



Required Supplementary Information

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2003
(In Thousands)**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget- Pos (Neg)
	Original	Final		
Revenues:				
Taxes	\$ 383,730	383,730	396,415	12,685
Licenses, permits and franchises	28,296	28,296	28,840	544
Fines, forfeitures and penalties	33,624	38,098	36,246	(1,852)
Revenue from use of money and property	20,622	20,627	17,236	(3,391)
Aid from other governmental agencies:				
State	920,812	868,901	709,693	(159,208)
Federal	427,182	457,513	533,562	76,049
Other	49,162	51,944	49,853	(2,091)
Charges for current services	204,635	231,323	243,125	11,802
Other revenue	19,520	24,010	25,389	1,379
Total revenues	2,087,583	2,104,442	2,040,359	(64,083)

Expenditures:

Current:

General:

Board of supervisors district # 1	810	1,325	1,122	203
Board of supervisors district # 2	840	1,314	1,314	
Board of supervisors district # 3	790	1,279	1,177	102
Board of supervisors district # 4	790	1,179	1,171	8
Board of supervisors district # 5	931	1,429	1,253	176
Board of supervisors general office	1,153	1,162	1,082	80
Clerk of the board of supervisors	5,376	6,588	5,514	1,074
CAC major maintenance	2,238	2,238	2,238	
Chief administrative office	3,736	4,779	4,482	297
Community enhancement	5,479	3,470	3,468	2
Community projects	10,000	9,553	9,496	57
Community services	8,403	17,301	3,572	13,729
Land use and environment	493	1,772	1,666	106
Financing and general government group	42,374	44,094	11,295	32,799
Auditor and controller	26,929	34,164	31,938	2,226
Assessor/recorder/county clerk	27,609	38,946	38,847	99
Treasurer/tax collector	13,205	16,005	15,685	320
County counsel	14,915	22,720	21,119	1,601
Human resources	17,484	22,019	20,306	1,713
Civil service commission	398	485	394	91
Register of voters	8,244	10,216	8,249	1,967
County technology office	8,015	9,227	7,989	1,238
Countywide general expense	6,149	34,107	5,683	28,424
Contribution to capital outlay	6,900	6,900		6,900
Contingency reserve	11,000	11,000		11,000
Department of public works	617	670	584	86
Health and human services agency	2,428	2,528	2,331	197
Total general	227,306	306,470	201,975	104,495

(Cont)

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2003
(In Thousands)**

				(Cont)
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts Budgetary Basis	with Final Budget- Pos (Neg)
Public protection:				
Grand jury	\$ 478	509	465	44
District attorney	87,410	127,411	122,636	4,775
Child support	57,937	68,088	68,008	80
Public defender	38,150	56,488	54,165	2,323
Alternate public defender	12,179	16,379	15,186	1,193
Defense attorney / contract administration	6,664	8,664	8,299	365
Contributions for trial courts	69,766	120,547	117,812	2,735
Sheriff	375,723	512,333	493,449	18,884
Probation	132,985	172,865	162,352	10,513
Agriculture, weight & measures	11,136	15,591	14,563	1,028
Dept. of animal services	10,658	14,433	13,611	822
LAFCO administration	200	200	200	
Health & human services agency	2,939	2,994	2,798	196
Medical examiner	5,300	7,407	7,185	222
Planning and land use	23,137	30,325	26,784	3,541
Public safety	4,762	20,317	5,643	14,674
Citizen's law enforcement review board	466	627	565	62
Land use and environment group	3,267	9,758	3,508	6,250
Assessor / recorder / county clerk	12,129	14,070	14,070	
Department of public works	181	302	295	7
Office of emergency services	1,778	2,611	1,468	1,143
Total public protection	857,245	1,201,919	1,133,062	68,857
Public ways and facilities:				
Public works	4,601	24,219	23,955	264
Total public ways and facilities	4,601	24,219	23,955	264
Health and sanitation:				
Health and human services agency	530,691	592,196	547,319	44,877
Environmental health	29,660	39,984	36,867	3,117
Department of public works	453	869	869	
Total health and sanitation	560,804	633,049	585,055	47,994
Public assistance:				
Health and human services agency	883,532	988,880	942,695	46,185
Housing and community development	9,895	13,298	10,371	2,927
Total public assistance:	893,427	1,002,178	953,066	49,112
Education:				
Farm and home advisor	577	6,753	6,680	73
Total education	577	6,753	6,680	73
Recreational and cultural:				
Parks and recreation	17,867	25,328	22,361	2,967
Total recreational and cultural	17,867	25,328	22,361	2,967
Debt service:				
Countywide general expense	37,718	20,107	12,735	7,372
Total debt service	37,718	20,107	12,735	7,372
Total expenditures	2,599,545	3,220,023	2,938,889	281,134
Excess of revenues over (under) expenditures	(511,962)	(1,115,581)	(898,530)	(217,051)

(Cont)

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2003
(In Thousands)**

	Budgeted Amounts		Actual Amounts Budgetary Basis	(Cont)
	Original	Final		Variance with Final Budget- Pos (Neg)
	Other financing sources (uses):			
Sale of capital assets	\$		11	11
Transfers in	497,357	497,133	478,806	(18,327)
Transfers (out)	(167,576)	(214,652)	(207,586)	7,066
Long term debt proceeds	25	560,475	560,450	(25)
Refunding bonds issued		176,890	176,890	
Payment to refunded bond escrow agent		(176,890)	(176,890)	
Encumbrances, beginning of year	98,676	98,676	98,676	
Total other financing sources (uses)	428,482	941,632	930,357	(11,275)
Net change in fund balance	(83,480)	(173,949)	31,827	205,776
Fund balances - beginning of year	83,480	327,094	327,094	
Increase (decrease) in:				
Reserve for inventory of materials and supplies			(1,056)	(1,056)
Fund balances - end of year	\$	153,145	357,865	204,720

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2003
(In Thousands)**

Explanation of differences between budget to actual comparison schedule using the operating statement format and GAAP revenues and expenditures:

REVENUES:

Actual amounts (budgetary basis) "available for appropriation" from budgetary comparison schedule	\$ 2,040,359
Differences-budget to GAAP	
Adjustment to cash for fair market value	(545)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 2,039,814

EXPENDITURES:

Actual amounts (budgetary basis) "total charges to appropriation" from budgetary comparison schedule	\$ 2,938,889
Differences-budget to GAAP	
Year end encumbrances are added to actual expenditures for budgetary basis but not included in GAAP	(46,052)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 2,892,837

OTHER FINANCING SOURCES (USES):

Actual amounts (budgetary basis) from budgetary comparison schedule	\$ 930,357
Differences - budget to GAAP	
Transfer Out - year end encumbrances are added to actuals transfers out for budgetary basis but not included for GAAP	50,707
Beginning of Year encumbrances are included in budget in the budgetary basis but not included for GAAP	(98,676)
Total other financing sources (uses) as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 882,388

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
TOBACCO SECURITIZATION SPECIAL REVENUE FUND
Year Ended June 30, 2003
(In Thousands)**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget- Pos (Neg)
	Original	Final		
Revenues:				
Revenue from use of money and property	\$		5,696	5,696
Other revenue	29,400	29,400		(29,400)
Total revenues	29,400	29,400	5,696	(23,704)
Expenditures:				
Total expenditures				
Excess of revenues over (under) expenditures	29,400	29,400	5,696	(23,704)
Other financing sources (uses):				
Transfers (out)	(29,400)	(29,400)	(26,949)	2,451
Total other financing sources (uses)	(29,400)	(29,400)	(26,949)	2,451
Net change in fund balance			(21,253)	(21,253)
Fund balances - beginning of year			387,372	387,372
Fund balances - end of year	\$		366,119	366,119

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
TOBACCO SECURITIZATION SPECIAL REVENUE FUND
Year Ended June 30, 2003
(In Thousands)**

Explanation of differences between budget to actual comparison schedule using the operating statement format and GAAP revenues and expenditures:

REVENUES:

Actual amounts (budgetary basis) "available for appropriation" from budgetary comparison schedule	\$5,696
Differences-budget to GAAP	
Adjustment to cash for fair market value	2,145
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$7,841

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2003

Budgetary Information

General Budget Policies

An operating budget is adopted each fiscal year for the governmental funds. The annual resolution adopts the budget at the object level of expenditures within departments. Annual budgets are not required to be adopted for: the Tobacco Securitization Joint Special Revenue Fund (a major fund); SANCAL, a non-profit corporation, and Debt Service and Capital Projects Funds (other governmental funds). Unencumbered appropriations for the governmental funds lapse at fiscal year-end. Encumbered appropriations are carried forward to the subsequent fiscal year. Budgets for the governmental funds are adopted on a basis of accounting that is different from generally accepted accounting principles.

The major areas of differences are as follows:

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) are reported as budgeted expenditures in the year the commitment to purchase is incurred. For GAAP purposes in the fund financial statements, encumbrances outstanding at fiscal year-end are reported as reservations of fund balances and do not constitute expenditures and liabilities, because the appropriations for these commitments will be carried forward and the commitments honored in the subsequent fiscal year.

Long-term capital lease obligations are not budgeted as an expenditure and source of funds in the year the asset is acquired. Under a GAAP basis, in the fund financial statements such obligations are included as an expenditure and source of funds in the year the asset is acquired.

Loans and deposits to other agencies, if any, and their subsequent repayments are budgeted as expenditures and revenues, respectively. Under a GAAP basis in the fund financial statements, these items are not recognized as expenditures and revenues.

On a budgetary basis, unrealized gains and losses on the fair value of investments are not recognized. For GAAP purposes, such gains or losses are recognized.

Appropriations may be adjusted during the year with the approval of the Board of Supervisors. Additionally, the Chief Financial Officer is authorized to approve certain transfers and revisions of appropriations within a department. Such adjustments are reflected in the final budgetary data. Accordingly, the legal level of budgetary control by the Board of Supervisors is the department level.

Supplemental appropriations during the year ended June 30, 2003, amounted to \$826.5 million in the General Fund.

San Diego County Employees' Retirement System

Schedule of Funding Progress (in millions) (unaudited):

Actuarial Valuation Date June 30	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll (b-a)/(c)
2000	\$3,568.7	3,248.8		109.8%	\$672.5	
2001	3,745.6	3,506.8		106.8%	731.1	
2002	3,831.3	5,078.0	1,246.7	75.4%	810.3	153.8%

The actuarial valuation for June 30, 2003 is not yet available to provide information to update the Schedule of Funding Progress table.