



# County of Glenn

State of California

## Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2003

Don Santoro, CPA  
Director of Finance

County of Glenn, California



Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2003

Prepared by:

Department of Finance

Don Santoro, CPA  
Director of Finance

COUNTY OF GLENN, CALIFORNIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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## **Introductory Section**



**GLENN COUNTY**  
DEPARTMENT OF FINANCE  
516 West Sycamore Street  
Willows, California 95988  
Telephone (530) 934-6476  
FAX (530) 934-6421



Debbie Newman  
Assistant Director of Finance

Don Santoro, CPA  
Director of Finance

January 5, 2004

To the Board of Supervisors and Citizens of Glenn County:

The comprehensive annual financial report (CAFR) of the County of Glenn, California (County) for the fiscal year ended June 30, 2003, is submitted in accordance with Section 25253 of the Government Code of the State of California. This statute requires that the County annually issue a report on its financial position and changes in financial position, and that an independent firm of certified public accountants audit this report.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County 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's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the costs of internal controls should not outweigh their benefits, the County'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. As management, we assert that, to the best of our knowledge and belief, the information contained herein is complete and reliable in all material respects.

The County's financial statements have been audited by Macias, Gini & Company LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2003 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County of Glenn's financial statements for the year ended June 30, 2003, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

GAAP require 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 be read with and complement the MD&A. The MD&A can be found immediately following the report of the independent auditors.

### **The New Financial Report**

The County is implementing for the first time this year a new financial reporting model prescribed by Statement No. 34 of the Governmental Accounting Standards Board and designed to demonstrate fiscal, as well as operational, accountability. The new model improves on the traditional fund-based model by adding long-term and government-wide perspective on the County's finances. Within this new model, the CAFR is organized in three main sections:

- The Introductory Section is intended to help readers become acquainted with the County, its organizational structure, the scope of its services and the legal context.
- The Financial Section presents the independent auditor's report, management's discussion and analysis, the basic financial statements, which include the government-wide financial statements, the fund financial statements and the notes to the basic financial statements and required supplementary information.
- The Statistical Section presents multi-year statistics on demographic and other data of interest to the reader.

### **Profile of the Government**

The County is located 90 miles north of Sacramento, and Willows, the County seat, is located 70 miles south of Redding along Interstate 5. The County encompasses over 1,327 square miles (including 12.4 square miles of water) and is bordered by Colusa County to the south, Butte County to the east, Tehama County to the north, Mendocino County to the west and Lake County to the southwest.

The County is recognized for its agriculture. In the year 2001, the agriculture industry provided over 18 percent of the total employment. The County's most common crops are rice, wheat, oranges, dried plums, walnuts, almonds and corn. The County is also home to numerous dairies and cattle ranches. A strong agribusiness foundation and a stable government sector are key factors in the County's economy.

Government is the dominant industry, providing almost 30 percent of the total employment. The majority of jobs are in local government, which includes local education, city government, county government and Indian tribal government. Projections estimate that services, manufacturing and retail trade will be dominant industries in the County's future economy. It is projected that by the year 2004, those three industries combined will account for almost 51 percent of the total nonfarm employment.

The County's population grew at a slightly slower rate on average than California during the 1990's. Between 1990 and 2000, the County experienced an average annual growth rate of 0.7 percent. According to population projections, the County will grow to 46,500 residents by the year 2020, a substantial increase of 76 percent over current figures.

The County provides a wide range of services to its residents, including public protection through the Sheriff's Department, Fire Services and District Attorney's office, medical and health services, public assistance programs, sanitation services, the construction and maintenance of roads and infrastructure, environmental



services, parks, libraries and a variety of other general governmental services. Every resident of the County, directly or indirectly, benefits from these services. Most services performed by the County are provided for all residents, regardless of whether those residents live in cities or unincorporated areas. A major challenge to the County in future years will be the maintenance of these services to the extent feasible within the County's financial resources.

The financial reporting entity (County of Glenn) includes all the funds of the primary government (the County of Glenn as legally defined), as well as all of its component units. Blended component units, although legally separate entities, are considered part of the primary government's operations for financial reporting purposes, as required by GAAP. The following component units are blended: Glenn County Community Action Agency, Artois Fire Protection District, Hamilton Fire Protection District, Bayliss Fire Protection District, Willows Rural Fire Protection District, Storm Drain Maintenance District No. 1, Storm Drain Maintenance District No 3, North Willows Community Services Area, Air Pollution Control District and Olive Fruit Fly Pest District. The Glenn County Children and Families Commission is included in this report as a discretely presented component unit.

In accordance with the provisions of California Government Code Sections 29000 through 29143 inclusive, commonly known as the County Budget Act, the County prepares and adopts a budget for each fiscal year. Activities of the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds and Internal Service Funds are included in the annual budget. The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the object (category) level except for capital assets, which are controlled at the line item level. The budgeted expenditures become law through the passage of an Appropriation Resolution. This Resolution constitutes the authorized spending threshold for the fiscal year, and cannot be exceeded except by subsequent amendment of the budget by the Board of Supervisors. In the governmental funds, an encumbrance system is used to ensure effective budgetary control and to enhance cash planning and control. Encumbrances outstanding at June 30 are reported as reservations of fund balance.

### **Factors Affecting Financial Condition**

Glenn County Economy: Although California experienced a general trend toward an increasing labor force, increasing employment, and lower unemployment rates from 1990 to 2001, the trends in the County of Glenn were different. The County has experienced decreases in labor force and employment. As a result, per capita income and spending is lower, and sales tax revenues are relatively flat. However, new housing units are being constructed and some former Chico residents are moving to Hamilton City and Orland and commuting to and from the City of Chico. In addition, the County is taking steps to bring businesses into the county that would add jobs, increase the tax base and increase the health of the local economy.

State Government: The County is a political subdivision of the State of California and as such, its government is subject to State subventions and regulations. Intergovernmental revenues account for 70 percent of all governmental funds' revenue. Therefore, the County's financial health is tied closely to the financial condition of the State government. Recently, the California economy was affected by an economic downturn, an energy crisis, unexpected negative activity in a large concentration of high technology companies and a stock market downturn. As a result, the State of California is predicting a large budget deficit. Reductions of revenues because of a state deficit could have a significant impact on the County.

Long-term Financial Plans: The County has embarked on several projects with long-term financial impacts, including the following:

- The Juvenile Hall expansion, which adds 12 beds, a computer lab, multi-purpose classroom, a commercial kitchen increases playground areas, and brings the Hall into compliance with the Americans with Disabilities Act (ADA). The improvements are expected to be completed in the first part of 2004.

The expansion is funded by a combination of Grant funds and a \$ 515,000 loan with payments over 15 years. This expansion and other new programs in the probation department will generate the revenues needed to service the loan.

- A new building for the Superintendent of Schools and Office of Education will be approximately 14,000 square feet and will fulfill the requirements for providing space for these offices. Occupancy is expected by March 2005, with construction beginning March 2004. The building will be funded by a \$2,250,000 loan from the United States Department of Agriculture, with payments over the next 40 years. This loan will have no County general fund impact. Once the building is occupied, the space currently occupied by the Schools offices will be available for other County departments.

### **Cash Management Policies and Procedures**

Except for amounts held with trustees under bond indentures or other restrictive agreements, the County Treasurer invests the County's cash and investments. The Treasury Oversight Committee has regulatory oversight for all monies deposited in the Treasury Pool. The County Treasurer invests such amounts in accordance with investment policy guidelines established by the County Treasurer and approved by the Board. The objectives of the policy are, in order of priority, safety of principal, liquidity and yield. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments permitted by the California Government Code and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity.

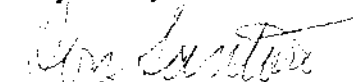
### **Risk Management**

Golden State Risk Management Authority insures the County. Coverage is deemed adequate and all policies have been paid on a timely basis.

### **Awards and Acknowledgements**

The preparation of the CAFR was made possible by the dedicated services of the entire staff of the Department of Finance and by our contract auditor, Macias, Gini & Company LLP, who was instrumental in its preparation. I would like to express my appreciation to all members of the department who assisted and contributed to its preparation. In addition, I acknowledge the leadership and support provided by the Board of Supervisors who have made the preparation of this report possible.

Respectfully submitted,



Don Santoro, CPA  
Director of Finance

DIRECTORY OF ELECTIVE AND APPOINTIVE  
 OFFICERS  
 JUNE 30, 2003

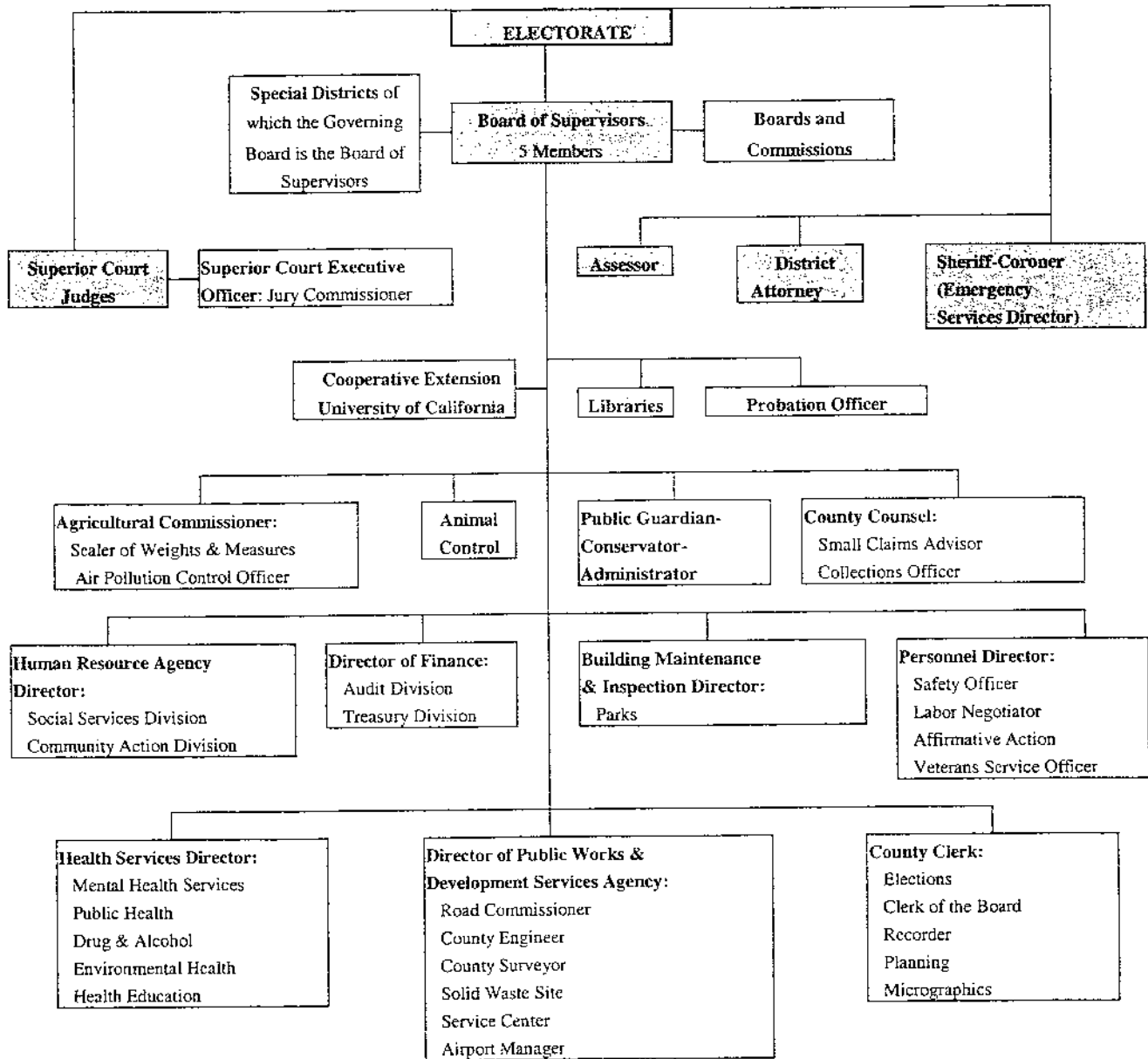
ELECTIVE OFFICERS

Assessor/Clerk-Recorder/Elections.....	Vince Minto
Coroner.....	Robert Shadley, Jr.
District Attorney.....	Robert Holzapfel
Public Administrator.....	Deanna Rakestraw
Sheriff.....	Robert Shadley, Jr.
Superintendent of Schools.....	Joni Samples
Superior Court Judge.....	Donald Cole Byrd
Superior Court Judge.....	Angus I. Saint-Evens
Supervisor, District 1.....	Tom McGowan
Supervisor, District 2.....	Gary Freeman
Supervisor, District 3.....	Forrest Sprague
Supervisor, District 4.....	Denny Bungarz
Supervisor, District 5.....	Keith Hansen

APPOINTIVE OFFICERS

Agricultural Commissioner.....	Ed Romano
Animal Control Officer.....	Raymond J. Cavier
Building Inspector.....	Dan Gardner
Cooperative Extension.....	Barbara Reed
County Counsel.....	Belinda Blacketer
Director of Finance.....	Don Santoro
Emergency Services Coordinator.....	Robert Shadley, Jr.
Health Services Director.....	Michael J. Cassetta
Human Resource Agency.....	Kim Gaghagen
Personnel Director.....	John Greco
Probation Officer.....	Linda Shelton
Public Guardian.....	Deanna Rakestraw
Public Works Director.....	Doug Holvik
Resource, Planning & Development.....	Vince Minto
Sealer of Weights and Measures.....	Ed Romano
Surveyor.....	Doug Holvik
Veteran's Service Officer.....	John Greco

COUNTY OF GLENN ORGANIZATION CHART



- Legend**
- Appointed
  - Elected



## **Financial Section**



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

1000 North Main Street  
 Suite 200  
 Chico, California 96001  
 Phone: (530) 893-1111  
 Fax: (530) 893-1112  
 www.mgcpa.com

The Honorable Board of Supervisors  
 of the County of Glenn, California  
 Willows, California

**INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the County of Glenn, California (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 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 general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

As discussed in Note 1, effective July 1, 2002, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2003, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis, schedules of funding progress and budgetary comparison information on pages 3 through 11 and pages 51 through 56, respectively, are not a required part of the basic financial statements but are supplementary information required by the GASB. 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 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 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 and statistical sections 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.

*Mauias, Hiri & Company LLP*

Certified Public Accountants

Sacramento, California  
October 31, 2003

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the County of Glenn's comprehensive annual financial report presents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2003. It should be read in conjunction with the transmittal letter, which can be found on pages i - iv of this report, and the County's basic financial statements following this section.

### FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of FY 2002-03 by \$22,663,926 (*net assets*). Of the net assets amount, \$3,571,277 in *unrestricted net assets* is available to meet ongoing obligations to citizens and creditors, \$5,724,262 in *restricted net assets* must be used only for specific purposes and \$13,368,387 is *invested in capital assets, net of related debt*.
- The County's total net assets increased by \$2,677,942. Most of this growth is due to increases in property taxes, operating and capital grants and contributions, investment earnings and charges for services.
- As of June 30, 2003, the County governmental funds reported combined fund balances of \$10,313,470, an increase of \$214,587 in comparison with the prior year. Approximately 76 percent of the combined fund balances, or \$7,835,326 is available to meet the County's current and future needs (*unreserved fund balance*).
- At the end of the fiscal year, unreserved fund balance for the General Fund, the county's largest fund, was \$3,082,513 or 8 percent of total General Fund expenditures. However, this entire amount has been budgeted either for expenditure in FY 2003-04 or is reserved for future uses, although there is usually increased carryover fund balance each year from budget savings or revenues in excess of budget.
- The County's total long-term debt increased by \$99,970 in comparison with the prior year. The balance relates to increases in estimates for compensated absences.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis in this section are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

**Government-wide financial statements** are designed to provide readers with a broad overview of the County finances, using accounting methods similar to those of a private-sector business. These statements provide both long-term and short-term information about the County's overall financial status. The government-wide financial statements can be found on pages 12 - 14 of this report.

The *Statement of Net Assets* presents information on all the County's assets and liabilities as of the end of the fiscal year, 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 whether the financial position of the County is improving or deteriorating.



The *Statement of Activities* presents information on how net assets changed during the fiscal year, with revenues and expenses by major type or function. Revenues and expenses are reported when 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 will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes, intergovernmental and program revenues (*governmental activities*) from other functions that are intended to recover most or all of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public assistance, health and sanitation, public ways and facilities and education. The business-type activities of the County include landfill operations, hospital and airports.

*Component units* are included in the County's basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. The blended component units include the Glenn County Community Action Agency, Artois Fire Protection District, Bayliss Fire Protection District, Hamilton Fire Protection District, Willows Rural Fire Protection District, Storm Drainage Maintenance District #1, Storm Drainage Maintenance District #3, North Willows County Service Area, Olive Fruit Fly and Pest District and the Air Pollution Control District. The Glenn County Children and Families Commission is reported as a discretely presented component unit because the governing body is not substantially the same as the County Board of Supervisors. For further information concerning the Glenn County Children and Families Commission, refer to the separately issued financial statements, which are available from the Commission upon request.

**Fund financial statements** are the more familiar groupings of related accounts that are used to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state or federal law or by debt covenants. All of the County's funds can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary 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, the governmental funds financial statements focus on the shorter-termed financial resources, such as cash, that (1) have been spent on governmental programs during the fiscal year and (2) that will be available for financing such programs in the near future. The governmental funds financial statements are presented by major fund and for nonmajor funds in the aggregate on pages 15 - 18 of this report.

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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 24 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Community Action Agency and Road Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

*Proprietary funds* are of two types: enterprise funds and internal service funds. These funds provide services that are usually supported in total or major part by customer fees and charges. The proprietary funds financial statements can be found on pages 19 - 21 of this report.

*Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. As noted previously, the County uses enterprise funds to account for landfill operations, hospital and airports.

*Internal service funds* are an accounting device used to accumulate and allocate costs for services to the County's various functions. The County uses internal service funds to account for its service center (fleet services operations and maintenance), allocation of salaries and benefits and services and supplies in public works, human resources and health services agencies, allocation of equipment, postage and other related expenditures, allocation of vegetation and environmental management maintenance, data processing costs, Certified Unified Program Agency (CUPA)/underground storage tanks program costs, and Tri-County Bee pest abatement. Because these services predominantly benefit governmental rather than business-type functions, 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. All of the County's enterprise funds, including landfill operations, hospital and airports are considered to be major enterprise funds. The County's nine internal service funds are also combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds, except for agency funds, which have more limited accounting and financial statements because of their purely custodial character. The fiduciary fund financial statements can be found on pages 22 - 23 of this report.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 24 - 50 of this report.

**Required Supplementary Information** is presented concerning budgetary comparison schedules for the General Fund and major Special Revenue Funds, as well as the schedules of funding progress. Required supplementary information can be found on pages 51 - 56 of this report.

Immediately following the required supplementary information, the combining and individual fund statements and schedules referred to earlier provide information for nonmajor governmental funds and internal service funds. The combining and individual fund statements and schedules can be found on pages 57 - 94 of this report.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

This year is the first period the County applied Governmental Accounting Standards Board (GASB) Statement No. 34. The County has not restated prior periods for purposes of providing the comparative data for the Management's Discussion and Analysis (MD&A) because certain prior year information is unavailable. However, in future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

<b>County of Glenn</b>			
<b>Net Assets</b>			
<b>June 30, 2003</b>			
	<b>Governmental Activities</b>	<b>Business- type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Current and other assets	\$ 15,173,630	\$ 1,818,023	\$ 16,991,653
Capital assets	13,472,031	2,153,508	15,625,539
Total assets	28,645,661	3,971,531	32,617,192
<b>Liabilities:</b>			
Current and other liabilities	3,920,628	87,484	4,008,112
Noncurrent liabilities	3,598,078	2,347,076	5,945,154
Total liabilities	7,518,706	2,434,560	9,953,266
<b>Net assets:</b>			
Invested in capital assets, net of related debt	11,596,706	1,771,681	13,368,387
Restricted	5,724,262	-	5,724,262
Unrestricted	3,805,987	(234,710)	3,571,277
Total net assets	\$ 21,126,955	\$ 1,536,971	\$ 22,663,926

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, net assets (assets in excess of liabilities) were \$22,663,926 at June 30, 2003, the close of the County's fiscal year.

The largest portion of the County's net assets of \$13,368,387 (59 percent) reflects its investment in *capital assets* (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County'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, such as tax revenues, since the capital assets themselves cannot be used to liquidate these liabilities. Another significant portion of the County's net assets (16 percent) represents *unrestricted net assets* of \$3,571,277, which may be used to meet the County's ongoing obligations to citizens and creditors. The remaining balance of the County's net assets of \$5,724,262 (25 percent) represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the County reported

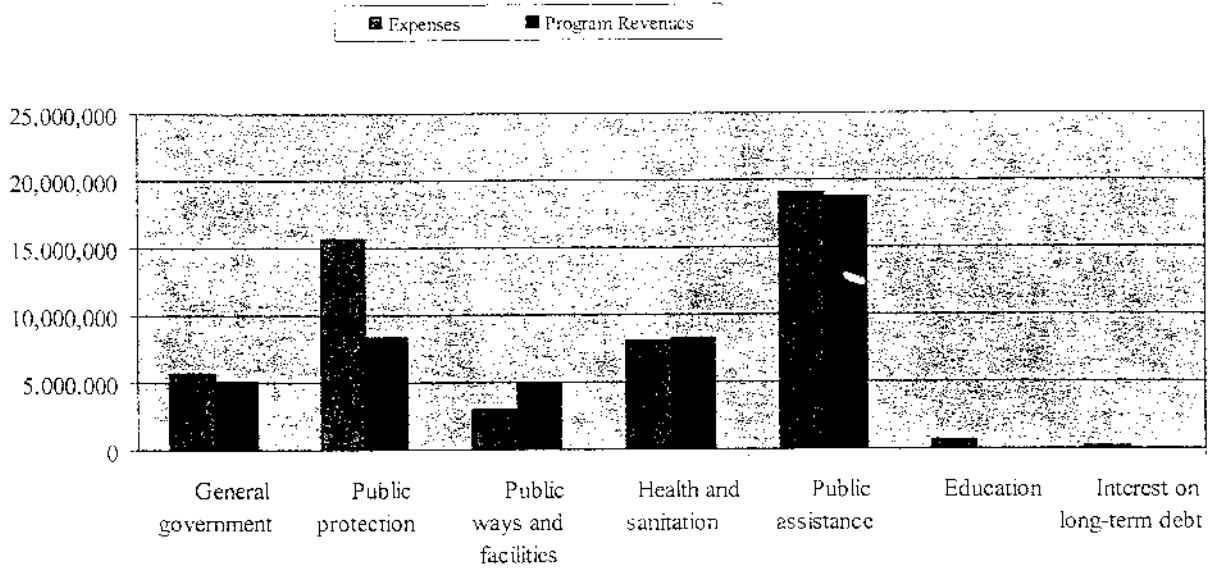
positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental and business-type activities except unrestricted net assets for the business-type activities (\$234,710).

**County of Glenn**  
**Changes in Net Assets**  
**For the Fiscal Year Ended June 30, 2003**

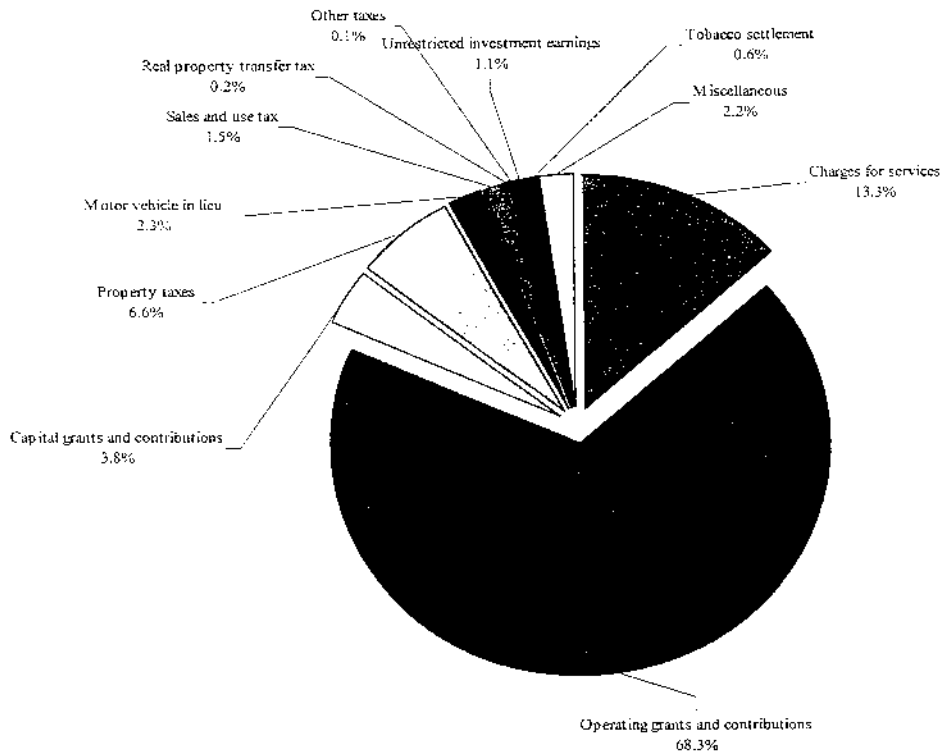
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Revenues</b>			
<b>Program Revenues:</b>			
Charges for services	\$ 7,289,2354	\$ 1,484,598	\$ 8,773,832
Operating grants and contributions	36,063,048	90,836	36,153,884
Capital grants and contributions	2,094,887	352,667	2,447,554
<b>General Revenues:</b>			
Property taxes	3,612,501	--	3,612,501
Real property transfer tax	91,462	--	91,462
Other taxes	43,883	--	43,883
Motor vehicle in lieu	1,952,240	--	1,952,240
Sales taxes shared revenue	813,806	--	813,806
Grants not restricted to specific programs/Williamson Act	961,102	--	961,102
Unrestricted investment earnings	586,201	57,154	643,355
Tobacco settlement	325,412	--	325,412
Other	1,185,055	--	1,185,055
Gain on sale of capital assets	36,059	3,870	39,929
Total revenues	<u>55,054,890</u>	<u>1,989,125</u>	<u>57,044,015</u>
<b>Expenses:</b>			
General government	5,707,773	--	5,707,773
Public protection	15,662,139	--	15,662,139
Public ways and facilities	3,005,576	--	3,005,576
Health and sanitation	8,053,317	--	8,053,317
Public assistance	19,080,838	--	19,080,838
Education	640,061	--	640,061
Interest on long-term debt	222,969	--	222,969
Landfill	--	1,176,536	1,176,536
Hospital	--	432,061	432,061
Airports	--	384,803	384,803
Total expenses	<u>52,372,673</u>	<u>1,993,400</u>	<u>54,366,073</u>
Increase (decrease) in net assets before transfers	2,682,217	(4,275)	2,677,942
Transfers	(43,360)	43,360	--
Change in net assets	<u>2,638,857</u>	<u>39,085</u>	<u>2,677,942</u>
Net assets - beginning	18,488,098	1,497,886	19,985,984
Net assets - end	<u>\$ 21,126,955</u>	<u>\$ 1,536,971</u>	<u>\$ 22,663,926</u>

**Governmental activities** increased the County's net assets by \$2,638,857 thereby accounting for most of the increase in net assets of the County. The growth is due to increases in property taxes, operating and capital grants and contributions, investment earnings and charges for services due to rate increases.

### Expenses and Program Revenues - Governmental Activities

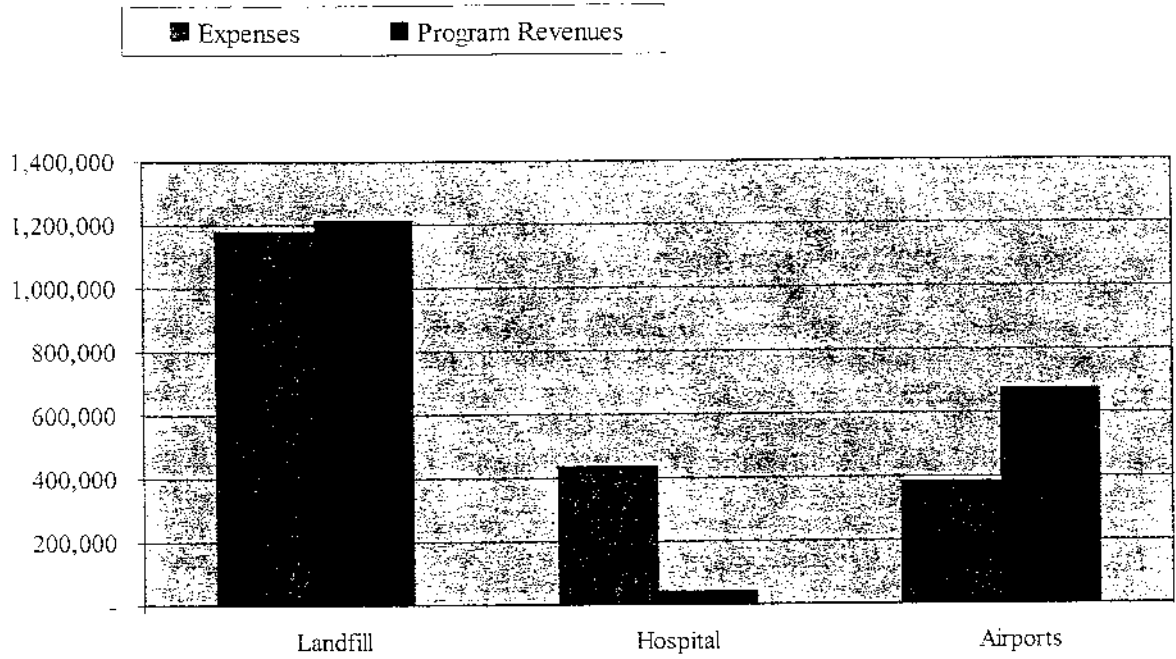


### Revenue by Source - Governmental Activities

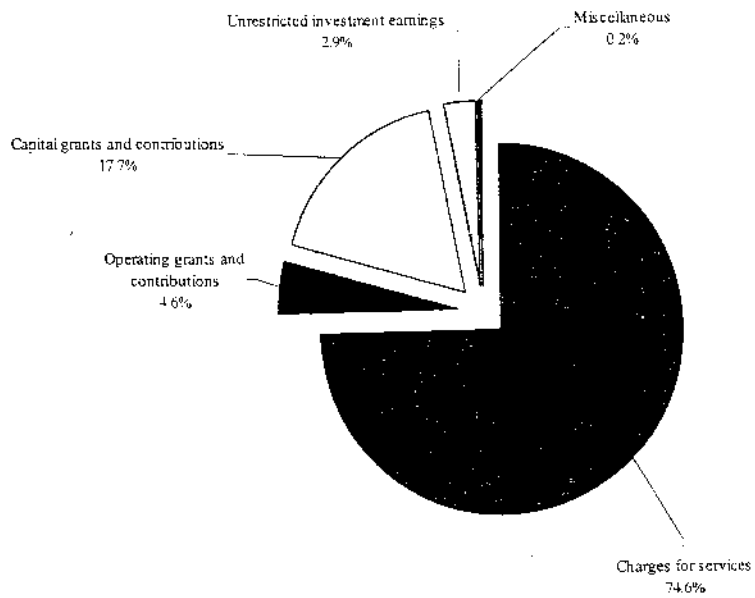


**Business-type activities** increased the County's net assets by \$39,085. The key factor that contributed to this increase was increased capital grants.

### Expenses and Program Revenues - Business-type Activities



### Revenue by Source - Business-type Activities



## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

### **Governmental funds**

The County's general government functions are contained in the General, Special Revenue, Debt Service and Capital Projects Funds. Also included in these funds are the special districts governed by the Board of Supervisors. As noted previously, the focus of the County'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's more immediate financing 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. At June 30, 2003, the County's governmental funds reported combined fund balances of \$10,313,470, an increase of \$214,587 in comparison with the prior year. Approximately 76 percent of the combined fund balances, or \$7,835,326, constitutes unreserved fund balance, which is available to meet the County's current and future needs. The remainder of fund balance is reserved indicating that it is not available for new spending because it has been committed: 1) to pay debt service; 2) to reflect inventories and the amount due from other funds that are long-term in nature and thus do not represent available spendable resources; and 3) to liquidate contractual commitments of the period.

The General Fund is the chief operating fund of the County. At June 30, 2003, unreserved fund balance of the General Fund was \$3,082,513, while total fund balance reached \$6,425,574. 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 represented 13.7 percent of total fund expenditures, while total fund balance represented 15.4 percent of that same amount. The fund balance of the General Fund increased by \$172,089 during the current fiscal year. The key factors in the increase were increases in taxes and intergovernmental revenues. The remaining major funds and other governmental funds' balances increased by \$42,498.

### **Proprietary funds**

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net assets of the enterprise funds increased 3%, or \$39,085 to \$1,536,971. The internal service funds net assets increased by \$116,914 to \$2,039,241.

## GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget for the fiscal year ended June 30, 2003 resulted in a \$1,346,458 increase in appropriations and can be briefly summarized as follows:

- \$150,932 in increases allocated to general government activities.
- \$238,368 in increases allocated to public protection.
- \$681,953 in increases allocated to health and sanitation.
- \$56,123 in increases allocated to public assistance.
- \$6,969 in decreases allocated to education.
- \$226,051 in increases allocated to capital projects.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2003, amounted to \$15,625,539 (net of accumulated depreciation). This investment in capital assets includes land and easements, infrastructure, structures and improvements, equipment and construction in progress. The total increase in the County's investment in capital assets for the current period was 18 percent or \$2,430,402. Most of the increase was due to the addition of \$2,176,168 in construction in progress for the Road P Bridge project.

### Long-term debt

At June 30, 2003, the County had total long-term debt outstanding of \$5,945,154. This amount is comprised of \$1,727,778 of compensated absences, \$1,745,498 of landfill postclosure liability, \$2,257,152 of capital leases payable, and \$214,726 of loans payable. During the year, retirement of debt amounted to \$2,890,106. Additions included \$1,710,000 for new capital leases, \$1,173,050 for compensated absences, and \$107,026 for landfill postclosure liability.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Glenn County Department of Finance, 516 W. Sycamore St., Willows, CA 95988.





## **Basic Financial Statements**

**COUNTY OF GLENN, CALIFORNIA**

**Statement of Net Assets  
June 30, 2003**

	Governmental Activities	Business-type Activities	Total	Component Unit Children & Families Commission
<b>Assets</b>				
Cash and investments	\$ 10,168,915	\$ 1,569,414	\$ 11,738,329	\$ 1,240,362
Receivables (net)	4,744,476	81,047	4,825,523	67,228
Internal balances	(147,533)	147,533	-	-
Advances to other governments	192,122	-	192,122	-
Other assets	215,650	20,029	235,679	-
Capital assets:				
Nondepreciable	2,482,753	215,485	2,698,238	-
Depreciable, net	10,989,278	1,938,023	12,927,301	-
<b>Total assets</b>	<u>28,645,661</u>	<u>3,971,531</u>	<u>32,617,192</u>	<u>1,307,590</u>
<b>Liabilities</b>				
Payables	3,224,822	63,153	3,287,975	128,982
Deferred revenue	695,806	24,331	720,137	-
Noncurrent liabilities:				
Due within one year	418,674	175,110	593,784	-
Due in more than one year	3,179,404	2,171,966	5,351,370	-
<b>Total liabilities</b>	<u>7,518,706</u>	<u>2,434,560</u>	<u>9,953,266</u>	<u>128,982</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	11,596,706	1,771,681	13,368,387	-
Restricted	5,724,262	-	5,724,262	1,178,608
Unrestricted	3,805,987	(234,710)	3,571,277	-
<b>Total net assets</b>	<u>\$ 21,126,955</u>	<u>\$ 1,536,971</u>	<u>\$ 22,663,926</u>	<u>\$ 1,178,608</u>

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

COUNTY OF GLENN, CALIFORNIA

Statement of Activities  
For the Fiscal Year Ended June 30, 2003

FUNCTION/PROGRAM ACTIVITIES:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 5,707,773	\$ 4,268,004	\$ 803,879	\$ -
Public protection	15,662,139	2,575,843	5,836,420	-
Public ways and facilities	3,005,576	285,938	2,612,545	2,094,887
Health and sanitation	8,053,317	152,260	8,111,322	-
Public assistance	19,080,838	6,972	18,698,882	-
Education	640,061	217	-	-
Interest on long-term debt	222,969	-	-	-
<b>Total Governmental Activities</b>	<b>52,372,673</b>	<b>7,289,234</b>	<b>36,063,048</b>	<b>2,094,887</b>
<b>Business-type Activities:</b>				
Landfill	1,176,536	1,141,486	70,836	-
Hospital	432,061	41,240	-	-
Airports	384,803	301,872	20,000	352,667
<b>Total Business-type Activities</b>	<b>1,993,400</b>	<b>1,484,598</b>	<b>90,836</b>	<b>352,667</b>
<b>Total Primary Government</b>	<b>\$ 54,366,073</b>	<b>\$ 8,773,832</b>	<b>\$ 36,153,884</b>	<b>\$ 2,447,554</b>
<b>Component Unit:</b>				
Children & Families Commission	\$ 746,735	\$ -	\$ 559,050	\$ -

**General revenues:**

Taxes:

Property taxes

Real property transfer tax

Other taxes

Motor vehicle in-lieu

Sales tax shared revenue

Grants not restricted to specific programs - Williamson Act

Unrestricted investment earnings

Tobacco settlement

Other

Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning

Net assets - ending

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

COUNTY OF GLENN, CALIFORNIA

Statement of Activities  
For the Fiscal Year Ended June 30, 2003

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Children & Families Commission
\$ (635,890)	\$ -	\$ (635,890)	\$ -
(7,249,876)	-	(7,249,876)	-
1,987,794	-	1,987,794	-
210,265	-	210,265	-
(374,984)	-	(374,984)	-
(639,844)	-	(639,844)	-
(222,969)	-	(222,969)	-
<u>(6,925,504)</u>	<u>-</u>	<u>(6,925,504)</u>	<u>-</u>
-	35,786	35,786	-
-	(390,821)	(390,821)	-
-	289,736	289,736	-
-	(65,299)	(65,299)	-
<u>(6,925,504)</u>	<u>(65,299)</u>	<u>(6,990,803)</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (187,685)</u>
3,612,501	-	3,612,501	-
91,462	-	91,462	-
43,883	-	43,883	-
1,952,240	-	1,952,240	-
813,806	-	813,806	-
961,102	-	961,102	-
586,201	57,154	643,355	38,220
325,412	-	325,412	-
1,185,055	-	1,185,055	-
36,059	3,870	39,929	-
(43,360)	43,360	-	-
<u>9,564,361</u>	<u>104,384</u>	<u>9,668,745</u>	<u>38,220</u>
2,638,857	39,085	2,677,942	(149,465)
18,488,098	1,497,886	19,985,984	1,328,073
<u>\$ 21,126,955</u>	<u>\$ 1,536,971</u>	<u>\$ 22,663,926</u>	<u>\$ 1,178,608</u>

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

COUNTY OF GLENN, CALIFORNIA

Balance Sheet  
Governmental Funds  
June 30, 2003

Assets	General Fund	Community Action Agency Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 5,554,028	\$ 550,271	\$ 473,469	\$ 2,805,248	\$ 9,383,016
Imprest cash	3,155	250	-	25	3,430
Taxes receivable	45,000	-	-	-	45,000
Accounts receivable	336,592	185,948	-	-	522,540
Due from other funds	179,479	165	46,480	169,245	395,369
Due from other governments	2,111,037	1,283	395,101	37,239	2,544,660
Prepaid items	37,831	882	-	301	39,014
Inventory	-	108,845	38,062	-	146,907
Other assets	5,297	-	-	2,000	7,297
Advances to other funds	558,342	-	-	-	558,342
Loans receivable	-	1,465,372	-	9,500	1,474,872
<b>Total assets</b>	<b>\$ 8,830,761</b>	<b>\$ 2,313,016</b>	<b>\$ 953,112</b>	<b>\$ 3,023,558</b>	<b>\$ 15,120,447</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 623,603	\$ 114,207	\$ 28,041	\$ 222,812	\$ 988,663
Accrued salaries and benefits	342,678	67,049	26,457	9,413	445,597
Due to other funds	65,008	6,888	115,169	174,264	361,329
Due to other governments	1,192,811	33,284	268,596	-	1,494,691
Other liabilities	75,073	-	-	11,774	86,847
Deferred revenue	106,014	217,403	-	372,389	695,806
Advances from other funds	-	77,544	300,000	356,500	734,044
<b>Total liabilities</b>	<b>2,405,187</b>	<b>516,375</b>	<b>738,263</b>	<b>1,147,152</b>	<b>4,806,977</b>
<b>Fund balances:</b>					
<b>Reserved:</b>					
Imprest cash	3,155	250	-	25	3,430
Inventory	-	108,845	38,062	-	146,907
Prepaid items	37,831	882	-	301	39,014
Encumbrances	255,579	-	-	-	255,579
Advances to other funds	558,342	-	-	-	558,342
Loans receivable	-	1,465,372	-	9,500	1,474,872
Unreserved, designated for special projects	2,488,154	221,292	-	954,539	3,663,985
Unreserved, reported in:					
General fund	3,082,513	-	-	-	3,082,513
Special revenue funds	-	-	176,787	435,387	612,174
Capital project funds	-	-	-	476,654	476,654
<b>Total fund balances</b>	<b>6,425,574</b>	<b>1,796,641</b>	<b>214,849</b>	<b>1,876,406</b>	<b>10,313,470</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,830,761</b>	<b>\$ 2,313,016</b>	<b>\$ 953,112</b>	<b>\$ 3,023,558</b>	<b>\$ 15,120,447</b>

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

COUNTY OF GLENN, CALIFORNIA

Reconciliation of the Balance Sheet to Statement of Net Assets  
 Governmental Funds  
 June 30, 2003

Fund balances - total governmental funds (page 15)		\$ 10,313,470
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		12,108,177
Internal service funds are used by management to charge the costs of certain activities, such as, fleet services, public works, human resources, health services, central services and other activities to individual funds. The assets and liabilities of these funds are included as governmental activities in the statement of net assets.		2,039,241
Long-term liabilities are not due and payable in the current period and therefore are not reported in the statement of net assets.		
Compensated absences	(1,458,608)	
Capital lease obligations	<u>(1,875,325)</u>	<u>(3,333,933)</u>
Net assets of governmental activities (page 12)		<u>\$ 21,126,955</u>

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

COUNTY OF GLENN, CALIFORNIA

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Fiscal Year Ended June 30, 2003

	General Fund	Community Action Agency Fund	Road Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 4,373,598	\$ -	\$ -	\$ 188,054	\$ 4,561,652
Licenses and permits	914,737	-	21,383	190,355	1,126,475
Fines, forfeitures and penalties	1,171,642	-	-	18,393	1,190,035
Intergovernmental	28,562,484	6,257,370	4,707,432	1,483,991	41,011,277
Use of money and property	431,621	13,900	9,432	107,154	562,107
Charges for services	4,298,662	-	264,555	409,507	4,972,724
Miscellaneous	1,128,618	200,211	36,149	145,489	1,510,467
Total revenues	<u>40,881,362</u>	<u>6,471,481</u>	<u>5,038,951</u>	<u>2,542,943</u>	<u>54,934,737</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	5,291,085	-	-	129,083	5,420,168
Public protection	13,988,671	-	-	1,315,664	15,304,335
Public ways and facilities	-	-	2,651,763	197,372	2,849,135
Health and sanitation	7,977,159	-	-	28,670	8,005,829
Public assistance	12,566,441	6,238,546	-	59,974	18,864,961
Education	480,515	-	-	155,000	635,515
Capital outlay	254,468	-	2,193,221	930,643	3,378,332
<b>Debt service:</b>					
Principal	-	-	118,145	1,587,401	1,705,546
Interest	125,949	-	12,115	84,905	222,969
Total expenditures	<u>40,684,288</u>	<u>6,238,546</u>	<u>4,975,244</u>	<u>4,488,712</u>	<u>56,386,790</u>
Excess (deficiency) of revenues over (under) expenditures	<u>197,074</u>	<u>232,935</u>	<u>63,707</u>	<u>(1,945,769)</u>	<u>(1,452,053)</u>
<b>Other financing sources (uses):</b>					
Transfers in	165,036	-	-	371,133	536,169
Transfers out	(190,021)	-	-	(389,508)	(579,529)
Capital lease financing	-	-	-	1,710,000	1,710,000
Total other financing sources (uses):	<u>(24,985)</u>	<u>-</u>	<u>-</u>	<u>1,691,625</u>	<u>1,666,640</u>
Net change in fund balances	172,089	232,935	63,707	(254,144)	214,587
Fund balances - beginning, as restated	<u>6,253,485</u>	<u>1,563,706</u>	<u>151,142</u>	<u>2,130,550</u>	<u>10,098,883</u>
Fund balances - ending	<u>\$ 6,425,574</u>	<u>\$ 1,796,641</u>	<u>\$ 214,849</u>	<u>\$ 1,876,406</u>	<u>\$ 10,313,470</u>

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

COUNTY OF GLENN, CALIFORNIA

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

Net change in fund balances - total governmental funds (page 17) \$ 214,587

Amounts reported for governmental activities in the  
statement of activities are different because:

Governmental funds report capital outlay expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	3,363,311	
Current year depreciation expense	<u>(971,076)</u>	2,392,235

Long-term debt proceeds provide current financial resources to governmental  
funds, but issuing debt increases long-term liabilities in the statement of  
net assets. Repayment of principal is an expenditure in the governmental  
funds, but the repayment reduces long-term liabilities in the statement  
of net assets.

Principal payments	1,705,546	
Capital lease financing	<u>(1,710,000)</u>	(4,454)

Some expenses reported in the statement of activities do not require the use of  
current financial resources and therefore are not reported as expenditures  
in governmental funds:

Change in long-term compensated absences		(80,425)
--	--	----------

Internal service funds are used by management to charge the costs of certain  
activities to individual funds. The net revenue of the internal service funds  
is reported with governmental activities.

Change in net assets of governmental activities (page 14)		<u>116,914</u>
		<u>\$ 2,638,857</u>

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



COUNTY OF GLENN, CALIFORNIA

Statement of Net Assets  
Proprietary Funds  
June 30, 2003

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Solid Waste Operating	Solid Waste Closure	Hospital	Orland Airport	Willows Airport		
<b>Assets</b>							
<b>Current assets:</b>							
Cash and investments	\$ 260,804	\$ 1,240,243	\$ 54,969	\$ 5,293	\$ 7,905	\$ 1,569,214	\$ 781,619
Imprest cash	200	-	-	-	-	200	850
Accounts receivable	67,926	-	4,108	3,264	5,749	81,047	157,404
Due from other funds	83	-	-	332	-	415	288,516
Inventory	-	-	-	8,166	11,863	20,029	22,432
<b>Total current assets</b>	<b>329,013</b>	<b>1,240,243</b>	<b>59,077</b>	<b>17,055</b>	<b>25,517</b>	<b>1,670,905</b>	<b>1,250,821</b>
<b>Noncurrent assets:</b>							
Advances to other funds	-	349,703	-	-	-	349,703	-
<b>Capital assets:</b>							
Land	-	-	114,158	70,055	31,272	215,485	-
Structures and improvements	38,131	-	2,174,233	516,178	1,114,799	3,843,341	293,659
Machinery and equipment	1,459,613	-	2,419	279,889	-	1,741,921	2,706,251
Less accumulated depreciation	(783,705)	-	(2,176,652)	(346,059)	(340,823)	(3,647,239)	(1,636,056)
<b>Total noncurrent assets</b>	<b>714,039</b>	<b>349,703</b>	<b>114,158</b>	<b>520,063</b>	<b>805,248</b>	<b>2,503,211</b>	<b>1,363,854</b>
<b>Total assets</b>	<b>1,043,052</b>	<b>1,589,946</b>	<b>173,235</b>	<b>537,118</b>	<b>830,765</b>	<b>4,174,116</b>	<b>2,614,675</b>
<b>Liabilities</b>							
<b>Current Liabilities:</b>							
Accounts payable	35,302	-	-	8,782	13,191	57,275	109,315
Accrued salaries and benefits	4,878	-	-	-	-	4,878	99,709
Due to other funds	37,933	-	3,555	42,514	29,083	113,085	102,265
Deferred revenue	11,598	-	-	4,303	8,430	24,331	-
Loans payable - current	-	-	-	5,600	5,839	11,439	-
Capital lease obligations - current	163,671	-	-	-	-	163,671	-
Compensated absences	-	-	-	-	-	-	13,487
<b>Total current liabilities</b>	<b>253,382</b>	<b>-</b>	<b>3,555</b>	<b>61,199</b>	<b>56,543</b>	<b>374,679</b>	<b>324,776</b>
<b>Noncurrent liabilities:</b>							
Deposits	1,000	-	-	-	-	1,000	-
Advances from other funds	-	-	-	10,000	79,500	89,500	-
Loans payable	-	-	-	104,533	98,754	203,287	-
Capital lease obligations	218,156	-	-	-	-	218,156	-
Compensated absences	5,025	-	-	-	-	5,025	250,658
Landfill closure/postclosure liability	-	1,745,498	-	-	-	1,745,498	-
<b>Total noncurrent liabilities</b>	<b>224,181</b>	<b>1,745,498</b>	<b>-</b>	<b>114,533</b>	<b>178,254</b>	<b>2,262,466</b>	<b>250,658</b>
<b>Total liabilities</b>	<b>477,563</b>	<b>1,745,498</b>	<b>3,555</b>	<b>175,732</b>	<b>234,797</b>	<b>2,637,145</b>	<b>575,434</b>
<b>Net Assets (Deficit)</b>							
Invested in capital assets, net of related debt	332,212	-	114,158	520,063	805,248	1,771,681	1,363,854
Unrestricted	233,277	(155,552)	55,522	(158,677)	(209,280)	(234,710)	675,387
<b>Total net assets (deficit)</b>	<b>\$ 565,489</b>	<b>\$ (155,552)</b>	<b>\$ 169,680</b>	<b>\$ 361,386</b>	<b>\$ 595,968</b>	<b>\$ 1,536,971</b>	<b>\$ 2,039,241</b>

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

COUNTY OF GLENN, CALIFORNIA

Statement of Revenues, Expenses and Changes in Fund Net Assets  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2003

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Solid Waste Operating	Solid Waste Closure	Hospital	Oriand Airport	Willows Airport		
<b>Operating revenues:</b>							
Charges for services	\$ 1,133,675	\$ -	\$ -	\$ 125,443	\$ 169,783	\$ 1,428,901	\$ 6,029,001
Miscellaneous	-	-	37,725	-	4,793	42,518	156,374
Total operating revenues	1,133,675	-	37,725	125,443	174,576	1,471,415	6,185,375
<b>Operating expenses:</b>							
Salaries and benefits	271,778	-	-	26,372	20,741	318,891	4,051,401
Services and supplies	636,706	-	71,307	103,245	173,117	984,379	1,451,755
Depreciation	116,279	-	360,754	32,072	18,629	527,734	364,287
Closure/postclosure care costs	-	107,026	-	-	-	107,026	-
Miscellaneous	26,382	-	-	-	-	26,382	321,444
Total operating expenses	1,051,145	107,026	432,061	161,693	212,487	1,964,412	6,188,891
Operating income (loss)	82,530	(107,026)	(394,336)	(36,250)	(37,911)	(492,993)	(3,516)
<b>Nonoperating revenues (expenses):</b>							
Investment earnings	7,223	47,203	1,278	305	1,145	57,154	24,094
Interest expense	(18,365)	-	-	(5,912)	(4,711)	(28,988)	-
Intergovernmental	70,836	-	-	10,000	10,000	90,836	60,277
Gain on sale of capital assets	2,250	-	-	1,620	-	3,870	36,059
Other	7,811	-	3,515	1,853	-	13,179	-
Total nonoperating revenues (expenses)	69,755	47,203	4,793	7,866	6,434	136,051	120,430
Income before capital contributions and transfers	152,285	(59,823)	(389,543)	(28,384)	(31,477)	(356,942)	116,914
Capital contributions	-	-	-	-	352,667	352,667	-
Transfers in	-	80,000	-	-	43,366	123,366	-
Transfers out	(80,000)	-	-	-	-	(80,000)	-
Change in net assets	72,285	20,177	(389,543)	(28,384)	364,550	39,085	116,914
Net assets (deficit) - beginning, as restated	493,204	(175,729)	559,223	389,770	231,418	1,497,886	1,922,327
Net assets (deficit) - ending	\$ 565,489	\$ (155,552)	\$ 169,680	\$ 361,386	\$ 595,968	\$ 1,536,971	\$ 2,039,241

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

COUNTY OF GLENN, CALIFORNIA

Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2003

	Business-type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Solid Waste Operating	Solid Waste Closure	Hospital	Orland Airport	Willows Airport		
<b>Cash flows from operating activities:</b>							
Receipts from customers and users	\$ 1,063,083	\$ -	\$ 41,650	\$ 127,191	\$ 180,701	\$ 1,412,625	\$ 6,273,483
Receipts from interfund services provided	17,762	-	1,785	-	-	19,547	91,270
Payments to suppliers	(695,728)	-	(71,307)	(97,528)	(167,709)	(1,032,272)	(1,764,997)
Payments to employees	(272,942)	-	-	(26,372)	(20,741)	(320,055)	(3,931,258)
Payments for interfund services used	-	-	-	(1,797)	(200)	(1,997)	(210,079)
Net cash provided by (used for) operating activities	112,175	-	(27,872)	1,494	(7,949)	77,848	458,419
<b>Cash flows from noncapital financing activities:</b>							
Transfers in	-	80,000	-	-	43,360	123,360	-
Transfers out	(80,000)	-	-	-	-	(80,000)	-
Subsidy from federal/state grant	70,836	-	-	10,000	10,000	90,836	60,277
Advances to/from other funds	-	(109,703)	-	-	49,703	(60,000)	(40,000)
Net cash provided by (used for) noncapital financing activities	(9,164)	(29,703)	-	10,000	103,063	74,196	20,277
<b>Cash flows from capital and related financing activities:</b>							
Capital contributions	-	-	-	-	352,667	352,667	-
Debt principal paid	(90,825)	-	-	(5,067)	(5,407)	(101,299)	-
Proceeds from sale of capital assets	2,250	-	-	1,619	-	3,869	36,059
Interest paid	(18,365)	-	-	(5,912)	(4,711)	(28,988)	-
Acquisition of capital assets	(12,402)	-	-	-	(435,270)	(447,672)	(482,514)
Net cash used for capital and related financing activities	(119,342)	-	-	(9,360)	(92,721)	(221,423)	(446,455)
<b>Cash flows from investing activities:</b>							
Interest received	7,223	47,203	1,278	305	1,145	57,154	24,094
Net increase (decrease) in cash and cash equivalents	(9,108)	17,500	(26,594)	2,439	3,538	(12,225)	56,335
Cash and cash equivalents, beginning	270,112	1,222,743	81,563	2,854	4,367	1,581,639	726,134
Cash and cash equivalents, ending	\$ 261,004	\$ 1,240,243	\$ 54,969	\$ 5,293	\$ 7,905	\$ 1,569,414	\$ 782,469
<b>Summary of cash and cash equivalents</b>							
Cash and investments	\$ 260,804	\$ 1,240,243	\$ 54,969	\$ 5,293	\$ 7,905	\$ 1,569,214	\$ 781,619
Imprest cash	200	-	-	-	-	200	850
Total summary of cash and cash equivalents	\$ 261,004	\$ 1,240,243	\$ 54,969	\$ 5,293	\$ 7,905	\$ 1,569,414	\$ 782,469
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>							
Operating income (loss)	\$ 82,530	\$ (107,026)	\$ (394,336)	\$ (36,250)	\$ (37,911)	\$ (492,993)	\$ (53,516)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation	116,279	-	360,754	32,072	18,629	527,734	364,287
Other revenue	7,811	-	3,515	1,853	-	13,179	-
Changes in assets and liabilities:							
Accounts receivable	(58,403)	-	410	(1,736)	5,572	(54,157)	88,108
Due from other funds	379	-	-	(332)	10,729	10,776	47,478
Prepaid items	50,257	-	-	-	-	50,257	-
Inventory	-	-	-	(1,792)	(7,329)	(9,121)	588
Accounts payable	(82,897)	-	-	7,513	12,737	(62,647)	7,618
Accrued salaries and benefits	358	-	-	-	-	358	28,832
Due to other funds	17,383	-	1,785	(1,465)	(10,929)	6,774	(166,287)
Deferred revenue	(20,000)	-	-	1,631	553	(17,816)	-
Landfill closure/postclosure liability	-	107,026	-	-	-	107,026	-
Compensated absences	(1,522)	-	-	-	-	(1,522)	91,311
Total adjustments	29,645	107,026	366,464	37,744	29,962	570,841	461,935
Net cash provided by (used for) operating activities	\$ 112,175	\$ -	\$ (27,872)	\$ 1,494	\$ (7,949)	\$ 77,848	\$ 458,419

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

COUNTY OF GLENN, CALIFORNIA

Statement of Fiduciary Net Assets  
 Fiduciary Funds  
 June 30, 2003

	Investment Trust Fund	Private Purpose Trust Fund	Agency Funds
<b>Assets</b>			
Cash and investments	\$ 23,699,141	\$ 25,771	\$ 3,475,972
Cash with fiscal agent	-	-	1,768,656
Taxes receivable	-	-	2,342,687
Other assets	-	-	971,560
<b>Total assets</b>	<u>\$ 23,699,141</u>	<u>\$ 25,771</u>	<u>\$ 8,558,875</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ 1,234,711
Due to other funds	-	-	107,621
Due to other governments	-	-	3,685
Advances from other funds	-	-	84,501
Agency obligations	-	-	7,128,357
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>\$ 8,558,875</u>
<b>Net Assets</b>			
Net assets held in trust for library supplies	-	25,771	
Net assets held in trust for external pool participants	23,699,141	-	
<b>Total net assets</b>	<u>\$ 23,699,141</u>	<u>\$ 25,771</u>	

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

**COUNTY OF GLENN, CALIFORNIA**

**Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Fiscal Year Ended June 30, 2003**

	<u>Investment Trust Fund</u>	<u>Private Purpose Trust Fund</u>
<b>Additions:</b>		
Contributions to pooled investments	\$ 144,868,909	\$ -
Investment income (net)	<u>739,794</u>	<u>771</u>
Total additions	<u>145,608,703</u>	<u>771</u>
<b>Deductions:</b>		
Distribution from pooled investments	146,193,123	-
Library supplies	<u>-</u>	<u>2,382</u>
Total deductions	<u>146,193,123</u>	<u>2,382</u>
Total change in net assets	(584,420)	(1,611)
Net assets held in trust - beginning, as restated	<u>24,283,561</u>	<u>27,382</u>
Net assets held in trust - ending	<u>\$ 23,699,141</u>	<u>\$ 25,771</u>

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



## **Notes to the Basic Financial Statements**

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2003**

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

**A. *Reporting Entity***

Glenn County (the County) is a political subdivision of the State of California (the State). An elected, five-member Board of Supervisors (the Board) governs the County. The County has defined its reporting entity in accordance with accounting principles generally accepted in the United States of America (GAAP), which provides guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. The accompanying financial statements present information on the activities of the reporting entity, including all fund types of the County (the primary government) and its component units.

GAAP requires that the component units be separated into blended or discretely presented units for reporting purposes. Although legally separate entities, blended component units are, in substance, part of the County's operations. Therefore, they are reported as part of the primary government. The primary government is financially accountable for these component units. Discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate from the County. Each blended and discretely presented component unit has a June 30 fiscal year end.

Component units blended in the County's financial statements include the Glenn County Community Action Agency, Artois Fire District, Bayliss Fire District, Hamilton Fire District, Willows Rural Fire District, Storm Drain Maintenance No.1, Storm Drain Maintenance No. 3, North Willows Community Services Area, Olive Fruit Fly Pest District and the Air Pollution Control District, which are governed by the County Board of Supervisors. The blended component units are reported in the combining nonmajor special revenue funds financial statements as Special Districts Under the Board. The component units governing bodies are substantially the same as the primary government; hence, these units are presented by blending them with the primary government.

The Glenn County Children and Families Commission (Commission) is a discretely presented component unit in the County's basic financial statements. The Commission was established under the provisions of the California Children and Families Act (Act). The Commission is a public entity legally separate and apart from the County and its purpose is to develop, adopt, promote and implement early childhood development programs in the County, consistent with the goals and objectives of the Act. The Commission's programs are funded by taxes levied by the State of California on tobacco products. The Commission is administered by a governing board of seven members, which are appointed by the County Board of Supervisors. Three members are representatives of the County's health care departments, County's social services departments and Board of Supervisors. The County Board of Supervisors may remove any Commission member at any time. Since the County Board of Supervisors can impose their will on the Commission, the Commission is considered a component unit of the County. Separate financial statements can be obtained through the Glenn County Department of Finance, 516 W. Sycamore St., Willows, CA 95988.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. *Implementation of Governmental Accounting Standards Board (GASB) Statements***

Effective July 1, 2002 the County implemented the following new GASB Statements:

GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* and GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus* provide for the most significant change in financial reporting in over twenty years and are scheduled for a phased implementation (based on the size of the government) starting with the fiscal year ending 2002. As a part of these statements, there is a new reporting requirement regarding the local government's infrastructure (roads, bridges, traffic signals, etc.).

GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*. This statement amends GASB Statement No. 34 to either 1) clarify certain provisions or 2) modify other provisions that GASB believes may have unintended consequences in some circumstances. Accordingly, the County considered the effects of this statement when implementing the provisions of GASB Statement No. 34 as previously described.

GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. This statement modifies, adds and deletes various disclosure requirements. Those requirements address revenue recognition policies, actions taken in response to legal violations, debt service requirements, variable-rate debt, receivable and payable balances, interfund transfers and balances and short-term debt.

**C. *Government-wide and Fund Financial Statements***

The statement of net assets and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the effect of internal activities. These statements distinguish between the governmental and business-type activities of the County and between the County and its discretely presented component units. 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 to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given segment or function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular segment or function. Taxes and other items not properly included among program revenues are reported instead as general revenues.



**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

When both restricted and unrestricted net assets are available, unrestricted resources are used only after the restricted resources are depleted.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though fiduciary funds 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.

***D. Measurement Focus, Basis of Accounting and Basis of Presentation***

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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. For this purpose, the County considers revenues to be available if they are collected within 365 days of the end of the current fiscal period, except for property taxes, which the County considers available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property taxes, franchise taxes, sales and use taxes, transient occupancy taxes, gas taxes, licenses, grants and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the government receives cash.

The County reports the following major governmental funds:

- The General Fund is the County's primary operating fund and accounts for all financial resources, except those required to be accounted for in another fund.
- The Community Action Agency Special Revenue Fund accounts for program operations for low income, elderly, disabled, and minority residents, providing financial assistance for shelter, housing and food. Individual and family programs protect adults and children, assist youth and families in properly handling their family conflicts and help people become employed. Victim witness services and youth mentoring programs are also provided.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- The Road Special Revenue Fund accounts for activities related to the maintenance of over 860 miles of county roads of which approximately 700 miles are paved, numerous storm drainage ditches and culverts, over 200 bridges, traffic control systems and a fleet of heavy construction equipment.

The County reports the following major enterprise funds:

- The Solid Waste Operating Enterprise Fund is responsible for the operation and maintenance of the County Solid Waste Landfill operated by the County's public works department.
- The Solid Waste Closure Enterprise Fund accounts for revenues and expenses related to the future closure and post-closure maintenance of the landfill.
- The Hospital Enterprise Fund accounts for the remaining accounts receivable to be collected from the hospital's operations and current expenses related to retiree health insurance for former hospital employees and some maintenance on the hospital building.
- The Orland Airport Enterprise Fund accounts for revenues and expenses related to the operation of the Airport. The airport has one runway, which is approximately 5,160 feet long and 50 feet wide.
- The Willows Airport Enterprise Fund accounts for revenues and expenses related to the operation of the airport located in Willows, CA at the southwest corner of State Route 162 and Interstate 5.

Additionally, the County reports the following funds types:

- Internal Service Funds account for fleet management services, public works services, human resource and health service administration, centralized County equipment usage, vegetation and environmental management and data processing services provided to other departments or agencies of the County, on a cost reimbursement basis.
- The Investment Trust Fund accounts for the pooling of resources in an investment portfolio for external county agencies and legally separate participants.
- The Private Purpose Trust Fund accounts for an endowment received by the County in which the income from the principal is used for the purchase of books and supplies for the Chester Walker Memorial Public Library in Hamilton City.
- The Agency Funds account for assets held by the County as a trustee or as an agent for individuals, private organizations, related organizations and/or other governmental entities.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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 County's proprietary funds are charges to customers for sales and services rendered. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For its business-type activities and proprietary funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations), are accounting principles generally accepted in the United States of America.

***D. Assets, Liabilities, Net Assets or Equity***

***1. Cash and Investments***

The County pools cash and investments with the County Treasurer. Interest from bank accounts and investments are allocated quarterly to the various funds based on the average daily cash balances of the funds entitled to receive interest. It is the County's policy to charge interest to funds which have a negative cash balance. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earns the interest. The County has stated required investments at fair value in the basic financial statements. The fair value of investments is based on published market prices and quotations from major investment brokers. The investments are marked to market and the net asset value is calculated for the County Treasurer's Investment Pool ("Pool") annually. For purposes of the statement of cash flows, the County considers all pooled cash and investments held by the treasurer and imprest cash as cash equivalents. The Treasurer's investment pool values participants' shares on an amortized cost basis. At June 30, 2003, there is no material difference between pool participant's shares valued on an amortized cost basis compared to fair value.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. *Interfund Receivables and Payables***

Activity between funds that are representative of lending and/or borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the noncurrent portion of interfund loans) in the balance sheet of governmental funds and the statement of net assets for proprietary funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. Advances between funds, as reported in the governmental funds balance sheet, are offset by a fund balance reserve account in the applicable governmental funds to indicate those amounts that are not available for appropriation and are not expendable available financial resources.

**3. *Property Tax Levy, Collection and Maximum Rates***

Property taxes, including tax rates, are regulated by the State and are administered locally by the County. The County is responsible for assessing, collecting and distributing property taxes in accordance with state law. Liens on real property are established January 1 for the ensuing fiscal year. The property tax is levied as of July 1 on all taxable property located in the County. Secured property taxes are due in two equal installments on November 1 and February 1 and are delinquent after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction.

In fiscal year 1993-94, the County adopted the Alternate Method of Property Tax Allocation (commonly referred to as the Teeter Plan). Under the Teeter Plan, the County Auditor-Controller, an elected official, is authorized to pay 100 percent of the property taxes billed (secured, supplemental, and debt service) to the taxing agencies within the County. The County recognizes property tax revenues in the period for which the taxes are levied. Previously, such taxes were allocated and paid as the taxes were collected.

**4. *Inventory and Prepaid Items***

Inventory is valued at average cost and consists of expendable supplies held for consumption that are expended as consumed. Inventories reported in governmental funds are equally offset by a fund balance reserve, which indicates that they do not constitute available spendable resources.

Prepaid items represent funds expended for goods and/or services prior to the end of the fiscal year but benefit periods extending beyond June 30, 2003. A portion of fund balance has been reserved to indicate that prepaid items do not represent expendable available financial resources.

**COUNTY OF GLENN, CALIFORNIA  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Capital Assets**

Capital assets, which include property (i.e. land), plant (i.e. buildings and improvements), equipment (vehicles, computers and office equipment) and infrastructure (i.e., roads, streets, bridges and easements) are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of three years. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair market value on the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, equipment and depreciable infrastructure assets of the primary government, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Computer equipment	5
Vehicles	5
Audio visual equipment	7
Business machines	7
Furniture	10
Machinery and tools	10
Law enforcement equipment	10
Fire department equipment	12
Construction equipment	12
Playground equipment	15
Permanent structures	40
Streets, roads and bridges	40

GASB Statement No. 34 requires that the County report infrastructure including roads, bridges, sidewalks and traffic signals, in the government-wide financial statements. Prospective reporting of general infrastructure assets is required upon implementation of GASB Statement No. 34. However, the County has applied the transition provisions for retroactive reporting of infrastructure assets, which extends the retroactive reporting requirements through the fiscal year ending June 30, 2007. No later than this date, the County must capitalize and report major general infrastructure assets that were acquired or received major renovations, restorations, or improvements in fiscal years ended after June 30, 1980 through June 30, 2002. The County has capitalized all infrastructure assets acquired or constructed during the year. The County is not reporting any infrastructure assets using the modified approach.

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. *Federal, State and Local Grants***

Proprietary fund type grants received within proprietary funds for operating assistance are recorded as nonoperating revenues in the year in which the grants are expended and the related grant conditions are met. Governmental fund grants received are recorded as revenues in the year they become both measurable and available and when all eligibility requirements have been met. The County uses a 365-day availability period. Monies received that do not meet this criteria are recorded as deferred revenue.

**7. *Due To/Due From Other Governments***

Included in "Due to/due from other governmental agencies" are amounts owed to/by governmental entities outside the reporting entity.

**8. *Deferred Revenue***

Deferred revenue represents financial resources received before qualifying expenditures are made or revenue that has not been earned. Primarily, these resources are advances from the State of California and the federal government for costs of various programs administered by the County's Health & Social Services Department.

**9. *Compensated Absences***

Vested unused vacation pay may be accumulated and, if not taken, is paid at the date of termination from County employment. All compensated pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**10. *Long-term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, the long-term debt and other long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets. In the past, the general fund has been used to liquidate other long-term liabilities.

**11. *Net Assets/Fund Balances***

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets – net of related debt, restricted and unrestricted.

COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- *Invested in capital assets, net of related debt.* This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted.* This category represents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted.* This category represents net assets of the County not restricted for any project or other purpose.

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by GAAP and by actions of the Board and/or management.

As of June 30, 2003, reservations and designations of fund balance are described below:

- *Reserved for imprest cash* - to reflect the portion of the fund balance that is not available for expenditure because the County maintains various levels of revolving funds for daily operations.
- *Reserve for inventory* - to reflect balances on inventory accounts for which resources have already been expended, but not consumed.
- *Reserved for prepaid items* - to reflect balances of prepaid items accounts for which resources have already been expended, but are not considered available spendable resources.
- *Reserve for encumbrances* - to reflect the outstanding contractual obligations for which goods and services have not been received as of June 30, 2003.
- *Reserve for advances to other funds* - to reflect amounts due from other funds that are long-term in nature and that is not available for appropriation.
- *Reserve for loans receivable* - to reflect a segregation of a portion of fund balance to indicate that assets equal to long-term loans receivable are not available for appropriation.
- *Designated for future special projects* - to reflect the portion of fund balance that is designated for future special project expenditures.

**COUNTY OF GLENN, CALIFORNIA  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**13. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 – RESTATEMENT OF FUND EQUITY/NET ASSETS**

**A. Fund Reclassification**

**Other Governmental Funds:** During the year, the County evaluated its other governmental funds and reclassified funds that were more appropriately classified under a specific governmental function. For example, the Public Safety Fund was reclassified into the General Fund for reporting purposes.

**Agency Funds:** During the year, the County evaluated its agency funds and reclassified funds that did not meet the definition of an agency fund under GASB Statement No. 34.

**B. Restatement of Equity**

Contributed capital previously reported in the Solid Waste Operating, Orland Airport and Willows Airport Enterprise Funds at June 30, 2002, have been reclassified to net assets in accordance with GASB Statement No. 34.

**C. Landfill Liability**

During the year, the County evaluated the estimate for its landfill closure/postclosure liability based on estimated total current cost that would be incurred if the County was required to close, monitor and maintain the landfill as of June 30, 2003.

The impact of the restatements on the fund balances/net assets is presented below:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Governmental Funds</u>
Fund Balance, June 30, 2002, as previously reported	\$ 2,919,895	\$ 147,176	\$ 2,975,753
Cumulative effect of change in accounting principle:			
Other governmental funds	845,203	--	(845,203)
Agency funds	<u>2,488,387</u>	<u>3,966</u>	<u>--</u>
Fund balance July 1, 2002, as restated	<u>\$ 6,253,485</u>	<u>\$ 151,142</u>	<u>\$ 2,130,550</u>



**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 2 – RESTATEMENT OF FUND EQUITY/NET ASSETS (Continued)**

	Solid Waste Operating Fund	Solid Waste Closure Fund	Orland Airport Fund	Willows Airport Fund	Internal Service Funds	Investment Trust Fund	Private Purpose Trust Fund
Retained earnings, June 30, 2002, as previously reported	\$ 493,029	\$(723,253)	\$(80,259)	\$ (19,350)	\$1,853,184	\$23,541,854	\$ --
Cumulative effect of change in accounting principle:							
Contributed capital	175	--	470,029	250,768	69,143	--	--
Agency funds	--	--	--	--	--	741,707	27,382
Landfill liability estimate	--	547,524	--	--	--	--	--
Net assets, July 1, 2002, as restated	<u>\$ 493,204</u>	<u>\$ (175,729)</u>	<u>\$ 389,770</u>	<u>\$ 231,418</u>	<u>\$1,922,327</u>	<u>\$24,283,561</u>	<u>\$ 27,382</u>

**NOTE 3 – CASH AND INVESTMENTS**

The County Treasurer manages cash and investments of the County. The County Treasurer maintains an external investment pool used for substantially all funds held by the County except for specified funds, which by law must be segregated.

The County follows the practice of pooling cash and investments of all funds.

***Deposits***

At June 30, 2003, the carrying amount of the County's cash deposits was \$3,113,972 and the bank balance was \$3,571,008. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. Of the bank balance, \$1,011,169 was insured by federal depository insurance and \$2,559,839 was uninsured yet collateralized with securities held by the pledging financial institutions at 110% of the deposits as required by the State of California Government Code. California law also allows financial institutions to secure local governments deposits by pledging first trust deed mortgage notes having a value at 150% of the local governments total deposits. All of the City's deposits are considered Category 1 for the purpose of determining custodial credit risk.

***Investments***

Under provision of the County's Investment Policy, and in accordance with Section 53601 of the California Government Code, the County is authorized to invest in negotiable certificates of deposit, the California Local Agency Investment Fund (LAIF), U.S. Treasury obligations, U.S. government agencies, bankers acceptances, commercial paper rated P-1 by Moody's Investor Services, Inc. or A-1 by Standards and Poor's Corporation, repurchase agreements, reverse repurchase agreements, guaranteed investment contracts and money market funds.

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

The County also participates in the California Asset Management Program (CAMP) pursuant to the Joint Exercise of Powers Act (California Government Code Section 6502).

The County also has a Teeter note investment representing the financing of the purchase of outstanding delinquent taxes and outstanding taxes on the supplemental roll under the Teeter Plan. The note is for a term of one year and is renewable at the option of the County.

The County's investments are categorized to give an indication of the level of custodial credit risk assumed by the County as of June 30, 2003. This categorization includes the Children and Families Commission, as component unit investments are not separately identifiable.

Investments are categorized into these three categories of custodial credit risk:

1. Insured or registered, with securities held by the government 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 its trust department or agent, but not in the County's name.

	Interest Rate Range	Maturity Range	Category 1	Fair Value
<u>Investment held by County Treasurer:</u>				
<u>Categorized:</u>				
U.S. Government agencies	4.50% - 6.75%	7/15/03-11/15/04	\$ 13,095,561	\$ 13,095,561
U.S. Treasury securities	7.25%	5/15/04	1,487,268	1,487,268
Medium term notes	5.46% - 7.30%	11/5/02-5/7/04	1,604,992	1,604,992
Total pooled categorized investments			\$ 16,187,821	16,187,821
<u>Non-categorized:</u>				
Local Agency Investment Fund				20,365,000
Teeter Plan note				1,200,000
California Asset Management Program				1,024,858
Money market mutual funds				52,100
Total investments held by County Treasurer				38,829,779
Cash in hand				4,480
Cash in bank				9,711,653
Outstanding warrants				(8,366,337)
Total cash and investments held by County Treasurer				\$ 40,179,575

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

Cash and investments of the County, including the Children & Families Commission, at June 30, 2003 were as follows:

	Cash on Hand	Deposits	Investments	Total
Held by County Treasurer	\$ 4,480	\$ 1,345,316	\$ 38,829,779	\$ 40,179,575
Held by third-party fiscal agents	--	1,768,656	--	1,768,656
<b>Total cash and investments</b>	<b>\$ 4,480</b>	<b>\$ 3,113,972</b>	<b>\$ 38,829,779</b>	<b>\$ 41,948,231</b>

Reconciliation to financial statements:

Government-wide Statement of Net Assets:		
Primary Government		\$ 11,738,329
Component Unit		1,240,362
Statement of Fiduciary Net Assets:		
Investment Trust		23,699,141
Private Purpose Trust		25,771
Agency Funds		5,244,628
<b>Total</b>		<b>\$ 41,948,231</b>

At June 30, 2003, the County's investment position in the State of California Local Agency Investment Fund (LAIF) is \$20,365,000. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the County's portion in the pool. The total amount invested by all public agencies in LAIF on June 30, 2003 is \$55,422,506,109. LAIF is managed by the State Treasurer. Included in LAIF's investment portfolio are certain derivative securities or similar products in the form of structured notes, totaling \$304,000,000, and asset backed securities totaling \$985,676,000. The Local Investment Advisory Board (LAIB) has oversight responsibility for LAIF. The LAIB consists of five members as designated by State Statute. Information is not available on whether the mutual funds in which the County has invested, used, held or wrote derivative products during the fiscal year ended June 30, 2003.

***Investment Oversight***

Treasury oversight is conducted by the County Treasury Oversight Committee, which consists of a representative of the County Board of Supervisors, the County Superintendent of Schools or his/her designee, a representative selected by a majority of the special districts who are required or authorized to deposit money into the County Treasury, a representative selected by a majority of the presiding officers of the legislative bodies of the school districts and community college districts in the County, a non-partisan member of the public at large who has expertise or an academic background in public finance, and the Director of Finance.

Certain special districts and all public school districts are required by legal provisions to deposit their funds with the County Treasurer. The Treasurer's investment pool consists almost entirely of such districts and includes 80 percent involuntary participation at June 30, 2003.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

*Condensed Investment Pool Information*

The following represents a condensed statement of net assets and statement of changes in net assets for the activity in the Treasurer's investment pool as of and for the year ended June 30, 2003:

	Internal Participants	External Participants	Total Investment Pool
<b>Statement of net assets</b>			
<b>Assets</b>			
Net pooled cash and investments	\$ 16,480,434	\$ 23,699,141	\$ 40,179,575
<b><u>Net Assets</u></b>			
Net assets held for internal pool participants and external pool participants (voluntary and involuntary)	\$ 16,480,434	\$ 23,699,141	\$ 40,179,575
<b><u>Statement of changes in net assets (Internal and External)</u></b>			
Net assets at July 1, 2002			\$ 41,739,119
Net deposits and withdrawals by pool Participants			(2,905,888)
Net investment income for pool participants			1,346,344
Net assets at June 30, 2003			40,179,575

**NOTE 4 – RECEIVABLES**

Receivables at June 30, 2003, for the County's individual major funds, other governmental funds and internal service funds are as follows:

<b>Receivables-</b>	Due From				Total
<b>Governmental Activities:</b>	Taxes	Accounts	Loans	Other Governments	
General Fund	\$ 45,000	\$ 336,592	\$ --	\$ 2,111,037	\$ 2,492,629
Community Action Agency Fund	--	185,948	1,465,372	1,283	1,652,603
Road Fund	--	--	--	395,101	395,101
Other Governmental Funds	--	--	9,500	37,239	46,739
Internal Service Funds	--	157,404	--	--	157,404
	\$ 45,000	\$ 679,944	\$ 1,474,872	\$ 2,544,660	\$ 4,744,476

Generally, loans receivable are not expected to be collected within one year.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2003 for the governmental activities and business-type activities are as follows:

	Balance July 1, 2002, as restated	Increases	Decreases	Balance June 30, 2003
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 306,585	\$ --	\$ --	\$ 306,585
Construction in progress	-	2,176,168	--	2,176,168
Total capital assets, not being depreciated	306,585	2,176,168	--	2,482,753
Capital assets, being depreciated:				
Structures and improvements	12,503,685	952,327	--	13,456,012
Equipment	10,562,098	717,327	(473,466)	10,805,959
Total capital assets, being depreciated	23,065,783	1,669,654	(473,466)	24,261,971
Less accumulated depreciation for:				
Structures and improvements	(5,979,105)	(239,975)	--	(6,219,080)
Equipment	(6,431,694)	(1,095,388)	473,466	(7,053,613)
Total accumulated depreciation	(12,410,799)	(1,335,363)	(473,466)	(13,272,693)
Total capital assets, being depreciated, net	10,654,984	334,291	--	10,989,278
Governmental activities, net	<u>\$ 10,961,569</u>	<u>\$ 2,510,459</u>	<u>\$ --</u>	<u>\$ 13,472,031</u>
	Balance July 1, 2002	Increases	Decreases	Balance June 30, 2003
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 215,485	\$ --	\$ --	\$ 215,485
Construction in progress	--	--	--	--
Total capital assets, not being depreciated	215,485	--	--	215,485
Capital assets, being depreciated:				
Structures and improvements	3,404,193	445,024	(5,876)	3,843,341
Equipment	1,748,666	12,402	(19,147)	1,741,921
Total capital assets, being depreciated	5,152,859	457,426	(25,023)	5,585,262
Less accumulated depreciation for:				
Structures and improvements	(2,322,612)	(391,157)	--	(2,713,769)
Equipment	(812,164)	(146,329)	25,023	(933,470)
Infrastructure	--	--	--	--
Total accumulated depreciation	(3,134,776)	(537,486)	25,023	(3,647,239)
Total capital assets, being depreciated, net	2,018,083	(80,060)	--	1,938,023
Business-type activities, net	<u>\$ 2,233,568</u>	<u>\$ (80,060)</u>	<u>\$ --</u>	<u>\$ 2,153,508</u>

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 5 – CAPITAL ASSETS (Continued)**

Depreciation expense was charged to the governmental and business-type activities as follows:

<b>Governmental activities:</b>	
General government	\$ 268,503
Public protection	358,721
Public ways and facilities	111,188
Health and sanitation	11,267
Public assistance	217,241
Education	4,156
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	364,287
Total depreciation expense – governmental activities	<u>\$ 1,335,363</u>
 <b>Business-type activities:</b>	
Solid Waste Operating	\$ 116,279
Hospital	360,754
Orland Airport	32,072
Willows Airport	18,629
Total depreciation expense – business-type activities	<u>\$ 527,734</u>

**NOTE 6 – LONG-TERM OBLIGATIONS**

Capital Leases:

The County has entered into lease agreements as lessee for financing the acquisition of 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:

	Governmental Activities	Business-type Activities
Structures and improvements	\$ 3,500,000	\$ --
Equipment	548,124	1,036,331
Total	4,048,124	1,036,331
Less accumulated depreciation	(1,058,123)	(247,284)
Net capital assets under capital leases	<u>\$ 2,990,001</u>	<u>\$ 789,047</u>

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 6 - LONG-TERM OBLIGATIONS (Continued)**

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

Year Ending June 30,	Governmental Activities	Business-type Activities
2004	\$ 362,371	\$ 187,050
2005	321,115	119,291
2006	280,843	119,252
2007	266,435	-
2008	266,242	-
2009-2013	450,744	-
2014-2018	229,947	-
2019	22,995	-
Total minimum lease payments	2,200,692	425,593
Less amount representing Interest	(325,367)	(43,766)
Present value of minimum lease Payments	<u>\$ 1,875,325</u>	<u>\$ 381,827</u>

**Loans Payable:**

The County has entered into loans payable agreements as borrower for financing arrangements. These agreements qualify as loans payable for accounting purposes and therefore, have been recorded at their full amount as of the inception date of the loan.

The annual debt service requirement to maturity for loans payable are as follows:

Year Ending June 30,	Business-type activities	
	Principal	Interest
2004	\$ 11,439	\$ 10,132
2005	12,405	9,594
2006	13,371	9,010
2007	14,337	8,381
2008	15,302	7,706
2009-2013	91,001	26,796
2014-2016	56,871	5,039
	<u>\$ 214,726</u>	<u>\$ 76,658</u>

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 6 - LONG-TERM OBLIGATIONS (Continued)**

The composition of the long-term obligations for the governmental and business-type activities as of June 30, 2003 was as follows:

<u>Type and description</u>	<u>Maturity</u>	<u>Interest rates</u>	<u>Original issue</u>	<u>Outstanding</u>
Capital Leases:				
Caterpillar Financial Services	January, 2004	6.4%	\$ 101,888	\$ 16,476
Caterpillar Financial Services	September, 2004	6.0%	58,673	12,756
Caterpillar Financial Services	September, 2004	5.9%	109,481	23,802
Caterpillar Financial Services	September, 2004	5.0%	200,082	72,513
Caterpillar Financial Services	May, 2007	4.47%	78,000	39,778
Western Municipal Securities Corporation	October, 2008	3.50%	1,195,000	1,195,000
Western Municipal Securities Corporation	July, 2018	4.0%	515,000	515,000
Total capital leases				1,875,325
Compensated absences				1,722,753
Total governmental activities				\$ 3,598,078
<u>Type and description</u>	<u>Maturity</u>	<u>Interest rates</u>	<u>Original issue</u>	<u>Outstanding</u>
Solid Waste Operating				
Capital Leases:				
Caterpillar Financial Services	January, 2005	5.90%	\$ 447,371	\$ 63,986
Caterpillar Financial Services	September, 2006	6.48%	199,246	102,932
Caterpillar Financial Services	July, 2006	6.05%	417,968	214,909
Total capital leases				381,827
Compensated absences				5,025
Total solid waste operating				386,852
Solid Waste Closure				
Landfill closure/postclosure liability				1,745,498
Orland Airport				
Loan Payable:				
State of California, Department of Transportation	January, 2016	5.132%	120,000	110,133



**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 6 – LONG-TERM OBLIGATIONS (Continued)**

Willows Airport

Loan Payable:

State of California, Department of  
Transportation

January 1, 2016

4.283%

125,000

104,593

Total business-type activities

\$ 2,347,076

**Current Refunding:**

The County entered into a capital lease to provide resources to payoff the remaining outstanding 1988 certificates of participation of \$1,345,000. This repayment was undertaken to reduce the total debt service payments over the next five years by \$221,000 and resulted in an economic gain of \$80,197.

**Arbitrage:**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. The County does not have any outstanding bonds subject to arbitrage.

A summary of changes in long-term obligations for governmental and business-type activities is as follows:

	Balance July 1, 2002	Additions	Deletions	Balance June 30, 2003	Due Within One Year
<b>Governmental activities:</b>					
Compensated absences	\$ 1,631,442	\$ 1,141,182	\$ (1,049,871)	\$ 1,722,753	\$ 122,061
Capital lease obligations	345,871	1,710,000	(180,546)	1,875,325	296,613
Certificates of participation	1,525,000	--	(1,525,000)	--	--
Total governmental activities long-term obligations	<u>\$ 3,502,313</u>	<u>\$ 2,851,182</u>	<u>\$ (2,755,417)</u>	<u>\$ 3,598,078</u>	<u>\$ 418,674</u>
	Balance July 1, 2002, restated	Additions	Retirements	Balance June 30, 2003	Due Within One Year
<b>Business-type activities:</b>					
Loans payable	\$ 225,200	\$ -	\$ (10,474)	\$ 214,726	\$ 11,439
Capital lease obligations	472,652	-	(90,825)	381,827	163,671
Landfill postclosure liability	1,638,472	107,026	-	1,745,498	-
Compensated absences	6,547	31,868	(33,390)	5,025	-
Total business-type activities long-term obligations	<u>\$ 2,342,871</u>	<u>\$ 138,894</u>	<u>\$ (134,689)</u>	<u>\$ 2,347,076</u>	<u>\$ 175,110</u>

COUNTY OF GLENN, CALIFORNIA  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED JUNE 30, 2003

NOTE 7 – INTERFUND TRANSACTIONS

A. Interfund Receivables/Payables

Interfund receivables and payables result from 1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system or 3) payments between funds are made. The following schedule briefly summarizes the amounts due to/from other funds at June 30, 2003:

**Due to/from other funds:**

Receivable Fund	Payable Fund	Amount
General Fund	Community Action Agency Fund	\$ 4,586
	Road Fund	3,812
	Other Governmental Funds	72,564
	Solid Waste Operating Fund	3,386
	Orland Airport Fund	746
	Willows Airport Fund	401
	Internal Service Funds	5,206
	Agency Funds	88,778
		<u>179,479</u>
Community Action Agency Fund	Internal Service Funds	<u>165</u>
Road Fund	Other Governmental Funds	5,292
	Solid Waste Operating Fund	3,272
	Orland Airport Fund	2,722
	Willows Airport Fund	3
	Internal Service Funds	35,191
		<u>46,480</u>
Other Governmental Funds	General Fund	497
	Other Governmental Funds	90,647
	Hospital Fund	3,555
	Internal Service Funds	55,703
	Agency Funds	18,843
		<u>169,245</u>
Solid Waste Operating Fund	General Fund	10
	Community Action Agency Fund	49
	Road Fund	24
		<u>83</u>

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 7 – INTERFUND TRANSACTIONS (Continued)**

Orland Airport Fund	Willows Airport Fund	332
Internal Service Funds	General Fund	64,501
	Community Action Agency Fund	2,253
	Road Fund	111,333
	Other Governmental Funds	5,761
	Solid Waste Operating Fund	31,275
	Orland Airport Fund	39,046
	Willows Airport Fund	28,347
	Internal Service Funds	6,000
		288,516
		\$ 684,300

**General Fund**

Various nonmajor Special Revenue Funds owed \$72,564 and Agency Funds owed \$88,777, to the General Fund for short-term cash flow needs.

**Other Governmental Funds**

The Accumulated Outlay Fund owed \$90,647 to the Building Fund for vendor payments not reimbursed at year-end. The Underground Storage Tanks Internal Service Fund owed \$55,703 to the Special Districts Under the Board Fund (Air Pollution Control District) for vendor payments not reimbursed at year-end.

**Internal Service Funds**

Various funds and departments owed the Internal Service Funds as follows:

Health and Social Services owed \$64,501 to the Internal Service Funds for expenditures incurred but not paid in cash at year-end. The Road Fund owed \$111,333 to the Internal Service Funds for vehicle rental, labor, and public works overhead.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 7 - INTERFUND TRANSACTIONS (Continued)**

**Advances to/from other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Community Action Agency Fund	\$ 77,544
	Other Government Funds	356,500
	Orland Airport Fund	10,000
	Willows Airport Fund	29,797
	Agency Funds	84,501
		<u>558,342</u>
Solid Waste Closure Fund	Road Fund	300,000
	Willows Airport Fund	49,703
		<u>349,703</u>
		<u>\$ 908,045</u>

**B. Transfers**

Transfers are indicative of funding for capital projects, re-allocations of special revenues and subsidies of various County operations. The following schedule briefly summarizes the County's transfer activity for the fiscal year ended June 30, 2003:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 146,661
	Willows Airport Fund	43,360
		<u>190,021</u>
Other Governmental Funds	General Fund	165,036
	Other Governmental Funds	224,472
		<u>389,508</u>
Solid Waste Closure Fund	Solid Waste Operating Fund	<u>80,000</u>
		<u>\$ 659,529</u>

**General Fund**

The General Fund made a net contribution of \$24,985 to other funds to offset operating cost of the programs. Of the amount transferred out, Willows Airport received \$43,360 representing the County's match for a federally funded runway project. In addition, the Debt Service Fund received \$70,677 for the final principal and interest payment associated with the Sheriff's computer system capital lease.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 7 – INTERFUND TRANSACTIONS (Continued)**

Of the amounts transferred in, Health Services received \$71,813 from the Proposition 36 funds, \$47,959 from a Bio-Terrorism grant, and \$28,320 from a California Waste Management grant.

**Other Governmental Funds**

The Accumulated Capital Outlay Capital Projects Fund transferred \$125,047 to the Debt Service Fund for debt principal payment related to the jail facility and \$99,245 to the Building Fund primarily for the juvenile detention facility.

**NOTE 8 – PAYABLES**

Payables at year-end of the County’s major individual funds, nonmajor and internal service funds, in the aggregate, are as follows:

<b>Payables- Governmental Activities:</b>	Accounts Payable	Accrued Salaries and Benefits	Due to Other Governments	Other Liabilities	Total
General Fund	\$ 623,603	\$ 342,678	\$ 1,192,811	\$ 75,073	\$ 2,234,165
Community Action Agency Fund	114,207	67,049	33,284	--	214,540
Road Fund	28,041	26,457	268,596	--	323,094
Other Governmental Funds	222,812	9,413	-	11,774	243,999
Internal Service Funds	109,315	99,709	-	--	209,024
<b>Total payables</b>	<b>\$1,097,978</b>	<b>\$ 545,306</b>	<b>\$ 1,494,691</b>	<b>\$ 86,847</b>	<b>\$ 3,224,822</b>

<b>Payables- Business-type Activities:</b>	Accounts Payable	Accrued Salaries and benefits	Deposits	Total
Solid Waste Operating Fund	\$ 35,302	\$ 4,878	\$ 1,000	\$ 41,180
Orland Airport Fund	8,782	--	--	8,782
Willows Airport Fund	13,191	--	--	13,191
<b>Total payables</b>	<b>\$ 57,275</b>	<b>\$ 4,878</b>	<b>\$ 1,000</b>	<b>\$ 63,153</b>

**COUNTY OF GLENN, CALIFORNIA  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 9 – COUNTY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT  
PENSION PLAN)**

*Plan Description*

The County of Glenn contributes to the California Public Employees Retirement System (PEPS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by contract with CalPERS in accordance with the provisions of the Public Employees Retirement Law and county ordinance. Copies of PERS' annual financial report may be obtained from their executive office - 400 P Street, Sacramento, CA 95814.

*Funding Policy*

Participants are required to contribute 7% for the Miscellaneous Plan and 9% for Safety Plan of their annual covered salary. The County makes the contributions required of County employees on their behalf and for their account. The County is required to contribute an actuarially determined rate; the current rate is 0% for non-safety employees and 3.4597% for safety employees of annual covered payroll. The contribution requirements of plan members and the County are established and may be amended by PERS.

*Annual Pension Cost*

For 2002-2003, the County's annual pension cost of \$55,066 (exclusive of the employees share) for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2000 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 8.25% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, (c) 2% per year cost-of-living adjustments and (d) the Postretirement Mortality Table. Both (a) and (b) included an inflation component of 3.5%. The actuarial value of PERS assets was determined using the techniques that smooth the effects of short-term volatility in the market value of investment over a five year period (smoothed market value). The PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over a closed twenty year amortization period.

**COUNTY OF GLENN, CALIFORNIA  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 9 - COUNTY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)**

**Three-Year Trend Information**

Combined Total for Safety and Miscellaneous Plan Members

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net pension obligation</u>
6/30/01	\$ 43,185	100%	\$ -
6/30/02	98,572	100%	-
6/30/03	55,066	100%	-

**NOTE 10: POST-RETIREMENT BENEFITS**

In addition to the pension benefits described above, the County provides post-retirement healthcare benefits for retirees who are eligible for retirement per California Public Employee Retirement System guidelines. The retiree pays a percentage of the healthcare benefits. The benefits paid by the County are funded on a pay-as-you-go basis. At year-end, 82 retirees were covered and the cost for the year ended June 30, 2003 was \$117,879.

**NOTE 11: DEFICIT FUND EQUITY**

As of June 30, 2003 the following individual funds had deficit fund balances:

<u>Fund</u>	<u>Deficit</u>
Nonmajor Special Revenue Funds:	
Surface/Ground Water & Weed Grants	\$ 9,447
Bio Terrorism Grant	516
Per Capita Park Grant	18,164

The deficit fund balances within the special revenue funds are expected to be resolved through adjustment transfers, increases in future year revenues and decreases in expenditures.

**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 12 – CONTINGENCIES**

*Grants and subventions*

The County participates in a number of grant programs funded, in whole or part, by federal, state and other sources. These programs are subject to audits by representatives of those agencies to determine if the monies were expended in accordance with appropriate statutes, grant terms and regulations. Such audits could lead to a request for reimbursement to grantor agencies. The County believes that no significant liabilities will be incurred as a result of those audits.

*Litigation*

The County from time to time is a party to various claims, legal actions, and complaints arising in the ordinary course of business. In the opinion of the County's administration the various claims, legal actions and complaints not covered by insurance resulting from such litigation would not materially affect the financial position of the County.

**NOTE 13 – RISK MANAGEMENT**

*Golden State Risk Management Authority Liability and Worker's Compensation Plans*

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County has entered into a Joint Powers Authority (JPA). The County and the County's special districts formed the Golden State Risk Management Authority (Authority) for the purpose of creating a common pool of funds to be used to meet obligations of the parties to provide coverage for worker's compensation and general liability exposures and to pay for the administration of the program. The Joint Powers Agreement established for its members the Golden State Risk Management Authority Liability and Workers' Compensation Plans.

As defined by GASB Statement No. 10, the Authority is a "risk-sharing pool." The Authority manages one pool for all members. The arrangement allows its members to transfer or pool risks and share in the cost of losses. The County currently reports all of its risk management activities in its General Fund. Premiums due to the Plan are reported when incurred. Each member of the Plan pays an annual premium to the insurance system which is evaluated each year.

The agreement for the formation of the Plan provides that the system will be self-sustaining through member premiums and will reinsure through a commercial company for claims in excess of self-insured retention amounts. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years and there have been no reductions in insurance coverage from the prior year.



**COUNTY OF GLENN, CALIFORNIA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 14 - CLOSURE AND POSTCLOSURE CARE COST**

The County has one landfill site. State and federal laws and regulations require the County to perform certain closure and postclosure maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs as an expense in each year based on landfill capacity used as of each balance sheet date. The estimated liability for landfill closure and postclosure care costs has a balance of \$1,745,498 as of June 30, 2003, which is based on 39.31% usage (filled) of the landfill. As a result of the change in landfill capacity, a net adjustment of \$107,026 was recorded against operating expenses. It is estimated that an additional \$2,694,431 will be recognized as closure and postclosure care costs between the date of the balance sheet and date the landfill is expected to be filled to capacity. At the rate of current use, the landfill has an estimated remaining life of 21 years.

The estimated total current cost of the landfill closure and postclosure care of \$4,439,929 is based on an amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill occurred as of June 30, 2003. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County is required by federal and state laws to adequately fund landfill closure costs. The County has obtained commercial insurance to adequately fund closure of the landfill. The County has also obtained insurance against the possibility that landfill contaminants could be released into the water supply. Management believes the County is in substantial compliance with federal and state requirements. At June 30, 2003, cash and investments of \$1,240,243 were held for these purposes. The County expects that future inflation costs will be paid from investment earnings on these annual contributions. However, if investment earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges for future landfill users or from future tax revenue.

**COUNTY OF GLENN, CALIFORNIA**  
**SCHEDULE OF FUNDING PROGRESS -- HISTORICAL PENSION DATA**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2003**  
**UNAUDITED**

Actuarial Valuation Date	Entry Age Normal Accrual Liability (a)	Actuarial Value of Assets (b)	Unfunded/ (Overfunded) Liability (a)-(b)	Funded Ratio (b)/(a)	Annual Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a% of Covered Payroll [(a)-(b)]/(c)
6/30/00						
Miscellaneous	\$ 42,923,130	\$55,218,258	\$ (12,295,128)	128.4%	\$13,170,346	(93.3)%
Safety	8,428,744	9,919,820	(1,491,076)	117.6%	1,275,023	(116.9)%
Total	<u>\$ 51,351,874</u>	<u>\$65,138,078</u>	<u>\$ (13,786,202)</u>	<u>126.8%</u>	<u>\$14,445,369</u>	<u>(95.4)%</u>
6/30/01						
Miscellaneous	\$ 47,646,677	\$56,593,831	\$ (8,947,154)	118.6%	\$ 14,369,014	(62.2)%
Safety	9,514,563	10,126,411	(611,848)	106.4%	1,427,309	(42.9)%
Total	<u>\$ 57,161,240</u>	<u>\$66,720,242</u>	<u>\$ (9,559,002)</u>	<u>116.7%</u>	<u>\$ 15,796,323</u>	<u>(60.5)%</u>
6/30/02						
Miscellaneous	\$ 56,669,161	\$53,036,104	\$ 3,633,057	93.4%	\$ 16,696,965	21.7%
Safety	11,777,671	9,492,974	2,284,697	80.6%	1,566,120	145.9%
Total	<u>\$ 68,446,832</u>	<u>\$62,529,078</u>	<u>\$ 5,917,754</u>	<u>91.3%</u>	<u>\$ 18,263,085</u>	<u>32.4%</u>



## **Required Supplementary Information**

COUNTY OF GLENN, CALIFORNIA

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2003

	Adopted Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,417,000	\$ 4,417,000	\$ 4,373,598	\$ (43,402)
Licenses and permits	779,043	846,354	914,737	68,383
Fines, forfeitures and penalties	946,200	946,200	1,171,642	225,442
Intergovernmental	29,343,245	30,808,620	28,562,484	(2,246,136)
Use of money and property	493,950	496,022	431,621	(64,401)
Charges for services	4,133,905	4,237,641	4,298,662	61,021
Miscellaneous	1,213,910	1,296,356	1,128,618	(167,738)
Total revenues	<u>41,327,253</u>	<u>43,048,193</u>	<u>40,881,362</u>	<u>(2,166,831)</u>
<b>Expenditures:</b>				
General government:				
Board of Supervisors	685,292	681,782	631,054	50,728
Finance	1,196,461	1,124,925	1,070,465	54,460
Assessor	956,124	979,728	979,695	33
County Counsel	281,768	385,256	381,973	3,283
Personnel	271,683	270,329	257,409	12,920
Elections	155,665	161,345	150,782	10,563
Buildings and Grounds	1,148,627	1,259,827	1,214,078	45,749
Employee Benefits	498,902	70,366	53,793	16,573
Other	140,296	552,192	551,836	356
Total general government	<u>5,334,818</u>	<u>5,485,750</u>	<u>5,291,085</u>	<u>194,665</u>
Public protection:				
Courts	462,460	483,460	472,770	10,690
Grand Jury	19,473	20,473	20,382	91
Public Defender	349,171	349,171	339,886	9,285
Agricultural Commissioner	1,237,347	1,243,086	1,234,270	8,816
Building Inspector	261,346	271,346	250,691	20,655
Recorder	305,682	301,531	301,192	339
Sheriff	6,810,608	6,717,128	6,499,586	217,542
Public Guardian/Administrator	134,104	133,669	133,629	40
Emergency Services	38,134	38,365	38,247	118
Planning	422,475	446,286	435,798	10,488
Animal Control	314,352	311,188	307,566	3,622
District Attorney	809,830	756,278	697,622	58,656
Probation	1,735,354	2,087,220	1,862,665	224,555
Juvenile Hall	661,001	640,504	640,200	304
Child Support	914,697	914,697	754,167	160,530
Total public protection	<u>14,476,034</u>	<u>14,714,402</u>	<u>13,988,671</u>	<u>725,731</u>
Health and sanitation:				
Health Services	8,508,103	9,190,056	7,977,159	1,212,897
Total health and sanitation	<u>8,508,103</u>	<u>9,190,056</u>	<u>7,977,159</u>	<u>1,212,897</u>

COUNTY OF GLENN, CALIFORNIA

General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003

	Adopted Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public assistance:				
Social Services	14,543,124	14,599,247	12,566,441	2,032,806
Total public assistance	<u>14,543,124</u>	<u>14,599,247</u>	<u>12,566,441</u>	<u>2,032,806</u>
Education:				
Cooperative Extension	277,148	270,179	257,229	12,950
County Library	223,286	223,286	223,286	-
Total education	<u>500,434</u>	<u>493,465</u>	<u>480,515</u>	<u>12,950</u>
Capital outlay	<u>267,800</u>	<u>493,851</u>	<u>254,468</u>	<u>239,383</u>
Debt service:				
Interest	<u>126,000</u>	<u>126,000</u>	<u>125,949</u>	<u>51</u>
Total expenditures	<u>43,756,313</u>	<u>45,102,771</u>	<u>40,684,288</u>	<u>4,418,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,429,060)</u>	<u>(2,054,578)</u>	<u>197,074</u>	<u>2,251,652</u>
Other financing sources (uses):				
Transfers in	983,793	615,817	165,036	(450,781)
Transfers out	(818,892)	(426,183)	(190,021)	236,162
Total other financing sources (uses)	<u>\$ 164,901</u>	<u>\$ 189,634</u>	<u>(24,985)</u>	<u>\$ (214,619)</u>
Net change in fund balance			172,089	
Fund balance - beginning, as restated			<u>6,253,485</u>	
Fund balance - ending			<u>\$ 6,425,574</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Community Action Agency Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2003**

	Adopted Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,845,336	\$ 6,956,685	\$ 6,257,370	\$ (699,315)
Use of money and property	21,000	27,288	13,900	(13,388)
Miscellaneous	1,000	1,000	200,211	199,211
Total revenues	<u>3,867,336</u>	<u>6,984,973</u>	<u>6,471,481</u>	<u>(513,492)</u>
<b>Expenditures:</b>				
Public assistance	<u>3,861,586</u>	<u>6,981,723</u>	<u>6,238,546</u>	<u>743,177</u>
Excess of revenues over expenditures	<u>\$ 5,750</u>	<u>\$ 3,250</u>	232,935	<u>\$ 229,685</u>
Fund balance - beginning			<u>1,563,706</u>	
Fund balance - ending			<u>\$ 1,796,641</u>	

COUNTY OF GLENN, CALIFORNIA

Road Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003

	Adopted Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 53,000	\$ 53,000	\$ -	\$ (53,000)
Licenses and permits	21,000	21,000	21,383	383
Intergovernmental	6,586,518	6,610,134	4,707,432	(1,902,702)
Use of money and property	20,300	20,300	9,432	(10,868)
Charges for services	171,350	171,350	264,555	93,205
Miscellaneous	29,444	29,444	36,149	6,705
Total revenues	<u>6,881,612</u>	<u>6,905,228</u>	<u>5,038,951</u>	<u>(1,866,277)</u>
<b>Expenditures:</b>				
Public ways and facilities	2,738,052	2,761,668	2,651,763	109,905
Capital outlay	4,013,300	4,013,300	2,193,221	1,820,079
Debt service:				
Principal	118,145	118,145	118,145	-
Interest	12,115	12,115	12,115	-
Total expenditures	<u>6,881,612</u>	<u>6,905,228</u>	<u>4,975,244</u>	<u>1,929,984</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	63,707	<u>\$ 63,707</u>
Fund balance - beginning, as restated			<u>151,142</u>	
Fund balance - ending			<u>\$ 214,849</u>	

**COUNTY OF GLENN, CALIFORNIA  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2003**

**NOTE 1 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

By State law, the County Board of Supervisors must approve a tentative budget no later than June 30 of each year and adopts a final budget no later than August 30. A public hearing must be conducted to receive comments prior to adoption. The Board of Supervisors revises these budgets during the year to give consideration to unanticipated revenues and expenditures. It is this final revised budget that is presented in the financial statements. A balanced operating budget is adopted each fiscal year for the General, Special Revenue and Capital Projects Funds. However, the Capital Projects Funds adopt budgets on a project-length basis. Budgets are adopted on a basis in conformity with accounting principles generally accepted in the United States of America.

The legal level of budgetary control is exercised at the budget unit (departmental) level. All amendments or transfers of appropriations within or between objects within the same budget unit are approved by the Board. Amendments and transfers of appropriations between budget units or that involve the addition or deletion of a project or piece of equipment must be approved by the Board. During the year ended June 30, 2003, there was no excess of expenditures over appropriations.

Encumbrance accounting is employed as an extension of the budgetary process. Encumbrances (purchase orders, contracts and other commitments) outstanding at year-end are reported as reservations of fund balance. Encumbrances carry-over at year-end and are appropriated in the following years budget.





## **Combining and Individual Fund Statements and Schedules**

COUNTY OF GLENN, CALIFORNIA

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2003

Assets	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Cash and investments	\$ 2,078,894	\$ 726,354	\$ -	\$ 2,805,248
Imprest cash	25	-	-	25
Due from other funds	56,463	112,782	-	169,245
Due from other governments	37,239	-	-	37,239
Prepaid items	301	-	-	301
Other assets	2,000	-	-	2,000
Loans receivable	-	9,500	-	9,500
<b>Total assets</b>	<b>\$ 2,174,922</b>	<b>\$ 848,636</b>	<b>\$ -</b>	<b>\$ 3,023,558</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 77,933	\$ 144,879	\$ -	\$ 222,812
Accrued salaries and benefits	9,413	-	-	9,413
Due to other funds	83,611	90,653	-	174,264
Other liabilities	11,774	-	-	11,774
Deferred revenue	372,389	-	-	372,389
Advances from other funds	356,500	-	-	356,500
<b>Total liabilities</b>	<b>911,620</b>	<b>235,532</b>	<b>-</b>	<b>1,147,152</b>
<b>Fund balances:</b>				
<b>Reserved:</b>				
Imprest cash	25	-	-	25
Prepaid items	301	-	-	301
Loans receivable	-	9,500	-	9,500
<b>Unreserved:</b>				
Designated for special projects	827,589	126,950	-	954,539
Undesignated	435,387	476,654	-	912,041
<b>Total fund balances</b>	<b>1,263,302</b>	<b>613,104</b>	<b>-</b>	<b>1,876,406</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,174,922</b>	<b>\$ 848,636</b>	<b>\$ -</b>	<b>\$ 3,023,558</b>

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2003

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 188,054	\$ -	\$ -	\$ 188,054
Licenses and permits	190,355	-	-	190,355
Fines, forfeitures and penalties	18,393	-	-	18,393
Intergovernmental	1,365,451	118,540	-	1,483,991
Use of money and property	75,007	19,056	13,091	107,154
Charges for services	409,507	-	-	409,507
Miscellaneous	33,589	22,416	89,484	145,489
Total revenues	<u>2,280,356</u>	<u>160,012</u>	<u>102,575</u>	<u>2,542,943</u>
<b>Expenditures:</b>				
Current:				
General government	86,984	-	42,099	129,083
Public protection	1,315,664	-	-	1,315,664
Public ways and facilities	197,372	-	-	197,372
Health and sanitation	28,670	-	-	28,670
Public assistance	59,974	-	-	59,974
Education	155,000	-	-	155,000
Capital outlay	153,915	776,728	-	930,643
Debt service:				
Principal	-	-	1,587,401	1,587,401
Interest	2,106	-	82,799	84,905
Total expenditures	<u>1,999,685</u>	<u>776,728</u>	<u>1,712,299</u>	<u>4,488,712</u>
Excess (deficiency) of revenues over (under) expenditures	<u>280,671</u>	<u>(616,716)</u>	<u>(1,609,724)</u>	<u>(1,945,769)</u>
<b>Other financing sources (uses):</b>				
Transfers in	32,685	142,724	195,724	371,133
Transfers out	(165,036)	(224,472)	-	(389,508)
Capital lease financing	-	515,000	1,195,000	1,710,000
Total other financing sources (uses)	<u>(132,351)</u>	<u>433,252</u>	<u>1,390,724</u>	<u>1,691,625</u>
Net change in fund balance:	148,320	(183,464)	(219,000)	(254,144)
Fund balances - beginning, as restated	<u>1,114,982</u>	<u>796,568</u>	<u>219,000</u>	<u>2,130,550</u>
Fund balances - ending	<u>\$ 1,263,302</u>	<u>\$ 613,104</u>	<u>\$ -</u>	<u>\$ 1,876,406</u>

# NONMAJOR SPECIAL REVENUE FUNDS

Advertising – This fund is used to account for revenues earmarked for the marketing of Glenn County during the annual California State Fair.

Fish & Game – This fund is used to account for revenues and expenditures related to the protection, conservation, propagation and preservation of fish and wildlife in the county.

Property Admin Grant – This fund is used to account for revenues earmarked for the upgrade and maintenance of property tax systems.

Cal Works Incentive – This fund is used to account for federal revenues that are given to each state based on a reduction in a state's cash aid caseload. The funds are passed through to the counties to accomplish the goals of the TANF (Temporary Assistance for Needy Families) program.

Cal Boat Launching – This fund is used to account for revenue collected to maintain boat launching facilities in the county.

Prop 36 – This fund is used to account for revenues and expenditures earmarked for adults who are first time offenders of the drug statutes after July 1, 2002. These individuals are charged in the criminal justice system, assessed for community risk by the Probation Department, and if found eligible and they accept, receive treatment services for their drug addiction.

Recorders Modernization – This fund is used to account for revenues earmarked to support, maintain, insure and provide for the full operation and modernize, creation, retention and retrieval of information in the county's system of recorded documents in the County Recorder's office.

Memorial Hall – This fund is used to account for the collection of all rent and cleaning deposits from use of the Memorial Hall.

Cal Waste Management Grant – This fund is used to account for revenues earmarked to inspect the county's landfill, attend training in solid waste enforcement, and to meet the statutory and regulatory time requirements for processing solid waste facility permits, permit reviews and closure/post-closure documents.

Property Characteristics – This fund is used to account for revenues earmarked to support, maintain, insure and provide for the full operation and modernize, creation, retention and retrieval of information in the county's system of recorded documents in the County Assessor's office.

Vital & Health Statistics – This fund is used to account for fees collected for the recording of birth, death and other vital and health certificates as required by law.

Micrographics Conversion – This fund is used to account for collection of fees to augment and improve record keeping systems in the county.

Surface/Groundwater & Weed Grants – This fund is used to account for revenues earmarked for surface groundwater and weed maintenance, monitoring and reporting.

Title III Forest Reserve – This fund is used to account for revenues earmarked for projects that support National Forests such as; projects related to search and rescue and other emergency services, community service work camps, easement purchases, forest related educational opportunities, fire prevention and county planning or community forestry.

Bio Terrorism Grant – This fund is used to account for revenues and expenditures earmarked for assembling an overall plan of action to deal with a potential or real bioterrorism threat from biological, chemical or radiological weapons of mass destruction.

IHSS Public Authority – This fund is used to account for revenues earmarked for countywide oversight of the In Home Support Services program.

Per Capita Park Grant – This fund is used to account for revenues earmarked for the acquisition, development, improvement, rehabilitation, restoration, enhancement, and interpretation of local parks and recreational lands and facilities including renovation of recreational facilities conveyed to local agencies resulting from the downsizing or decommissioning of federal military installations.

Superintendent of Schools – This fund is used to account for tax revenues levied and collected for the County's support of its superintendent of schools.

#### Special Districts Under the Board:

- Artois Fire – This fund is used to account for the revenues and expenditures related to fire suppression and rescue related activities within the Artois Fire Protection District.
- Bayliss Fire – This fund is used to account for the revenues and expenditures related to fire suppression and rescue related activities within the Bayliss Fire Protection District.
- Hamilton Fire – This fund is used to account for the revenues and expenditures related to fire suppression and rescue related activities within the Hamilton Fire Protection District.
- Willows Fire – This fund is used to account for the revenues and expenditures related to fire suppression and rescue related activities within the Willows Fire Protection District.
- Storm Drainage Maintenance #1 – This fund is used to account for revenues and expenditures related to the maintenance of drainage channels, ditches and culverts within the District's boundaries.
- Storm Drainage Maintenance #3 – This fund is used to account for revenues and expenditures related to the maintenance of drainage channels, ditches and culverts in an area located west of the Willows Airport near Roads 53 and F.
- North Willows CSA – This fund is used to account for revenues and expenditures related to storm drainage control in the northern part of Willows.
- Olive Fruit Fly District – This fund is used to account for revenues and expenditures related to the monitoring and abatement of the Olive Fruit Fly within the District.
- Air Pollution Control District – This fund is used to account for revenues and expenditures related to air quality monitoring and reporting within the Glenn County Air Pollution District.

COUNTY OF GLENN, CALIFORNIA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2003

	Advertising	Fish and Game	Property Admin Grant	CalWorks Incentive	Cal Boat Launching	Prop 35	Recorders Modernization
<b>Assets</b>							
Cash and investments	\$ 93	\$ 17,266	\$ 27,071	\$ 144,861	\$ 11,442	\$ 232,381	\$ 66,118
Imprest cash	-	-	-	-	-	-	-
Due from other funds	-	263	-	-	241	233	-
Due from other governments	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 93</b>	<b>\$ 17,529</b>	<b>\$ 27,071</b>	<b>\$ 144,861</b>	<b>\$ 11,683</b>	<b>\$ 232,614</b>	<b>\$ 66,118</b>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities:</b>							
Accounts payable	\$ -	\$ 7	\$ 1,953	\$ -	\$ -	\$ 386	\$ 9,069
Accrued salaries and benefits	-	226	-	-	-	2,207	-
Due to other funds	-	-	-	-	-	17,075	-
Other liabilities	-	-	-	-	-	-	-
Deferred revenue	-	-	-	136,673	-	164,553	-
Advances from other funds	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>233</b>	<b>1,953</b>	<b>136,673</b>	<b>-</b>	<b>184,221</b>	<b>9,069</b>
<b>Fund balance (deficit):</b>							
<b>Reserved for:</b>							
Imprest cash	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
<b>Unreserved:</b>							
Designated for special projects	-	-	-	-	-	-	-
Undesignated	93	17,296	25,118	8,188	11,683	48,393	57,049
<b>Total fund balances (deficit)</b>	<b>93</b>	<b>17,296</b>	<b>25,118</b>	<b>8,188</b>	<b>11,683</b>	<b>48,393</b>	<b>57,049</b>
<b>Total liabilities and fund balances</b>	<b>\$ 93</b>	<b>\$ 17,529</b>	<b>\$ 27,071</b>	<b>\$ 144,861</b>	<b>\$ 11,683</b>	<b>\$ 232,614</b>	<b>\$ 66,118</b>

COUNTY OF GLENN, CALIFORNIA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2003

Memorial Hall	Ca Waste Mgmt Grant	Property Characteristics	Vital & Health Stats	Micrographics Conversion	Surface/Ground Water & Weed Grants	Title III Forest Reserve	
							<b>Assets</b>
\$ 25,403	\$ 9,633	\$ 10,870	\$ 7,002	\$ 15,258	\$ 365,129	\$ 52,932	Cash and investments
-	-	-	-	-	-	-	Imprest cash
-	-	-	-	-	23	-	Due from other funds
-	-	-	-	-	-	-	Due from other governments
-	-	-	-	-	-	-	Prepaid items
-	-	-	-	-	-	-	Other assets
<u>\$ 25,403</u>	<u>\$ 9,633</u>	<u>\$ 10,870</u>	<u>\$ 7,002</u>	<u>\$ 15,258</u>	<u>\$ 365,152</u>	<u>\$ 52,932</u>	Total assets
							<b>Liabilities and Fund Balances</b>
							<b>Liabilities:</b>
\$ 100	\$ -	\$ 250	\$ -	\$ -	\$ 2,489	\$ -	Accounts payable
-	-	-	-	-	-	-	Accrued salaries and benefits
-	9,388	-	-	-	17,110	-	Due to other funds
11,774	-	-	-	-	-	-	Other liabilities
-	-	-	-	-	-	-	Deferred revenue
-	-	-	-	-	355,000	-	Advances from other funds
<u>11,874</u>	<u>9,388</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>374,599</u>	<u>-</u>	Total liabilities
							<b>Fund balance (deficit):</b>
							<b>Reserved for:</b>
-	-	-	-	-	-	-	Imprest cash
-	-	-	-	-	-	-	Prepaid items
							<b>Unreserved:</b>
-	-	5,000	-	-	-	-	Designated for special projects
13,529	245	5,620	7,002	15,258	(9,447)	52,932	Undesignated
<u>13,529</u>	<u>245</u>	<u>10,620</u>	<u>7,002</u>	<u>15,258</u>	<u>(9,447)</u>	<u>52,932</u>	Total fund balances (deficit)
<u>\$ 25,403</u>	<u>\$ 9,633</u>	<u>\$ 10,870</u>	<u>\$ 7,002</u>	<u>\$ 15,258</u>	<u>\$ 365,152</u>	<u>\$ 52,932</u>	Total liabilities and fund balances

COUNTY OF GLENN, CALIFORNIA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2003

	Bio Terrorism Grant	IHSS Public Authority	Per Capita Park Grant	Superintendent of Schools	Special Districts Under the Board	Total Nonmajor Special Revenue Funds
<b>Assets</b>						
Cash and investments	\$ 45,157	\$ 217	\$ 29,891	\$ 7,804	\$ 1,010,366	\$ 2,078,894
Imprest cash	-	-	-	-	25	25
Due from other funds	-	-	-	-	55,703	56,463
Due from other governments	-	37,239	-	-	-	37,239
Prepaid items	-	-	-	-	301	301
Other assets	-	-	-	2,000	-	2,000
<b>Total assets</b>	<b>\$ 45,157</b>	<b>\$ 37,456</b>	<b>\$ 29,891</b>	<b>\$ 9,804</b>	<b>\$ 1,066,395</b>	<b>\$ 2,174,922</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 2,477	\$ -	\$ 48,055	\$ -	\$ 13,147	\$ 77,933
Accrued salaries and benefits	-	-	-	-	6,980	9,413
Due to other funds	22,033	-	-	-	18,005	83,611
Other liabilities	-	-	-	-	-	11,774
Deferred revenue	21,163	-	-	-	50,000	372,389
Advances from other funds	-	-	-	-	1,500	356,500
<b>Total liabilities</b>	<b>45,673</b>	<b>-</b>	<b>48,055</b>	<b>-</b>	<b>89,632</b>	<b>911,620</b>
<b>Fund balance (deficit):</b>						
<b>Reserved for:</b>						
Imprest cash	-	-	-	-	25	25
Prepaid items	-	-	-	-	301	301
<b>Unreserved:</b>						
Designated for special projects	-	-	-	-	822,589	827,589
Undesignated	(516)	37,456	(18,164)	9,804	153,848	435,387
<b>Total fund balances (deficit)</b>	<b>(516)</b>	<b>37,456</b>	<b>(18,164)</b>	<b>9,804</b>	<b>976,763</b>	<b>1,263,302</b>
<b>Total liabilities and fund balances</b>	<b>\$ 45,157</b>	<b>\$ 37,456</b>	<b>\$ 29,891</b>	<b>\$ 9,804</b>	<b>\$ 1,066,395</b>	<b>\$ 2,174,922</b>



COUNTY OF GLENN, CALIFORNIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2003

	Advertising	Fish and Game	Property Admin Grant	CalWorks Incentive	Cal Boat Launching	Prop 36	Recorders Modernization
<b>Revenues:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	2,571	-	-	501	-	-
Intergovernmental	2,000	-	-	14,340	-	295,558	-
Use of money and property	-	487	598	7,640	309	8,397	1,384
Charges for services	3,986	-	59,000	-	8,257	-	50,143
Miscellaneous	-	-	-	-	-	2	-
<b>Total revenues</b>	<b>5,986</b>	<b>3,058</b>	<b>59,598</b>	<b>21,980</b>	<b>9,067</b>	<b>303,957</b>	<b>51,527</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	11,823	-	43,506	-	2,851	-	-
Public protection	-	3,908	-	-	-	-	23,774
Public ways and facilities	-	-	-	-	-	197,372	-
Health and sanitation	-	-	-	13,792	-	-	-
Public assistance	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
<b>Debt service:</b>							
Principal retirement	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>11,823</b>	<b>3,908</b>	<b>43,506</b>	<b>13,792</b>	<b>2,851</b>	<b>197,372</b>	<b>23,774</b>
Excess (deficiency) of revenues over (under) expenditures	(5,837)	(850)	16,092	8,188	6,216	106,585	27,753
<b>Other financing sources (uses):</b>							
Transfers in	1,000	-	-	-	-	-	-
Transfers out	-	-	(10,000)	-	-	(71,813)	-
<b>Total other operating sources (uses)</b>	<b>1,000</b>	<b>-</b>	<b>(10,000)</b>	<b>-</b>	<b>-</b>	<b>(71,813)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(4,837)</b>	<b>(850)</b>	<b>6,092</b>	<b>8,188</b>	<b>6,216</b>	<b>34,772</b>	<b>27,753</b>
Fund balances - beginning, as restated	4,930	18,146	19,026	-	5,467	13,621	29,296
Fund balances (deficit) - ending	\$ 93	\$ 17,296	\$ 25,118	\$ 8,188	\$ 11,683	\$ 48,393	\$ 57,049

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2003

Memorial Hall	Ca Waste Mgmt Grant	Property Characteristics	Vital & Health Stats	Micrographics Conversion	Surface/Ground Water & Weed Grants	Title III Forest Reserve	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Revenues:
-	-	-	-	-	-	-	Taxes
-	-	-	-	-	-	-	Licenses and permits
-	-	-	-	-	-	-	Fines, forfeitures and penalties
-	28,320	-	-	-	435,963	26,276	Intergovernmental
22,340	-	260	174	435	1,682	802	Use of money and property
136	-	7,711	2,566	8,535	-	-	Charges for services
100	-	-	-	-	225	-	Miscellaneous
<u>22,576</u>	<u>28,320</u>	<u>7,971</u>	<u>2,740</u>	<u>8,970</u>	<u>437,870</u>	<u>27,078</u>	Total revenues
							Expenditures:
							Current:
16,793	-	3,884	731	-	-	213	General government
-	-	-	-	-	462,129	-	Public protection
-	-	-	-	-	-	-	Public ways and facilities
-	-	-	-	-	-	-	Health and sanitation
-	-	-	-	-	-	-	Public assistance
-	-	-	-	-	-	-	Education
-	-	-	-	-	-	-	Capital outlay
-	-	-	-	-	-	-	Debt service:
-	-	-	-	-	-	-	Principal retirement
-	-	-	-	-	-	-	Interest
<u>16,793</u>	<u>-</u>	<u>3,884</u>	<u>731</u>	<u>-</u>	<u>462,129</u>	<u>213</u>	Total expenditures
							Excess (deficiency) of revenues over (under) expenditures
5,783	28,320	4,087	2,009	8,970	(24,259)	26,865	
							Other financing sources (uses):
-	-	-	-	-	5,618	26,067	Transfers in
-	(28,320)	-	-	(6,944)	-	-	Transfers out
-	(28,320)	-	-	(6,944)	5,618	26,067	Total other operating sources (uses)
5,783	-	4,087	2,009	2,026	(18,641)	52,932	Net change in fund balances
7,746	245	6,533	4,993	13,232	9,194	-	Fund balances - beginning, as restated
<u>\$ 13,529</u>	<u>\$ 245</u>	<u>\$ 10,620</u>	<u>\$ 7,002</u>	<u>\$ 15,258</u>	<u>\$ (9,447)</u>	<u>\$ 52,932</u>	Fund balances (deficit) - ending

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2003

	Bio Terrorism Grant	IHSS Public Authority	Per Capita Park Grant	Superintendent of Schools	Special Districts Under the Board	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>						
Taxes	\$ -	\$ -	\$ -	\$ 101,389	\$ 86,665	\$ 188,054
Licenses and permits	-	-	-	-	190,355	190,355
Fines, forfeitures and penalties	-	-	-	-	15,321	18,393
Intergovernmental	76,113	87,676	120,000	2,784	276,421	1,365,451
Use of money and property	-	235	130	1,104	29,030	75,007
Charges for services	-	-	-	-	269,173	409,507
Miscellaneous	-	-	-	30,049	3,213	33,589
<b>Total revenues</b>	<b>76,113</b>	<b>87,911</b>	<b>120,130</b>	<b>135,326</b>	<b>870,178</b>	<b>2,280,356</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	-	-	7,183	-	-	86,984
Public protection	-	-	-	-	825,853	1,315,664
Public ways and facilities	-	-	-	-	-	197,372
Health and sanitation	28,670	-	-	-	-	28,670
Public assistance	-	46,182	-	-	-	59,974
Education	-	-	-	155,000	-	155,000
Capital outlay	-	4,273	131,111	-	18,531	153,915
<b>Debt service:</b>						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	2,106	-	2,106
<b>Total expenditures</b>	<b>28,670</b>	<b>50,455</b>	<b>138,294</b>	<b>157,106</b>	<b>844,384</b>	<b>1,999,685</b>
Excess (deficiency) of revenues over (under) expenditures	47,443	37,456	(18,164)	(21,780)	25,794	280,671
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	32,685
Transfers out	(47,959)	-	-	-	-	(165,036)
<b>Total other operating sources (uses)</b>	<b>(47,959)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(132,351)</b>
<b>Net change in fund balances</b>	<b>(516)</b>	<b>37,456</b>	<b>(18,164)</b>	<b>(21,780)</b>	<b>25,794</b>	<b>148,320</b>
Fund balances - beginning, as restated	-	-	-	31,584	950,969	1,114,982
<b>Fund balances (deficit) - ending</b>	<b>\$ (516)</b>	<b>\$ 37,456</b>	<b>\$ (18,164)</b>	<b>\$ 9,804</b>	<b>\$ 976,763</b>	<b>\$ 1,263,302</b>

**COUNTY OF GLENN, CALIFORNIA**

**Advertising Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 2,000	\$ 2,000	\$ -
Charges for services	<u>3,986</u>	<u>3,986</u>	<u>-</u>
Total revenues	<u>5,986</u>	<u>5,986</u>	<u>-</u>
<b>Expenditures:</b>			
Current:			
General government	<u>11,916</u>	<u>11,823</u>	<u>93</u>
Deficiency of revenues under expenditures	<u>(5,930)</u>	<u>(5,837)</u>	<u>93</u>
<b>Other Financing Sources:</b>			
Transfers in	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (4,930)</u></u>	<u><u>(4,837)</u></u>	<u><u>\$ 93</u></u>
Fund balance - beginning		<u>4,930</u>	
Fund balance - ending		<u><u>\$ 93</u></u>	

COUNTY OF GLENN, CALIFORNIA

Fish and Game Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Fines, forfeitures and penalties	\$ 5,000	\$ 2,571	\$ (2,429)
Use of money and property	1,500	487	(1,013)
Miscellaneous	500	-	(500)
	<u>7,000</u>	<u>3,058</u>	<u>(3,942)</u>
Total revenues			
<b>Expenditures:</b>			
Current:			
Public protection	<u>21,169</u>	<u>3,908</u>	<u>17,261</u>
Deficiency of revenues under expenditures	<u>\$ (14,169)</u>	<u>(850)</u>	<u>\$ 13,319</u>
Fund balance - beginning		<u>18,146</u>	
Fund balance - ending		<u>\$ 17,296</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Property Administration Grant Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ -	\$ 598	\$ 598
Charges for services	<u>59,197</u>	<u>59,000</u>	<u>(197)</u>
Total revenues	<u>59,197</u>	<u>59,598</u>	<u>401</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	<u>54,923</u>	<u>43,506</u>	<u>11,417</u>
Excess of revenues over expenditures	<u>4,274</u>	<u>16,092</u>	<u>11,818</u>
<b>Other Financing Uses:</b>			
Transfers out	<u>(23,300)</u>	<u>(10,000)</u>	<u>13,300</u>
Net change in fund balance	<u><u>\$ (19,026)</u></u>	<u>6,092</u>	<u><u>\$ 25,118</u></u>
Fund balance - beginning		<u>19,026</u>	
Fund balance - ending		<u><u>\$ 25,118</u></u>	

**COUNTY OF GLENN, CALIFORNIA**

**Cal Works Incentive Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 194,340	\$ 14,340	\$ (180,000)
Use of money and property	-	7,640	7,640
	<u>194,340</u>	<u>21,980</u>	<u>(172,360)</u>
<b>Expenditures:</b>			
Current:			
Public assistance	<u>14,340</u>	<u>13,792</u>	<u>548</u>
Deficiency of revenues under expenditures	<u>180,000</u>	<u>8,188</u>	<u>(171,812)</u>
<b>Other Financing Uses:</b>			
Transfers out	<u>(180,000)</u>	<u>-</u>	<u>180,000</u>
Net change in fund balance	<u>\$ -</u>	<u>8,188</u>	<u>\$ 8,188</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ 8,188</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Cal Boat Launching Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Fines, forfeitures and penalties	\$ -	\$ 501	\$ 501
Use of money and property	-	309	309
Charges for services	<u>3,000</u>	<u>8,257</u>	<u>5,257</u>
 Total revenues	 <u>3,000</u>	 <u>9,067</u>	 <u>6,067</u>
 <b>Expenditures:</b>			
Current:			
General government	<u>3,000</u>	<u>2,851</u>	<u>149</u>
 Excess of revenues over expenditures	 <u>\$ -</u>	 <u>6,216</u>	 <u>\$ 5,918</u>
 Fund balance - beginning		 <u>5,467</u>	
 Fund balance - ending		 <u>\$ 11,683</u>	



**COUNTY OF GLENN, CALIFORNIA**

**Prop 36 Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 475,392	\$ 295,558	\$ (179,834)
Use of money and property	-	8,397	8,397
Miscellaneous	-	2	2
	<u>475,392</u>	<u>303,957</u>	<u>(171,435)</u>
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current:			
Health and sanitation	<u>398,600</u>	<u>197,372</u>	<u>201,228</u>
Excess of revenues over expenditures	<u>76,792</u>	<u>106,585</u>	<u>29,793</u>
<b>Other Financing Uses:</b>			
Transfers out	<u>(76,792)</u>	<u>(71,813)</u>	<u>4,979</u>
Net change in fund balance	<u>\$ -</u>	<u>34,772</u>	<u>\$ 34,772</u>
Fund balance - beginning		<u>13,621</u>	
Fund balance - ending		<u>\$ 48,393</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Recorders Modernization Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ -	\$ 1,384	\$ 1,384
Charges for services	<u>36,000</u>	<u>50,143</u>	<u>14,143</u>
Total revenues	<u>36,000</u>	<u>51,527</u>	<u>15,527</u>
 <b>Expenditures:</b>			
Current:			
Public protection	<u>26,322</u>	<u>23,774</u>	<u>2,548</u>
Excess of revenues over expenditures	<u>\$ 9,678</u>	<u>27,753</u>	<u>\$ 12,979</u>
 Fund balance - beginning		<u>29,296</u>	
 Fund balance - ending		<u>\$ 57,049</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Memorial Hall Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 11,500	\$ 22,340	\$ 10,840
Charges for services	-	136	136
Miscellaneous	-	100	100
	<u>11,500</u>	<u>22,576</u>	<u>11,076</u>
<b>Expenditures:</b>			
Current:			
General government	<u>17,500</u>	<u>16,793</u>	<u>707</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (6,000)</u>	5,783	<u>\$ 10,369</u>
Fund balance - beginning		<u>7,746</u>	
Fund balance - ending		<u>\$ 13,529</u>	

COUNTY OF GLENN, CALIFORNIA

Cal Waste Management Grant Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$ 30,000	\$ 28,320	\$ (1,680)
Total revenues	<u>30,000</u>	<u>28,320</u>	<u>(1,680)</u>
<b>Other Financing Uses:</b>			
Transfers out	<u>(30,000)</u>	<u>(28,320)</u>	<u>1,680</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning		<u>245</u>	
Fund balance - ending		<u>\$ 245</u>	

COUNTY OF GLENN, CALIFORNIA

Property Characteristics Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Use of money and property	\$ -	\$ 260	\$ 260
Charges for services	5,000	7,711	2,711
 Total revenues	 5,000	 7,971	 2,971
<b>Expenditures:</b>			
Current:			
General government	6,533	3,884	2,649
 Excess (deficiency) of revenues over (under) expenditures	 \$ (1,533)	 4,087	 \$ 322
 Fund balance - beginning		 6,533	
 Fund balance - ending		 \$ 10,620	

**COUNTY OF GLENN, CALIFORNIA**

**Vital and Health Statistics Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Use of money and property	\$ -	\$ 174	\$ 174
Charges for services	<u>2,000</u>	<u>2,566</u>	<u>566</u>
 Total revenues	 <u>2,000</u>	 <u>2,740</u>	 <u>740</u>
 <b>Expenditures:</b>			
Current:			
General government	<u>731</u>	<u>731</u>	<u>-</u>
 Excess of revenues over expenditures	 <u>\$ 1,269</u>	 2,009	 <u>\$ 740</u>
 Fund balance - beginning		 <u>4,993</u>	
 Fund balance - ending		 <u>\$ 7,002</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Micrographics Conversion Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ -	\$ 435	\$ 435
Charges for services	<u>7,200</u>	<u>8,535</u>	<u>1,335</u>
 Total revenues	 <u>7,200</u>	 <u>8,970</u>	 <u>1,770</u>
 <b>Other Financing Uses:</b>			
 Transfers out	 <u>(6,944)</u>	 <u>(6,944)</u>	 <u>-</u>
 Net change in fund balance	 <u>\$ 256</u>	 <u>2,026</u>	 <u>\$ 1,770</u>
 Fund balance - beginning		 <u>13,232</u>	
 Fund balance - ending		 <u>\$ 15,258</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Surface/Groundwater and Weed Grants Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$ 642,531	\$ 435,963	\$ (206,568)
Use of money and property	-	1,682	1,682
Other	-	225	225
	<u>642,531</u>	<u>437,870</u>	<u>(204,661)</u>
Total revenues			
<b>Expenditures:</b>			
Current:			
Public protection	<u>648,149</u>	<u>462,129</u>	<u>186,020</u>
Total expenditures	<u>648,149</u>	<u>462,129</u>	<u>186,020</u>
Deficiency of revenues under expenditures	<u>(5,618)</u>	<u>(24,259)</u>	<u>(18,641)</u>
<b>Other Financing Sources:</b>			
Transfers in	<u>5,618</u>	<u>5,618</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(18,641)</u>	<u>\$ (18,641)</u>
Fund balance - beginning		<u>9,194</u>	
Fund deficit - ending		<u>\$ (9,447)</u>	



**COUNTY OF GLENN, CALIFORNIA**

**Title III Forest Reserve Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ -	\$ 26,276	\$ 26,276
Use of money and property	-	802	802
	<u>-</u>	<u>27,078</u>	<u>27,078</u>
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current:			
General government	10,000	213	9,787
	<u>10,000</u>	<u>213</u>	<u>9,787</u>
<b>Total expenditures</b>			
Excess (deficiency) of revenues over (under) expenditures	<u>(10,000)</u>	<u>26,865</u>	<u>36,865</u>
<b>Other Financing Sources:</b>			
Transfers in	<u>10,000</u>	<u>26,067</u>	<u>16,067</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>52,932</u>	<u>\$ 52,932</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ 52,932</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Bio Terrorism Grant - Special Revenue Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	<u>\$ 119,906</u>	<u>\$ 76,113</u>	<u>\$ (43,793)</u>
<b>Expenditures:</b>			
Current:			
Health and sanitation	35,798	28,670	7,128
Capital outlay	<u>7,200</u>	<u>-</u>	<u>7,200</u>
Total expenditures	<u>42,998</u>	<u>28,670</u>	<u>14,328</u>
Excess of revenues over expenditures	<u>76,908</u>	<u>47,443</u>	<u>(58,121)</u>
<b>Other Financing Uses:</b>			
Transfers out	<u>(76,908)</u>	<u>(47,959)</u>	<u>28,949</u>
Net change in fund balance	<u>\$ -</u>	<u>(516)</u>	<u>\$ (29,172)</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ (516)</u>	

**COUNTY OF GLENN, CALIFORNIA**

**IHSS Public Authority Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 148,325	\$ 87,676	\$ (60,649)
Use of money and property	-	235	235
	<u>148,325</u>	<u>87,911</u>	<u>(60,414)</u>
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current:			
Public assistance	115,525	46,182	69,343
Capital outlay	<u>32,800</u>	<u>4,273</u>	<u>28,527</u>
	<u>148,325</u>	<u>50,455</u>	<u>97,870</u>
<b>Total expenditures</b>			
Excess of revenues over expenditures	<u>\$ -</u>	<u>37,456</u>	<u>\$ 37,456</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ 37,456</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Per Capita Park Grant Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$ 150,000	\$ 120,000	\$ (30,000)
Use of money and property	-	130	130
	<u>150,000</u>	<u>120,130</u>	<u>(29,870)</u>
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current:			
General government	7,500	7,183	317
Capital outlay	<u>142,500</u>	<u>131,111</u>	<u>11,389</u>
	<u>150,000</u>	<u>138,294</u>	<u>11,706</u>
<b>Total expenditures</b>			
Deficiency of revenues under expenditures	<u>\$ -</u>	<u>(18,164)</u>	<u>\$ (18,164)</u>
Fund balance - beginning		<u>-</u>	
Fund deficit - ending		<u>\$ (18,164)</u>	

**COUNTY OF GLENN, CALIFORNIA**

**Superintendent of Schools Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Taxes	\$ 99,900	\$ 101,389	\$ 1,489
Intergovernmental	2,500	2,784	284
Use of money and property	6,000	1,104	(4,896)
Miscellaneous	<u>30,000</u>	<u>30,049</u>	<u>49</u>
Total revenues	<u>138,400</u>	<u>135,326</u>	<u>(3,074)</u>
<b>Expenditures:</b>			
Current:			
Education	155,000	155,000	-
Capital outlay	12,879	-	12,879
Debt service:			
Interest	<u>2,105</u>	<u>2,106</u>	<u>(1)</u>
Total expenditures	<u>169,984</u>	<u>157,106</u>	<u>12,878</u>
Deficiency of revenues under expenditures	<u>\$ (31,584)</u>	<u>(21,780)</u>	<u>\$ 9,804</u>
Fund balance - beginning		<u>31,584</u>	
Fund balance - ending		<u>\$ 9,804</u>	

CITY OF GLEN, CALIFORNIA  
**Special Districts Under the Board Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Taxes	\$ 85,624	\$ 86,665	\$ 1,041
Licenses and permits	140,000	190,355	50,355
Fines, forfeitures and penalties	8,000	15,321	7,321
Intergovernmental	385,434	276,421	(109,013)
Use of money and property	37,967	29,030	(8,937)
Charges for services	267,675	269,173	1,498
Miscellaneous	5,000	3,213	(1,787)
	<u>929,700</u>	<u>870,178</u>	<u>(59,522)</u>
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current:			
Public protection	1,024,949	825,853	199,096
Capital outlay	31,531	18,531	13,000
	<u>1,056,480</u>	<u>844,384</u>	<u>212,096</u>
<b>Total expenditures</b>			
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (126,780)</u>	25,794	<u>\$ 152,574</u>
Fund balance - beginning		<u>950,969</u>	
Fund balance - ending		<u>\$ 976,763</u>	

# **NONMAJOR CAPITAL PROJECTS FUNDS**

Accumulated Capital Outlay – This fund is used to account for resources accumulated for future countywide acquisition and improvement needs.

Building Fund – This fund is used to account for revenues and expenditures related to building and maintenance projects within the county.

COUNTY OF GLENN, CALIFORNIA

Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 June 30, 2003

<b>Assets</b>	<u>Accumulated Capital Outlay</u>	<u>Building</u>	<u>Total Nonmajor Capital Projects Funds</u>
Cash and investments	\$ 690,671	\$ 35,683	\$ 726,354
Due from other funds	3,555	109,227	112,782
Loans receivable	<u>9,500</u>	<u>-</u>	<u>9,500</u>
Total assets	<u>\$ 703,726</u>	<u>\$ 144,910</u>	<u>\$ 848,636</u>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	\$ 144,879	\$ 144,879
Due to other funds	<u>90,647</u>	<u>6</u>	<u>90,653</u>
Total liabilities	<u>90,647</u>	<u>144,885</u>	<u>235,532</u>
Fund balances:			
Reserved:			
Loans receivable	9,500	-	9,500
Unreserved:			
Designated for special projects	126,950	-	126,950
Undesignated	<u>476,629</u>	<u>25</u>	<u>476,654</u>
Total fund balances	<u>613,079</u>	<u>25</u>	<u>613,104</u>
Total liabilities and fund balances	<u>\$ 703,726</u>	<u>\$ 144,910</u>	<u>\$ 848,636</u>



Combining Statement of Revenues, Expenditures and Changes in Fund Balances:  
 Nonmajor Capital Projects Funds  
 For the Fiscal Year Ended June 30, 2003

	Accumulated Capital Outlay	Building	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>			
Intergovernmental	\$ -	\$ 118,540	\$ 118,540
Use of money and property	19,056	-	19,056
Miscellaneous	21,951	465	22,416
Total revenues	<u>41,007</u>	<u>119,005</u>	<u>160,012</u>
<b>Expenditures:</b>			
Capital outlay	-	776,728	776,728
Excess (deficiency) of revenues over (under) expenditures	<u>41,007</u>	<u>(657,723)</u>	<u>(616,716)</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	142,724	142,724
Transfers out	(224,472)	-	(224,472)
Capital lease financing	-	515,000	515,000
Total other operating sources (uses)	<u>(224,472)</u>	<u>657,724</u>	<u>433,252</u>
Net change in fund balances	(183,465)	1	(183,464)
Fund balances - beginning	<u>796,544</u>	<u>24</u>	<u>796,568</u>
Fund balances - ending	<u>\$ 613,079</u>	<u>\$ 25</u>	<u>\$ 613,104</u>

# INTERNAL SERVICE FUNDS

Service Center – This fund is used to account for revenues and expenditures related to the purchase and maintenance of vehicles used in county business including public safety, public works, and other county departments. Expenditures are first incurred in the fund and charges are assessed to the county department or agency utilizing the vehicles.

Public Works – This fund is used to account for salaries and services and supplies incurred for the Public Works Agency which covers multiple departments. Costs are accumulated and charged to the various Public Works subagencies.

Human Resources – This fund is used to account for salaries and services and supplies incurred for Human Resource Agency functions that benefit both Social Service and Community Action programs. Costs are accumulated and charged to the departments and programs.

Health Services – This fund is used to account for salary related expenditures incurred for Health Services Administrative employees whose work covers multiple subagencies. Costs are accumulated and charged to the various Health Service subagencies.

Central Services – This fund is used to account for centralized equipment related expenses including postage meter, check signer, copy machines and some computers. Costs are accumulated and charged to the various county departments and agencies based on use.

Vegetation and Environmental Management – This fund is used to account for revenues and expenses related to the maintenance and management of vegetation and environmental issues in the county. Expenditures are first incurred in the fund and charges are assessed to the county departments or agencies utilizing the services.

Data Processing – This fund is used to account for the county's Pro Support service provided by an area technology firm. Costs incurred are paid from the fund and charges are assessed to the county departments or agencies utilizing the service.

CUPA/Underground Storage Tanks – This fund is used to account for fees collected and expenses incurred for implementation of the county's Certified Unified Program that includes consolidation of six state regulatory programs into one program.

Tri-County Bee – This fund is used to account for the costs associated with the limiting of destructive pests into the county.

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Net Assets  
Internal Service Funds  
June 30, 2003

	Service Center	Public Works	Human Resources	Health Services	Central Services
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 426,292	\$ 78,990	\$ 21,008	\$ 10,334	\$ 9,492
Imprest cash	-	100	-	750	-
Accounts receivable	66,824	22,074	66,081	-	25
Due from other funds	97,643	165,720	1,370	17,704	5,206
Inventory	12,195	-	-	-	-
Total current assets	<u>602,954</u>	<u>266,884</u>	<u>88,459</u>	<u>28,788</u>	<u>14,723</u>
Noncurrent assets:					
Capital assets:					
Structure and improvements	108,629	185,030	-	-	-
Machinery and equipment	2,607,180	47,071	-	-	-
Less accumulated depreciation	<u>(1,552,657)</u>	<u>(48,366)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>1,163,152</u>	<u>183,735</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>1,766,106</u>	<u>450,619</u>	<u>88,459</u>	<u>28,788</u>	<u>14,723</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	39,863	25,133	21,150	-	13,783
Accrued salaries and benefits	8,339	23,176	48,735	19,459	-
Due to other funds	39,851	965	3,823	-	-
Compensated absences	-	568	4,815	8,104	-
Total current liabilities	<u>88,053</u>	<u>49,842</u>	<u>78,523</u>	<u>27,563</u>	<u>13,783</u>
Noncurrent liabilities:					
Compensated absences	<u>20,808</u>	<u>65,865</u>	<u>122,203</u>	<u>41,782</u>	<u>-</u>
Total noncurrent liabilities	<u>20,808</u>	<u>65,865</u>	<u>122,203</u>	<u>41,782</u>	<u>-</u>
Total liabilities	<u>108,861</u>	<u>115,707</u>	<u>200,726</u>	<u>69,345</u>	<u>13,783</u>
<b>Net Assets (Deficit)</b>					
Invested in capital assets, net of related debt	1,163,152	183,735	-	-	-
Unrestricted	<u>494,093</u>	<u>151,177</u>	<u>(112,267)</u>	<u>(40,557)</u>	<u>940</u>
Total net assets (deficit)	<u>\$ 1,657,245</u>	<u>\$ 334,912</u>	<u>\$ (112,267)</u>	<u>\$ (40,557)</u>	<u>\$ 940</u>

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Net Assets  
Internal Service Funds  
June 30, 2003

Vegetation and Environmental Management	Data Processing	Underground Storage Tanks	Tri-County Bee	Total Internal Service Funds	
					<b>Assets</b>
					Current assets:
\$ 98,217	\$ -	\$ 136,093	\$ 1,193	\$ 781,619	Cash and investments
-	-	-	-	850	Imprest cash
2,400	-	-	-	157,404	Accounts receivable
873	-	-	-	288,516	Due from other funds
10,237	-	-	-	22,432	Inventory
<u>111,727</u>	<u>-</u>	<u>136,093</u>	<u>1,193</u>	<u>1,250,821</u>	Total current assets
					Noncurrent assets:
					Capital assets:
-	-	-	-	293,659	Structure and improvements
52,000	-	-	-	2,706,251	Machinery and equipment
(35,033)	-	-	-	(1,636,056)	Less accumulated depreciation
<u>16,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,363,854</u>	Total noncurrent assets
<u>128,694</u>	<u>-</u>	<u>136,093</u>	<u>1,193</u>	<u>2,614,675</u>	Total assets
					<b>Liabilities</b>
					Current liabilities:
7,732	-	1,638	16	109,315	Accounts payable
-	-	-	-	99,709	Accrued salaries and benefits
1,923	-	55,703	-	102,265	Due to other funds
-	-	-	-	13,487	Compensated absences
<u>9,655</u>	<u>-</u>	<u>57,341</u>	<u>16</u>	<u>324,776</u>	Total current liabilities
					Noncurrent liabilities:
-	-	-	-	250,658	Compensated absences
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,658</u>	Total noncurrent liabilities
<u>9,655</u>	<u>-</u>	<u>57,341</u>	<u>16</u>	<u>575,434</u>	Total liabilities
					<b>Net Assets (Deficit)</b>
16,967	-	-	-	1,363,854	Invested in capital assets, net of related debt
102,072	-	78,752	1,177	675,387	Unrestricted
<u>\$ 119,039</u>	<u>\$ -</u>	<u>\$ 78,752</u>	<u>\$ 1,177</u>	<u>\$ 2,039,241</u>	Total net assets (deficit)

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2003

	Service Center	Public Works	Human Resources	Health Services	Central Services
<b>Operating revenues:</b>					
Charges and fees	\$ 911,855	\$ 1,247,005	\$ 2,774,128	\$ 779,007	\$ 143,654
Miscellaneous	153,145	1,514	1,507	-	-
Total operating revenues	<u>1,065,000</u>	<u>1,248,519</u>	<u>2,775,635</u>	<u>779,007</u>	<u>143,654</u>
<b>Operating expenses:</b>					
Salaries and benefits	345,741	989,264	1,920,608	795,788	-
Services and supplies	163,981	296,526	790,952	-	34,897
Depreciation	351,617	7,275	-	-	-
Miscellaneous	46,247	3,383	113,798	-	102,159
Total operating expenses	<u>907,586</u>	<u>1,296,448</u>	<u>2,825,358</u>	<u>795,788</u>	<u>137,056</u>
Operating income (loss)	<u>157,414</u>	<u>(47,929)</u>	<u>(49,723)</u>	<u>(16,781)</u>	<u>6,598</u>
<b>Nonoperating revenues:</b>					
Investment earnings	16,347	2,166	-	-	-
Intergovernmental	277	-	-	-	-
Gain on sale of capital assets	36,059	-	-	-	-
Total nonoperating revenues	<u>52,683</u>	<u>2,166</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	210,097	(45,763)	(49,723)	(16,781)	6,598
Net assets (deficit) - beginning, as restated	<u>1,447,148</u>	<u>380,675</u>	<u>(62,544)</u>	<u>(23,776)</u>	<u>(5,658)</u>
Net assets (deficit) - ending	<u>\$ 1,657,245</u>	<u>\$ 334,912</u>	<u>\$ (112,267)</u>	<u>\$ (40,557)</u>	<u>\$ 940</u>

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2003

Vegetation and Environmental Management	Data Processing	Underground Storage Tanks	Tri-County Bee	Total Internal Service Funds	
\$ 57,902	\$ 65,830	\$ 44,145	\$ 5,475	\$ 6,029,001	<b>Operating revenues:</b>
-	-	208	-	156,374	Charges and fees
57,902	65,830	44,353	5,475	6,185,375	Miscellaneous
					Total operating revenues
					<b>Operating expenses:</b>
				4,051,401	Salaries and benefits
3,769	65,830	95,601	203	1,451,759	Services and supplies
5,395	-	-	-	364,287	Depreciation
49,506	-	351	6,000	321,444	Miscellaneous
58,670	65,830	95,952	6,203	6,188,891	Total operating expenses
(768)	-	(51,599)	(728)	(3,516)	Operating income (loss)
					<b>Nonoperating revenues:</b>
2,242	-	3,246	93	24,094	Investment earnings
-	-	60,000	-	60,277	Intergovernmental
-	-	-	-	36,059	Gain on sale of capital assets
2,242	-	63,246	93	120,430	Total nonoperating revenues
1,474	-	11,647	(635)	116,914	Change in net assets
117,565	-	67,105	1,812	1,922,327	Net assets (deficit) - beginning, as restated
\$ 119,039	\$ -	\$ 78,752	\$ 1,177	\$ 2,039,241	Net assets (deficit) - ending

COUNTY OF GLENN, CALIFORNIA

Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2003

	Service Center	Public Works	Human Resources	Health Services	Central Services
Cash flows from operating activities:					
Receipts from customers and users	\$ 1,027,008	\$ 1,392,659	\$ 2,759,914	\$ 779,007	\$ 143,735
Receipts from interfund services provided	31,322	-	15,203	-	-
Payments to suppliers	(214,168)	(276,941)	(912,730)	-	(142,692)
Payments to employees	(340,670)	(962,366)	(1,856,128)	(772,094)	-
Payments for interfund services used	-	(188,050)	-	(17,174)	(4,855)
Net cash provided by (used for) operating activities	503,492	(34,698)	6,259	(10,261)	(3,812)
Cash flows from noncapital financing activities:					
Subsidy from federal/state grant	277	-	-	-	-
Advance to other funds	(40,000)	-	-	-	-
Net cash provided by (used for) noncapital financing activities	(39,723)	-	-	-	-
Cash flows from capital and related financing activities:					
Proceeds from sale of capital assets	36,059	-	-	-	-
Acquisition of capital assets	(468,341)	(14,173)	-	-	-
Net cash provided by (used for) capital and related financing activities	(432,282)	(14,173)	-	-	-
Cash flows from investing activities:					
Interest received	16,347	2,166	-	-	-
Net increase (decrease) in cash and cash equivalents	47,834	(46,705)	6,259	(10,261)	(3,812)
Cash and cash equivalents, beginning	378,458	125,795	14,749	21,345	13,304
Cash and cash equivalents, ending	\$ 426,292	\$ 79,090	\$ 21,008	\$ 11,084	\$ 9,492
Summary of cash and cash equivalents					
Cash and investments	\$ 426,292	\$ 78,990	\$ 21,008	\$ 10,334	\$ 9,492
Imprest cash	-	100	-	750	-
Total summary of cash and cash equivalents	\$ 426,292	\$ 79,090	\$ 21,008	\$ 11,084	\$ 9,492
Reconciliation of operating income (loss) to net provided by (used for) operating activities:					
Operating income (loss)	\$ 157,414	\$ (47,929)	\$ (49,723)	\$ (16,781)	\$ 6,598
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	351,617	7,275	-	-	-
Changes in assets and liabilities:					
Accounts receivable	(37,992)	144,140	(15,721)	-	81
Due from other funds	49,447	(187,794)	13,922	176,326	(4,855)
Inventory	-	-	-	-	-
Accounts payable	(3,940)	22,968	(7,980)	-	(5,636)
Accrued salaries and benefits	2,139	5,214	14,666	6,813	-
Due to other funds	(18,125)	(256)	1,281	(193,500)	-
Compensated absences	2,932	21,684	49,814	16,881	-
Total adjustments	346,078	13,231	55,982	6,520	(10,410)
Net cash provided by (used for) operating activities	\$ 503,492	\$ (34,698)	\$ 6,259	\$ (10,261)	\$ (3,812)

COUNTY OF GLENN, CALIFORNIA  
 Combining Statement of Cash Flows  
 Internal Service Funds  
 For the Fiscal Year Ended June 30, 2003

Vegetation and Environmental Management	Data Processing	Underground Storage Tanks	Tri-County Bee	Total Internal Service Funds	
					Cash flows from operating activities:
\$ 55,502	\$ 65,830	\$ 44,353	\$ 5,475	\$ 6,273,483	Receipts from customers and users
1,937	-	42,808	-	91,270	Receipts from interfund services provided
(48,757)	(65,830)	(97,675)	(6,204)	(1,764,997)	Payments to suppliers
-	-	-	-	(3,931,258)	Payments to employees
-	-	-	-	(210,079)	Payments for interfund services used
<u>8,682</u>	<u>-</u>	<u>(10,514)</u>	<u>(729)</u>	<u>458,419</u>	Net cash provided by (used for) operating
					Cash flows from noncapital financing activities:
-	-	60,000	-	60,277	Subsidy from federal/state grant
-	-	-	-	(40,000)	Advance to other funds
<u>-</u>	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>20,277</u>	Net cash provided by (used for) noncapital financing
					activities
					Cash flows from capital and related financing
					activities:
-	-	-	-	36,059	Proceeds from sale of capital assets
-	-	-	-	(482,514)	Acquisition of capital assets
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(446,455)</u>	Net cash provided by (used for) capital and related
					financing activities
					Cash flows from investing activities:
2,242	-	3,246	93	24,094	Interest received
<u>10,924</u>	<u>-</u>	<u>52,732</u>	<u>(636)</u>	<u>56,335</u>	Net increase (decrease) in cash and cash equivalents
<u>87,293</u>	<u>-</u>	<u>83,361</u>	<u>1,829</u>	<u>726,134</u>	Cash and cash equivalents, beginning
<u>\$ 98,217</u>	<u>\$ -</u>	<u>\$ 136,093</u>	<u>\$ 1,193</u>	<u>\$ 782,469</u>	Cash and cash equivalents, ending
					Summary of cash and cash equivalents
\$ 98,217	\$ -	\$ 136,093	\$ 1,193	\$ 781,619	Cash and investments
-	-	-	-	850	Imprest cash
<u>\$ 98,217</u>	<u>\$ -</u>	<u>\$ 136,093</u>	<u>\$ 1,193</u>	<u>\$ 782,469</u>	Total summary of cash and cash equivalents
					Reconciliation of operating income (loss) to net
					provided by (used for) operating activities:
\$ (768)	\$ -	\$ (51,599)	\$ (728)	\$ (3,516)	Operating income (loss)
					Adjustment to reconcile operating income (loss)
					to net cash provided by (used for) operating activities:
5,395	-	-	-	364,287	Depreciation
(2,400)	-	-	-	88,108	Changes in assets and liabilities:
432	-	-	-	47,478	Accounts receivable
588	-	-	-	588	Due from other funds
3,930	-	(1,723)	(1)	7,618	Inventory
-	-	-	-	28,832	Accounts payable
1,505	-	42,808	-	(166,287)	Accrued salaries and benefits
-	-	-	-	91,311	Due to other funds
9,450	-	41,085	(1)	461,935	Compensated absences
<u>\$ 8,682</u>	<u>\$ -</u>	<u>\$ (10,514)</u>	<u>\$ (729)</u>	<u>\$ 458,419</u>	Total adjustments
					Net cash provided by (used for) operating activities



# AGENCY FUNDS

Taxes - Accounts for monies received or owed for current and delinquent taxes, which must be held and collected pending authority for distribution.

Courts - Accounts for monies deposited and disbursed under the control of the Courts.

Public Guardian/Administrator - Accounts for monies and property held by the Public Guardian/Administrator in its fiduciary capacity for its clients.

Other - Accounts for assets held by the County in a fiduciary capacity for other entities and includes resources held for distribution to third parties.

COUNTY OF GLENN, CALIFORNIA

Statement of Changes in Assets and Liabilities  
 Agency Funds  
 For the Fiscal Year Ended June 30, 2003

	Beginning July 1, 2002	Additions	Deletions	Ending June 30, 2003
<b>Taxes</b>				
Assets:				
Cash and investments	\$ 1,449,144	\$ 19,087,689	\$ 20,362,816	\$ 174,017
Taxes receivable	1,712,731	22,677,085	22,872,383	1,517,433
Other assets	211,240	-	211,240	-
<b>Total assets</b>	<b>\$ 3,373,115</b>	<b>\$ 41,764,774</b>	<b>\$ 43,446,439</b>	<b>\$ 1,691,450</b>
Liabilities:				
Accounts payable	\$ 1,110,429	\$ -	\$ 1,110,429	\$ -
Due to other funds	450,559	-	450,559	-
Agency obligations	1,812,127	41,764,774	41,885,451	1,691,450
<b>Total liabilities</b>	<b>\$ 3,373,115</b>	<b>41,764,774</b>	<b>\$ 43,446,439</b>	<b>\$ 1,691,450</b>
	Beginning July 1, 2002	Additions	Deletions	Ending June 30, 2003
<b>Courts</b>				
Assets:				
Cash and investments	\$ 1,449,812	\$ 5,644,668	\$ 5,751,294	\$ 1,343,186
Taxes receivable	48,991	-	48,991	-
Other assets	15,915	-	6,577	9,338
<b>Total assets</b>	<b>\$ 1,514,718</b>	<b>\$ 5,644,668</b>	<b>\$ 5,806,862</b>	<b>\$ 1,352,524</b>
Liabilities:				
Accounts payable	\$ 84,689	\$ 224,099	\$ -	\$ 308,788
Due to other funds	107,622	-	37,290	70,332
Due to other governments	188,572	-	188,572	-
Agency obligations	1,133,835	5,420,569	5,581,000	973,404
<b>Total liabilities</b>	<b>\$ 1,514,718</b>	<b>\$ 5,644,668</b>	<b>\$ 5,806,862</b>	<b>\$ 1,352,524</b>

COUNTY OF GLENN, CALIFORNIA

Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2003

	Beginning July 1, 2002	Additions	Deletions	Ending June 30, 2003
<b>Public Guardian</b>				
Assets:				
Cash with fiscal agent	\$ 1,560,088	\$ 293,091	\$ 113,975	\$ 1,739,204
Other assets	1,031,050	46,653	161,497	916,206
<b>Total assets</b>	<b>\$ 2,591,138</b>	<b>\$ 339,744</b>	<b>\$ 275,472</b>	<b>\$ 2,655,410</b>
Liabilities:				
Agency obligations	\$ 2,591,138	\$ 339,744	\$ 275,472	\$ 2,655,410
<b>Total liabilities</b>	<b>\$ 2,591,138</b>	<b>\$ 339,744</b>	<b>\$ 275,472</b>	<b>\$ 2,655,410</b>
	Beginning July 1, 2002	Additions	Deletions	Ending June 30, 2003
<b>All Others</b>				
Assets:				
Cash and investments	\$ 1,581,738	\$ 41,350,571	\$ 40,973,540	\$ 1,958,769
Cash with fiscal agent	29,452	-	-	29,452
Taxes receivable	803,262	21,992	-	825,254
Other assets	508,077	-	462,061	46,016
<b>Total assets</b>	<b>\$ 2,922,529</b>	<b>\$ 41,372,563</b>	<b>\$ 41,435,601</b>	<b>\$ 2,859,491</b>
Liabilities:				
Accounts payable	\$ 437,449	\$ 488,474	\$ -	\$ 925,923
Due to other funds	35,014	2,275	-	37,289
Due to other governments	10,712	-	7,027	3,685
Advances from other funds	89,501	-	5,000	84,501
Agency obligations	2,349,853	40,881,814	41,423,574	1,808,093
<b>Total liabilities</b>	<b>\$ 2,922,529</b>	<b>\$ 41,372,563</b>	<b>\$ 41,435,601</b>	<b>\$ 2,859,491</b>

**COUNTY OF GLENN, CALIFORNIA**

**Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2003**

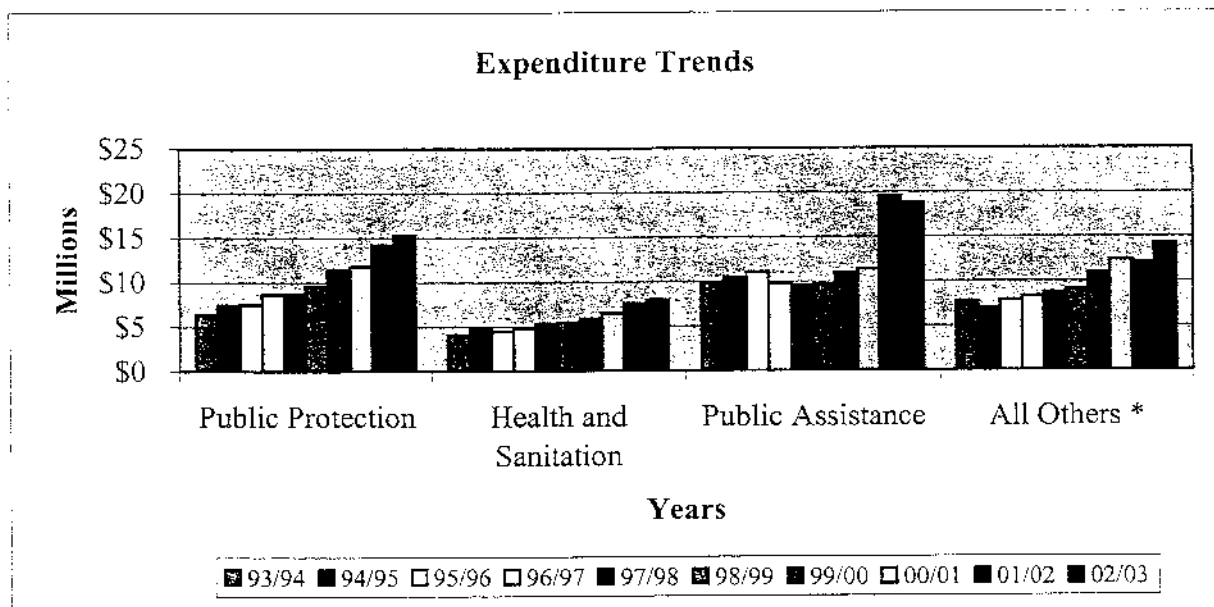
	<u>Beginning July 1, 2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending June 30, 2003</u>
<b>All Agency Funds</b>				
Assets:				
Cash and investments	\$ 4,480,694	\$ 66,082,928	\$ 67,087,650	\$ 3,475,972
Cash with fiscal agent	1,589,540	293,091	113,975	1,768,656
Taxes receivable	2,564,984	22,699,077	22,921,374	2,342,687
Other assets	<u>1,766,282</u>	<u>46,653</u>	<u>841,375</u>	<u>971,560</u>
Total assets	<u>\$ 10,401,500</u>	<u>\$ 89,121,749</u>	<u>\$ 90,964,374</u>	<u>\$ 8,558,875</u>
Liabilities:				
Accounts payable	\$ 1,632,567	\$ 712,573	\$ 1,110,429	\$ 1,234,711
Due to other funds	593,195	2,275	487,849	107,621
Due to other governments	199,284	-	195,599	3,685
Advances from other funds	89,501	-	5,000	84,501
Agency obligations	<u>7,886,953</u>	<u>88,406,901</u>	<u>89,165,497</u>	<u>7,128,357</u>
Total liabilities	<u>\$ 10,401,500</u>	<u>\$ 89,121,749</u>	<u>\$ 90,964,374</u>	<u>\$ 8,558,875</u>



## **Statistical Section**

COUNTY OF GLENN, CALIFORNIA  
General Government Expenditures by Function\*  
Last Ten Fiscal Years

Fiscal Year	Public Protection	Health and Sanitation	Public Assistance	All Others**	Total
1993/94	\$ 6,390,076	\$ 4,104,390	\$ 9,929,736	\$ 7,767,472	\$ 28,191,674
1994/95	7,464,990	4,944,906	10,515,693	7,010,692	29,936,281
1995/96	7,503,888	4,455,783	11,074,206	7,844,635	30,878,512
1996/97	8,638,057	4,870,438	9,813,722	8,295,907	31,618,124
1997/98	8,713,609	5,373,035	9,584,357	8,712,103	32,383,104
1998/99	9,518,416	5,462,050	9,693,474	9,042,454	33,716,394
1999/00	11,490,460	5,849,537	10,927,626	10,931,822	39,199,445
2000/01	11,803,594	6,500,881	11,412,230	12,403,234	42,119,939
2001/02	14,240,830	7,560,539	19,512,782	12,136,575	53,450,726
2002/03	15,304,335	8,005,829	18,864,961	14,211,665	56,386,790



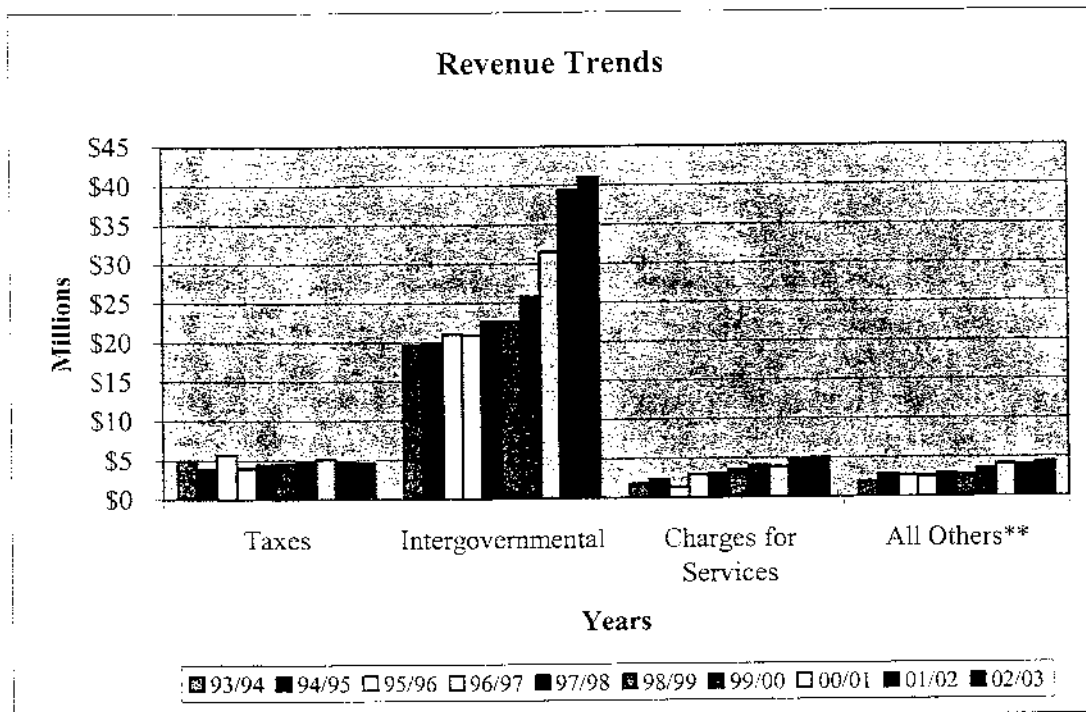
\* Includes general, special revenue, debt service and capital project funds.

\*\* Includes general government, public ways and facilities, education, debt service and capital outlay expenditures.

Source: Glenn County Department of Finance

COUNTY OF GLENN, CALIFORNIA  
General Government Revenues by Source\*  
Last Ten Fiscal Years

Fiscal Year	Taxes	Inter-governmental	Charges for Services	All Others**	Total
1993/94	\$ 4,900,964	\$ 19,575,153	\$ 1,778,257	\$ 1,964,598	\$ 28,218,972
1994/95	3,883,061	19,859,970	2,336,241	2,802,981	28,882,253
1995/96	5,615,629	20,994,307	1,346,588	2,702,595	30,659,119
1996/97	3,988,593	20,821,620	2,862,103	2,534,760	30,207,076
1997/98	4,398,826	22,578,386	3,042,825	2,930,730	32,950,767
1998/99	4,456,025	22,641,015	3,495,334	2,808,173	33,400,547
1999/00	4,692,273	25,768,196	4,046,489	3,482,716	37,989,674
2000/01	5,122,836	31,513,710	3,844,202	4,077,203	44,557,951
2001/02	4,769,374	39,342,369	4,704,109	4,000,991	52,816,843
2002/03	4,561,652	41,011,277	4,972,724	4,389,084	54,934,737



\* Includes general, special revenue, debt service and capital projects funds.

\*\* Includes licenses and permits, fines forfeitures and penalties, use of money and property and miscellaneous.

Source: Glenn County Department of Finance

COUNTY OF GLENN, CALIFORNIA  
Property Tax Levies and Collections  
Last Ten Fiscal Years

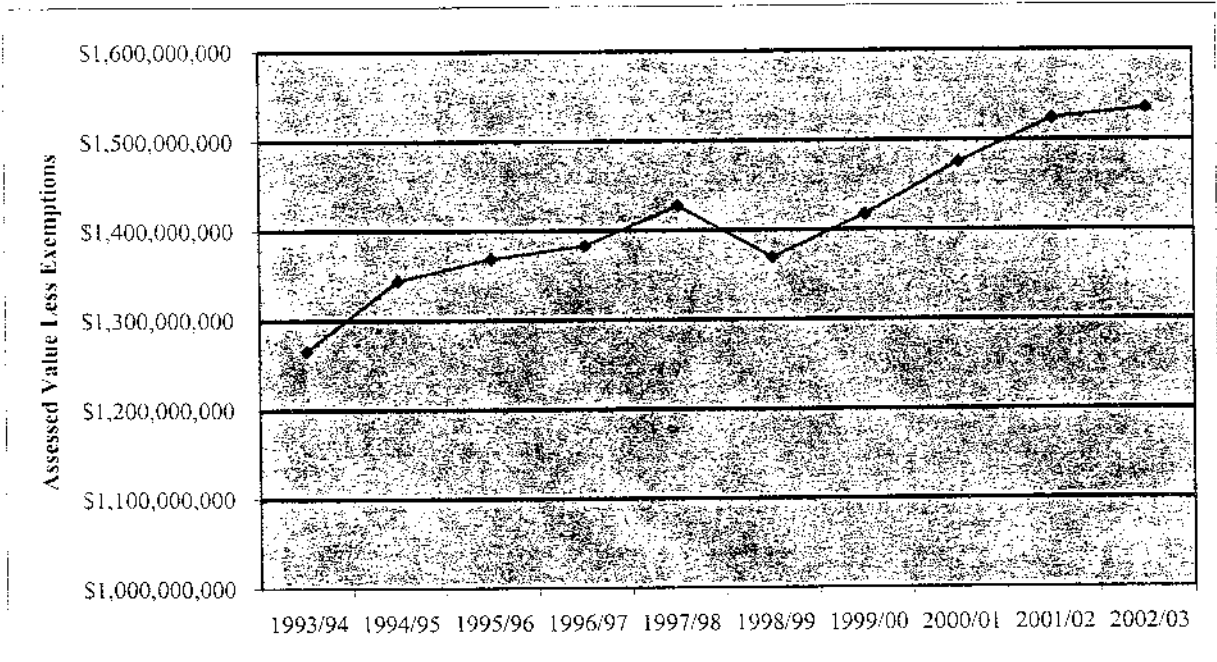
Fiscal Year	Tax Bills Issued	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
1993/94	15,486	\$ 14,167,169	\$ 13,779,181	97.3%	\$ 387,988	2.7%
1994/95	14,222	14,919,028	14,555,301	97.2%	423,727	2.8%
1995/96	14,277	15,196,364	14,840,060	97.7%	356,304	2.3%
1996/97	15,486	15,237,706	14,888,294	97.7%	349,412	2.3%
1997/98	15,486	15,508,681	15,156,055	97.7%	352,625	2.3%
1998/99	15,486	16,125,823	15,745,443	97.6%	380,380	2.4%
1999/00	15,486	16,633,522	16,272,591	97.8%	360,931	2.2%
2000/01	15,486	17,173,929	16,399,169	95.5%	774,760	4.5%
2001/02	15,486	17,873,305	17,343,991	97.0%	529,314	3.0%
2002/03	15,486	18,222,869	17,833,019	97.9%	389,850	2.1%

Source: Glenn County Department of Finance - Treasurer/Tax Collector Division



COUNTY OF GLENN, CALIFORNIA  
Assessed Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Assessed Value					Assessed Value Less Exemptions		Net Increase	
	Land	Improvements	Personal Property	Total	Exemptions	Exemptions	Amount	Percentage	
1993/94	\$ 525,274,209	\$ 642,072,571	\$ 145,405,696	\$ 1,312,752,476	\$ 47,526,939	\$ 1,265,225,537	N/A	N/A	
1994/95	555,561,684	698,078,289	138,092,167	1,391,732,140	47,834,623	1,343,897,517	78,671,980	6.2%	
1995/96	554,125,361	713,347,139	149,725,172	1,417,197,672	49,103,233	1,368,094,439	24,196,922	1.8%	
1996/97	555,726,836	729,065,698	147,122,031	1,431,914,565	49,559,792	1,382,354,773	14,260,334	1.0%	
1997/98	593,604,412	739,283,817	149,073,325	1,481,961,554	55,382,494	1,426,579,060	44,224,287	3.2%	
1998/99	610,980,160	658,535,818	155,621,607	1,425,137,585	56,096,229	1,369,041,356	(57,537,704)	-4.0%	
1999/00	624,971,835	686,517,127	162,974,741	1,474,463,703	57,783,750	1,416,679,953	47,638,597	3.5%	
2000/01	634,309,231	715,810,490	182,545,779	1,532,665,500	58,213,072	1,474,452,428	57,772,475	4.1%	
2001/02	651,331,944	745,946,260	184,941,874	1,582,220,078	59,104,642	1,523,115,436	48,663,008	3.3%	
2002/03	643,862,807	766,494,948	182,073,403	1,592,431,158	58,262,871	1,534,168,287	11,052,851	0.7%	



Source: Glenn County Department of Finance

COUNTY OF GLENN, CALIFORNIA  
Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years

Fiscal Year	Countywide Tax	(1) Schools	Total
1993/94	1.00000		1.00000
1994/95	1.00000	0.01600	1.01600
1995/96	1.00000	0.01822	1.01822
1996/97	1.00000	0.00840	1.00840
1997/98	1.00000	0.01400	1.01400
1998/99	1.00000	0.01833	1.01833
1999/00	1.00000	0.03050	1.03050
2000/01	1.00000	0.04833	1.04833
2001/02	1.00000	0.05233	1.05233
2002/03	1.00000	0.04395	1.04395

Source: Glenn County Department of Finance

(1) Rates shown represent a weighted average of the various school district tax rate areas within the County of Glenn

California voters, on June 6, 1978, approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies may not levy property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each County will levy the maximum permitted by Article XIII A of \$1 per \$100 of full cash value, pursuant to Senate Bill 1656, Statutes of 1978. The rates shown above are percentages of assessed valuation.

COUNTY OF GLENN, CALIFORNIA  
Computation of Legal Debt Margin  
June 30, 2003

**Assessed Valuations:**

Assessed Value	\$	1,534,168,287
Debt Limitation		-
Amount of Debt Applicable to Debt Limit:		<u>-</u>
Legal Debt Margin	\$	<u><u>1,534,168,287</u></u>

COUNTY OF GLENN, CALIFORNIA  
Ratio of Net General Obligation Bonded Debt to Assessed  
Value and Net General Obligation Bonded Debt Per Capita  
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Assessed Value	(3) Gross Bonded Debt	Bonded Debt to Assessed Value	Gross Bonded Debt per Capita
1993/94	25,850	\$ 1,265,225,537	\$ -	-	\$ -
1994/95	25,900	1,343,897,517	-	-	-
1995/96	26,150	1,368,094,439	-	-	-
1996/97	26,350	1,382,354,773	-	-	-
1997/98	26,400	1,426,579,060	-	-	-
1998/99	26,400	1,369,041,356	-	-	-
1999/00	26,300	1,416,679,953	-	-	-
2000/01	26,550	1,474,452,428	-	-	-
2001/02	26,800	1,523,115,436	-	-	-
2002/03	26,800	1,534,168,287	-	-	-

(1) Source: California Department of Finance

(2) Source: Glenn County Department of Finance

(3) Glenn County does not have any general obligation bonded debt.

COUNTY OF GLENN, CALIFORNIA  
 Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General  
 to Total General Governmental Expenditures  
 Last Ten Fiscal Years

Fiscal Year	(1) Debt Service Expenditure		Total Debt Service	(2) Total Expenditures	Ratio Debt Service to Total Expenditures
	Principal	Interest and Finance Charges			
1993/94	\$ -	\$ -	\$ -	\$ 28,191,674	-
1994/95	-	-	-	29,936,281	-
1995/96	-	-	-	30,878,512	-
1996/97	-	-	-	31,618,124	-
1997/98	-	-	-	32,383,104	-
1998/99	-	-	-	33,716,394	-
1999/00	-	-	-	39,199,445	-
2000/01	-	-	-	42,119,939	-
2001/02	-	-	-	53,450,726	-
2002/03	-	-	-	56,386,790	-

(1) Includes debt service expenditures for general obligation bonded debt only.

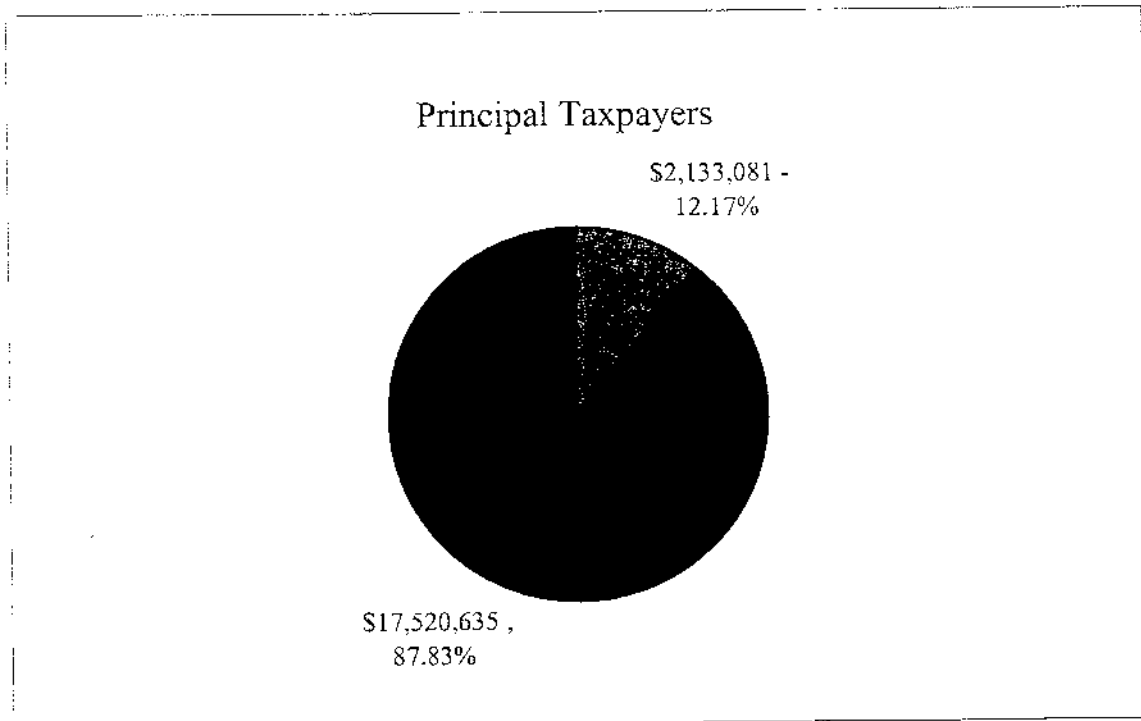
Source: Glenn County Department of Finance

COUNTY OF GLENN, CALIFORNIA  
 Computation of Direct and Overlapping Bonded Debt  
 June 30, 2003

	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
<b>Direct:</b>			
General Obligation Debt	\$ -	-	\$ -
<b>Overlapping:</b>			
Willows Unified School District 1994	155,000	0%	-
Hamilton Union High School District 1998	1,240,000	0%	-
Plaza Unified School District 2000	735,000	0%	-
	<u>\$ 2,130,000</u>		<u>\$ -</u>

COUNTY OF GLENN, CALIFORNIA  
Principal Taxpayers  
June 30, 2003

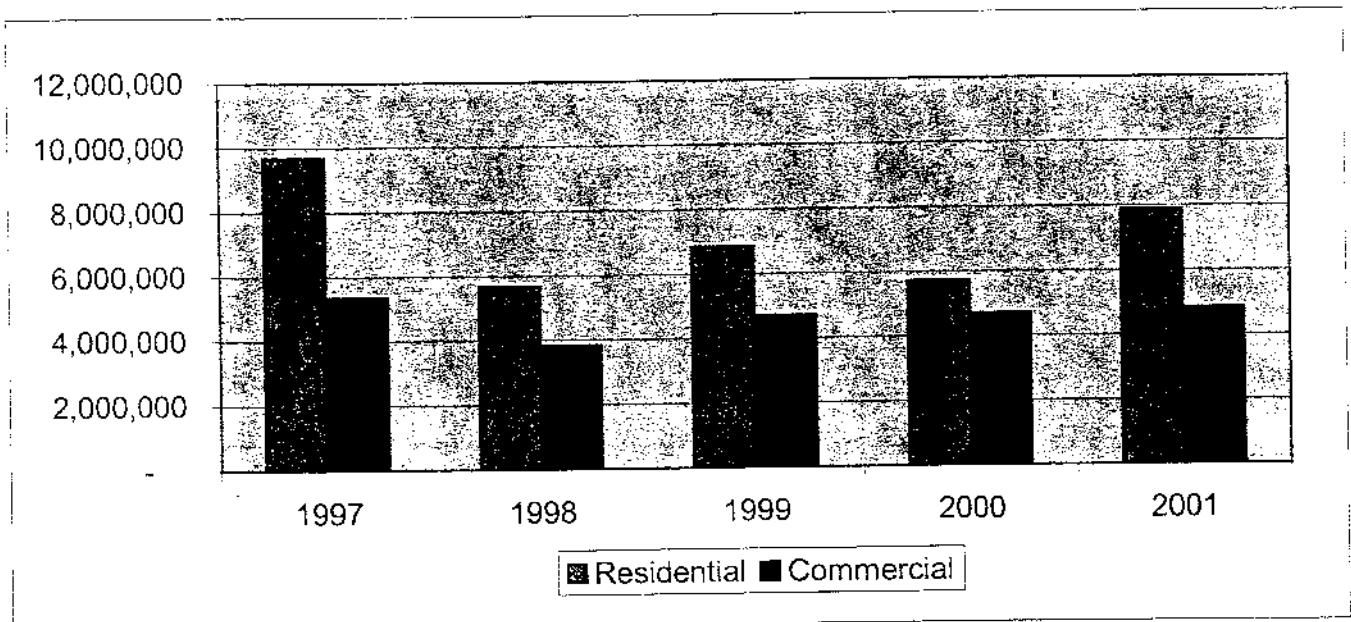
Taxpayer	Total Property Taxes	Percentages	Assessed Value
Johns Manville International	\$ 762,158	4.35%	\$ 73,839,760
Pacific Gas & Electric Co.	625,034	3.57%	60,388,958
Venoco Inc.	193,715	1.11%	18,890,895
Pacific Bell	102,387	0.58%	9,892,512
Big W Ranch Corp.	90,395	0.52%	8,654,572
Williams Ej Etal	90,116	0.51%	3,769,639
Dept of Veterans Affairs	71,286	0.41%	6,257,908
Koehnen & Sons Orchard C F	66,796	0.38%	6,198,274
Land O Lakes Inc.	65,703	0.38%	6,417,799
Paul A. Violich Inc.	65,491	0.37%	6,078,780
<b>Total taxes of 10 largest taxpayers</b>	<b>\$ 2,133,081</b>	<b>12.17%</b>	<b>\$ 200,389,097</b>
<b>Total taxes of all taxpayers</b>	<b>\$ 17,520,635</b>	<b>100.00%</b>	



Source: Glenn County Department of Finance - Treasurer-Tax Collector

COUNTY OF GLENN, CALIFORNIA  
 Building Permit Valuation\*  
 Last Five Fiscal Years

	1997	1998	1999	2000	2001
<b>Residential</b>					
New Single Family Dwelling	\$ 8,929,000	\$ 4,953,000	\$ 5,264,000	\$ 4,670,000	\$ 6,728,000
New Multiple Family Dwelling	-	-	-	-	-
Alterations and Additions	745,000	727,000	1,577,000	1,057,000	1,159,000
<b>Total Residential</b>	<b>9,674,000</b>	<b>5,680,000</b>	<b>6,841,000</b>	<b>5,727,000</b>	<b>7,887,000</b>
<b>Nonresidential</b>					
New Commerical	1,667,000	-	1,604,000	176,000	822,000
New Industrial	-	460,000	-	-	376,000
Other Construction	2,263,000	2,218,000	2,364,000	4,043,000	3,135,000
Alterations and Additions	1,420,000	1,155,000	735,000	485,000	497,000
<b>Total Nonresidential</b>	<b>5,350,000</b>	<b>3,833,000</b>	<b>4,703,000</b>	<b>4,704,000</b>	<b>4,830,000</b>
<b>Total Valuation</b>	<b>\$ 15,024,000</b>	<b>\$ 9,513,000</b>	<b>\$ 11,544,000</b>	<b>\$ 10,431,000</b>	<b>\$ 12,717,000</b>



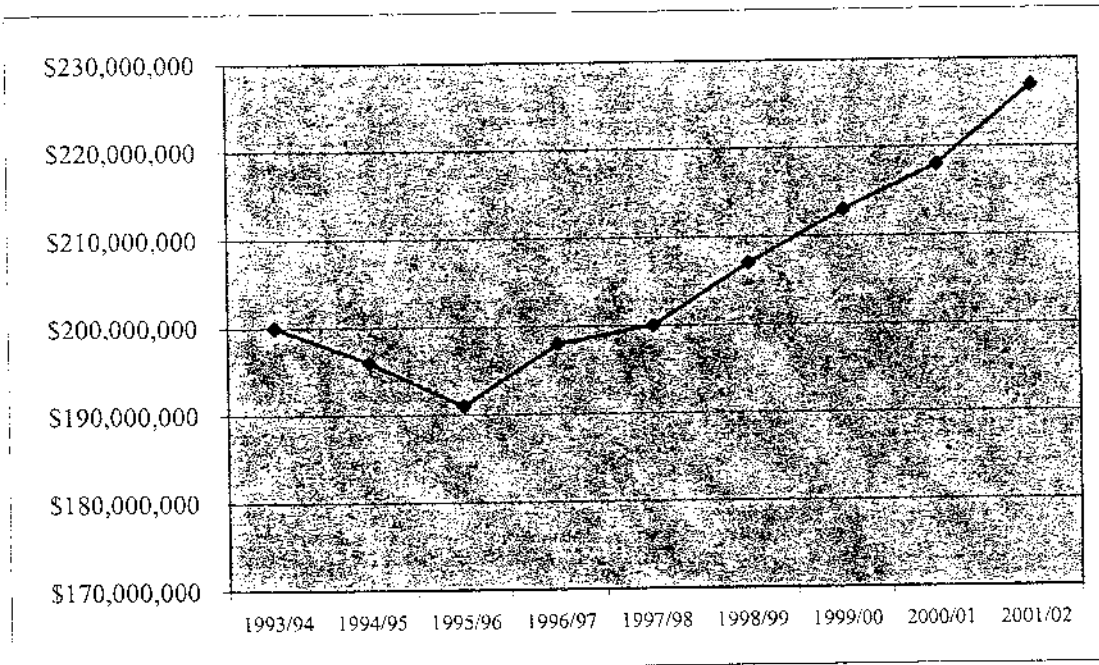
Source: Construction Industry Research Board.

\* There was only five years worth of information available.



COUNTY OF GLENN, CALIFORNIA  
 Deposits in FDIC Insured Institutions  
 Last Ten Fiscal Years

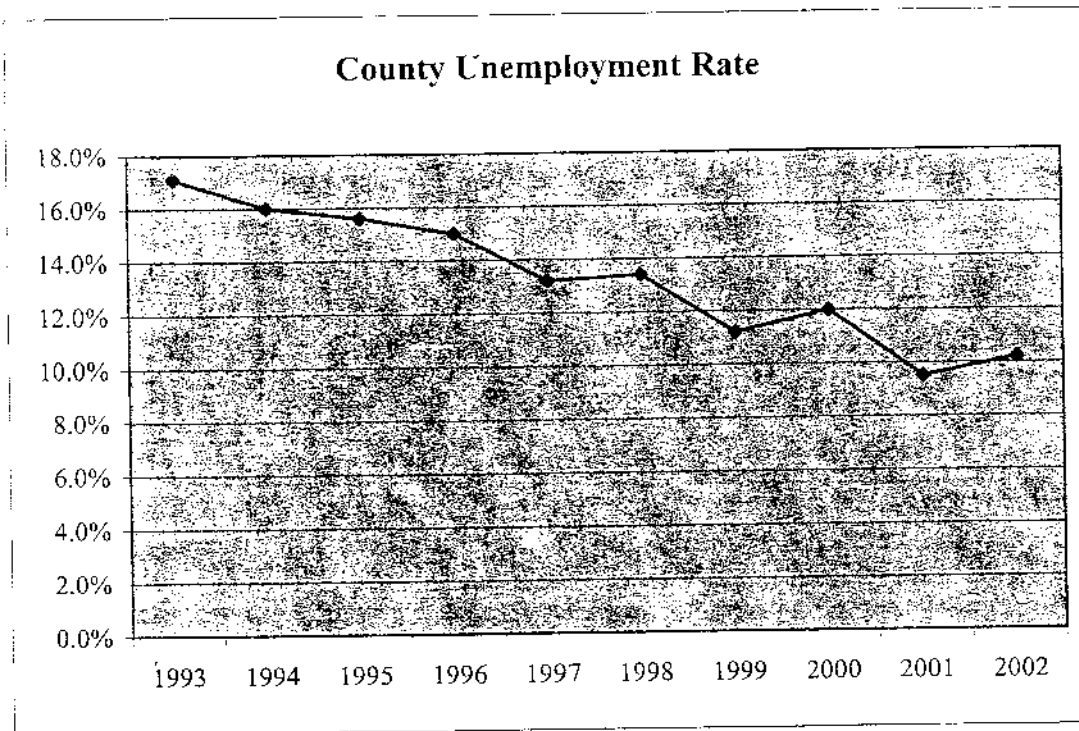
Fiscal Year	Number of Institutions	Number of Offices	Deposits	Net Increase	
				Amount	Percentage
1993/94	4	8	\$ 200,000,000	N/A	N/A
1994/95	4	8	196,000,000	\$ (4,000,000)	-2.00%
1995/96	4	8	191,000,000	(5,000,000)	-2.55%
1996/97	4	8	198,000,000	7,000,000	3.66%
1997/98	4	8	200,000,000	2,000,000	1.01%
1998/99	4	8	207,000,000	7,000,000	3.50%
1999/00	4	8	213,000,000	6,000,000	2.90%
2000/01	4	8	218,000,000	5,000,000	2.35%
2001/02	4	8	227,000,000	9,000,000	4.13%
2002/03	Not Available				



Source: Federal Deposit Insurance Corporation (FDIC).

COUNTY OF GLENN, CALIFORNIA  
Demographic Statistics  
Last Ten Fiscal Years

Year	(1) Population	(2) School Enrollment	(3) County Unemployment Rate	(4) Per Capita Personal Income
1993	25,850	6,040	17.1%	\$ 16,304
1994	25,900	3,074	16.0%	16,256
1995	26,150	6,232	15.6%	15,694
1996	26,350	6,188	15.0%	17,190
1997	26,400	6,206	13.2%	18,027
1998	26,400	6,167	13.4%	17,247
1999	26,300	6,215	11.2%	18,286
2000	26,550	6,234	12.0%	19,213
2001	26,800	6,167	9.5%	Not Available
2002	26,800	6,055	10.2%	Not Available



- (1) Source: California Department of Finance
- (2) Source: California Department of Education
- (3) Source: California Employment Development Department
- (4) Source: Regional Economic System, Bureau of Economic Analysis

COUNTY OF GLENN, CALIFORNIA  
Miscellaneous Statistical Data  
June 30, 2003

Geographic Location: The County of Glenn is located 90 miles north of Sacramento and 70 miles south of Redding along Interstate 5. Glenn County has a total area of 1327 square miles. Glenn County represents .81 percent of the total area of the State of California.

The eastern half of Glenn County lies within the Sacramento Valley, an agriculturally rich area with rice as its predominant crop. The western quarter of the county is within the Coast Range, which rises to over 7,448 feet at Black Butte in the northwestern part of the county and is mostly forested. The remaining quarter is low foothills with narrow valleys where ranching is dominant.

County Seat: Willows, California

Date of Incorporation: March 5, 1891

Form of Government: General Law County, government by a five-member Board of Supervisors

Fiscal Year: July 1 through June 30

Incorporated Cities: Orland - Population 12,425 (2000)  
Willows - Population 8,280 (2000)

Roads: 860 miles of County maintained streets and roads in the unincorporated areas

County Employees  
at June 30:

Year	Number of Employees	Percent of Increase/ (Decrease)
1994	517	3%
1995	520	1%
1996	436	-16%
1997	442	1%
1998	457	3%
1999	459	0%
2000	516	12%
2001	498	-3%
2002	538	8%
2003	537	0%

Source: Glenn County Department of Finance

Decrease from 1995 to 1996 was due to the hospital ceasing to be part Glenn County government.