized as revenue in governmental funds in the year of sale and are recorded as a liability and amortized over the life of the corresponding bonds.	(633)
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, current and long-term, are recorded in the statement of net assets.	(1,895,579)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individuals funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.	115,863
Net assets of governmental activities	\$2,188,155

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2003
(In Thousands)**

	General Fund	Tobacco Securitization Special Revenue Fund	Tobacco Securitization Joint Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 396,415			50,420	446,835
Licenses, permits and franchises	28,840			10,495	39,335
Fines, forfeitures and penalties	36,246			4,990	41,236
Revenue from use of money and property	16,691	7,841	3,071	13,130	40,733
Aid from other governmental agencies:					
State	709,693			522,211	1,231,904
Federal	533,562			98,679	632,241
Other	49,853			16,263	66,116
Charges for current services	243,125			23,449	266,574
Other revenue	25,389		35,444	9,232	70,065
Total revenues	2,039,814	7,841	38,515	748,869	2,835,039
Expenditures:					
Current:					
General	192,720		113	17,041	209,874
Public protection	1,123,518			21,653	1,145,171
Public ways and facilities	21,855			101,347	123,202
Health and sanitation	569,914			30,611	600,525
Public assistance	945,562			91,905	1,037,467
Education	6,649			24,364	31,013
Recreational and cultural	19,884			921	20,805
Capital outlay				83,748	83,748
Debt service:					
Principal			9,560	79,286	88,846
Interest	12,735		25,351	35,661	73,747
Total expenditures	2,892,837		35,024	486,537	3,414,398
Excess of revenues over (under) expenditures	(853,023)	7,841	3,491	262,332	(579,359)
Other financing sources (uses):					
Sale of capital assets	11			463	474
Long term debt proceeds	560,450			436	560,886
Refunding bonds issued	176,890				176,890
Payment to refunded bond escrow agent	(176,890)				(176,890)
Transfers in	478,806			290,191	768,997
Transfers (out)	(156,879)	(26,949)		(589,317)	(773,145)
Total other financing sources (uses)	882,388	(26,949)		(298,227)	557,212
Excess of revenues over (under) expenditures and other financing sources (uses)	29,365	(19,108)	3,491	(35,895)	(22,147)
Fund balances - beginning of year (restated)	570,352	387,382	51,889	364,305	1,373,928
Increase (decrease) in:					
Reserve for inventory of materials and supplies	(1,056)			62	(994)
Fund balances - end of year	\$ 598,661	368,274	55,380	328,472	1,350,787

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2003
(In Thousands)**

Net change in fund balances-total governmental funds	(\$22,147)
Governmental funds accrue property tax revenue, which is deemed collectible within sixty days. However, in the statement of activities the total amount estimated to ultimately be collected is accrued.	12,658
Adjustment for reserve for inventory of materials and supplies.	(994)
Long-term revenues are not available as current resources, and therefore are not reported as revenue in the governmental funds.	(1,138)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	36,710
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The adjustments for internal service funds "close" those funds by charging additional amounts to participating governmental activities to completely cover the internal service fund's costs for the year.	23,098
Under the modified accrual basis of accounting used in the governmental funds, expenditures for the County's long term obligations for capital leases, claims and judgments, accumulated unpaid employee leave balances, loans and arbitrage rebate, are not recognized until they mature. In the statement of activities however, they are reported as expenses and liabilities as they accrue.	(3,411)
Bond issuance costs are expended in governmental funds in the year of sale and are capitalized and amortized over the life of the corresponding bonds for purpose of the statement of net assets.	16,539
Repayment of bond principal as well as refunding of bonds which are considered a repayment of principal are reported as an expenditure in governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the County as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. The County's long term debt was reduced by the amount of principal payments made to bond holders.	88,846
Interest expense in the statement of activities differs from the amount reported in governmental funds because additional interest was calculated for bonds and notes payable and amortization of capitalized bond discounts and premiums which are expended in governmental funds in the year paid.	(13,759)
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the government-wide statements however, issuing debt increases long-term liabilities in the statement of net assets and does not effect the statement of activities.	(560,886)
Change in net assets of governmental activities	(\$424,484)

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2003
(In Thousands)

	Business-Type Activities	
	Enterprise Funds	
	Airport	Wastewater Management
ASSETS		
Current assets:		
Equity in pooled cash and investments	\$ 4,717	1,705
Collections in transit	3	
Imprest cash	1	1
Accounts and notes receivable	1,177	1
Due from other funds	820	642
Advances to other funds	9,637	
Inventory of materials and supplies		
Total current assets	16,355	2,349
Capital assets:		
Land	6,401	20
Construction and contracts in progress	11,895	
Buildings and equipment	28,715	905
Infrastructure		
Less accumulated depreciation	(18,194)	(457)
Total noncurrent assets	28,817	468
Total assets	45,172	2,817
LIABILITIES		
Current liabilities:		
Accounts payable	1,453	8
Accrued payroll	71	107
Accrued interest		
Due to other funds	318	127
Claims and judgments		
Advances from other funds		
Compensated absences	12	18
Deferred revenue	12	
Bonds, notes and loans payable		
Total current liabilities	1,866	260
Noncurrent liabilities:		
Compensated absences	108	161
Claims and judgments		
Bonds, notes and loans payable		
Total long-term liabilities	108	161
Total liabilities	1,974	421
NET ASSETS		
Invested in capital assets, net of related debt	28,817	468
Restricted for:		
Capital projects		
Other purposes		
Unrestricted	14,381	1,928
Total net assets	\$ 43,198	2,396

(Cont)

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2003
(In Thousands)

(Cont)

	Business-Type Activities		Governmental Activities - Internal Service Funds
	Enterprise Funds		
	Sanitation Districts	Total	
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 64,488	70,910	171,427
Collections in transit		3	284
Imprest cash		2	202
Accounts and notes receivable		1,178	3,178
Due from other funds	285	1,747	19,127
Advances to other funds	135	9,772	632
Inventory of materials and supplies			879
Total current assets	64,908	83,612	195,729
Capital assets:			
Land	1,069	7,490	
Construction and contracts in progress	1,922	13,817	44,768
Buildings and equipment	2,181	31,801	101,377
Infrastructure	63,063	63,063	
Less accumulated depreciation	(25,764)	(44,415)	(46,876)
Total noncurrent assets	42,471	71,756	99,269
Total assets	107,379	155,368	294,998
LIABILITIES			
Current liabilities:			
Accounts payable	155	1,616	19,426
Accrued payroll		178	1,027
Accrued interest			14
Due to other funds	597	1,042	54,938
Claims and judgments			32,578
Advances from other funds	278	278	
Compensated absences		30	207
Deferred revenue		12	287
Bonds, notes and loans payable			860
Total current liabilities	1,030	3,156	109,337
Noncurrent liabilities:			
Compensated absences		269	1,869
Claims and judgments			68,010
Bonds, notes and loans payable	195	195	
Total long-term liabilities	195	464	69,879
Total liabilities	1,225	3,620	179,216
NET ASSETS			
Invested in capital assets, net of related debt	42,008	71,293	98,270
Restricted for:			
Capital projects	15	15	
Other purposes			
Unrestricted	64,131	80,440	17,512
Total net assets	\$ 106,154	151,748	115,782
Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities			
Net assets of business-type activities		(81)	151,667

STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 Year Ended June 30, 2003
 (In Thousands)

	Business-Type Activities	
	Enterprise Funds	
	Airport	Wastewater Management
OPERATING REVENUES		
Charges for services	\$ 7,396	4,496
Miscellaneous		
Total operating revenue	7,396	4,496
OPERATING EXPENSES		
Salaries	2,020	2,659
Repairs and maintenance	455	110
Equipment rental	521	357
Sewage processing		
Contracted services	2,732	917
Depreciation	769	26
Utilities	166	8
Cost of material		
Claims and judgments		
Fuel		
Other operating expenses	469	192
Total operating expenses	7,132	4,269
Operating income	264	227
NONOPERATING REVENUES (EXPENSES)		
Interest and dividends	108	30
Grants	3,769	
Interest expense		
Other nonoperating revenue		
Gain (loss) on disposal of equipment	33	
Total nonoperating revenues (expenses)	3,910	30
Income before contributions and transfers	4,174	257
Capital contributions		6
Transfers in	740	
Transfers (out)	(440)	(140)
Change in net assets	4,474	123
Total net assets - beginning	38,724	2,273
Total net assets - ending	\$ 43,198	2,396

STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 Year Ended June 30, 2003
 (In Thousands)

	Business-Type Activities Enterprise Funds		Governmental Activities - Internal Service Funds
	Sanitation Districts	Total	
(Cont)			
OPERATING REVENUES			
Charges for services	\$ 15,444	27,336	294,247
Miscellaneous			2,782
Total operating revenue	15,444	27,336	297,029
OPERATING EXPENSES			
Salaries		4,679	26,976
Repairs and maintenance	2,351	2,916	20,662
Equipment rental		878	1,433
Sewage processing	10,161	10,161	
Contracted services		3,649	125,679
Depreciation	1,293	2,088	9,542
Utilities		174	19,087
Cost of material			36,696
Claims and judgments			32,578
Fuel			4,934
Other operating expenses	1,395	2,056	8,613
Total operating expenses	15,200	26,601	286,200
Operating income	244	735	10,829
NONOPERATING REVENUES (EXPENSES)			
Interest and dividends	1,294	1,432	759
Grants		3,769	
Interest expense	(16)	(16)	(121)
Other nonoperating revenue	5	5	
Gain (loss) on disposal of equipment	(6)	27	(185)
Total nonoperating revenues (expenses)	1,277	5,217	453
Income before contributions and transfers	1,521	5,952	11,282
Capital contributions	833	839	7,872
Transfers in		740	7,438
Transfers (out)		(580)	(3,450)
Change in net assets	2,354	6,951	23,142
Total net assets - beginning	103,800		92,640
Total net assets - ending	\$ 106,154		115,782

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds are reported with business-type activities.

(81)

Change in net assets of business-type activities	\$	6,870
--	----	-------

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year Ended June 30, 2003
 (In Thousands)**

	Business-Type Activities Enterprise Funds		
	Airports	Wastewater Management	Transit
Cash flows from operating activities:			
Cash received from customers	\$ 8,460	4,443	640
Other receipts			
Cash received from other funds	130		
Cash payments to suppliers	(2,562)	(353)	(3,625)
Cash payments to employees	(2,012)	(2,638)	
Cash payments to other funds	(1,986)	(1,147)	(167)
Net cash provided (used) by operating activities	2,030	305	(3,152)
Cash flows from non-capital financing activities:			
Property taxes			
Transfers from (to) other funds	(445)	(140)	
Advances from (to) other funds			
Net cash provided (used) by non-capital financing activities	(445)	(140)	
Cash flows from capital and related financing activities:			
Loans from other funds	414		
Loan to other funds	91		
Grant revenue	7,434		
Acquisition of capital assets	(5,382)		
Capital contributions			
Proceeds from sale of equipment			
Principal paid on long-term debt			
Interest paid on long-term debt			
Net cash provided (used) by capital and related financing activities	2,557		
Cash flows from investing activities:			
Interest	111	50	20
Net increase (decrease) in cash and cash equivalents	4,253	215	(3,132)
Cash and cash equivalents - beginning of year	468	1,490	3,132
Cash and cash equivalents - end of year	4,721	1,705	
Reconciliation of operating income:			
Operating income	264	227	
Adjustments to reconcile:			
Inc (dec) in compensated absences	18	4	
Inc (dec) in accrued payroll	(1)	18	
Inc (dec) in due to other funds	(124)	41	(167)
Inc (dec) in accounts payable	(159)	4	(3,625)
Inc (dec) in claims and judgments			
Dec (inc) in accounts receivable	1,064		615
Dec (inc) in inventory	69	38	
Dec (inc) in deferred credits			
Dec (inc) in due from other funds	130	(53)	25
Dec (inc) in other current assets			
Depreciation	769	26	
Net cash provided (used) by operating activities	\$ 2,030	305	(3,152)
Non-cash investing and capital financing activities:			
Accrued interest	\$ 3	20	

(Cont)

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30,2003
(In Thousands)**

(Cont)

	Business-Type Activities Enterprise Funds		Governmental Activities- Internal Service Funds
	Sanitation Districts	Total	
Cash flows from operating activities:			
Cash received from customers	\$ 15,063	28,606	311,059
Other receipts			287
Cash received from other funds		130	
Cash payments to suppliers	(10,746)	(17,286)	(279,939)
Cash Payments to employees		(4,650)	(26,837)
Cash payments to other funds	(2,652)	(5,952)	(16,388)
Net cash provided (used) by operating activities	1,665	848	(11,818)
Cash flows from non-capital financing activities:			
Property taxes	5	5	
Transfers from (to) other funds		(585)	3,923
Advances from (to) other funds	(18)	(18)	(373)
Net cash provided (used) by non-capital financing activities	(13)	(598)	3,550
Cash flows from capital and related financing activities:			
Loans from other funds		414	
Loan to other funds		91	
Grant revenue		7,434	
Acquisition of capital assets	(2,312)	(7,694)	(20,710)
Capital contributions	833	833	7,142
Proceeds from sale of equipment			686
Principal paid on long-term debt	(5)	(5)	(2,694)
Interest paid on long-term debt	(16)	(16)	(156)
Net cash provided (used) by capital and related financing activities	(1,500)	1,057	(15,732)
Cash flows from investing activities:			
Interest	1,456	1,637	851
Net increase (decrease) in cash and cash equivalents	1,608	2,944	(23,149)
Cash and cash equivalents - beginning of year	62,880	67,970	195,063
Cash and cash equivalents - end of year	64,488	70,914	171,914
Reconciliation of operating income:			
Operating income	244	735	10,829
Adjustments to reconcile:			
Inc (dec) in compensated absences		22	95
Inc (dec) in accrued payroll		17	56
Inc (dec) in due to other funds	534	284	(5,083)
Inc (dec) in accounts payable	(25)	(3,805)	(38,272)
Inc (dec) in claims and judgments			2,795
Dec (inc) in accounts receivable		1,679	546
Dec (inc) in inventory		107	1,040
Dec (inc) in deferred credits			287
Dec (inc) in due from other funds	(381)	(279)	6,334
Dec (inc) in other current assets			13
Depreciation	1,293	2,088	9,542
Net cash provided (used) by operating activities	1,665	848	(11,818)
Non-cash investing and capital financing activities:			
Accrued interest	\$ 162	185	92

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2003
(In Thousands)

	Pension Trust Fund	Investment Trust Fund	Agency Funds
ASSETS			
Equity in pooled cash and investments	\$ 13,634	2,468,111	357,504
Cash with fiscal agent	237,767		8,164
Collections in transit		1,294	15,567
Imprest cash		31	5
Investments	4,240,950	103	1
Taxes receivable			194,995
Accounts receivable	45,308	29	15,322
Due from other funds	2,556	27,658	1,044
Capital assets, net	2,636		
Total assets	4,542,851	2,497,226	592,602
LIABILITIES			
Accounts payable	110,333		651
Due to other funds	44	8,898	64,825
Obligations under securities lending	329,126		
Due to other governments			465,390
Amount due for commercial paper notes			61,736
Total liabilities	439,503	8,898	592,602
NET ASSETS			
Held in trust for pension benefits and other purposes	\$ 4,103,348	2,488,328	

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
Year Ended June 30, 2003
(In Thousands)

	Pension Trust Fund	Investment Trust Fund
ADDITIONS		
Contributions:		
Employer	\$ 616,113	
Plan members	34,666	
Contributions on pooled investments		14,687,119
Total contributions	650,779	14,687,119
Investment earnings:		
Net increase in fair value of investments	92,507	
Interest income	60,561	44,736
Securities lending income	5,446	
Other income	39,539	
Total investment earnings	198,053	44,736
Less investment expenses	43,919	
Less securities lending expenses	4,173	
Net investment earnings	149,961	
Total additions	800,740	14,731,855
DEDUCTIONS		
Benefits	222,514	
Refunds of contributions	1,451	
Distribution from pooled investments	7,007	14,177,611
Total deductions	230,972	14,177,611
Changes in net assets	569,768	554,244
Net assets - beginning of year	3,533,580	1,934,084
Net assets - end of year	\$ 4,103,348	2,488,328