

Exhibit B

Lincoln County, Tennessee
 Statement of Activities
 For the Year Ended June 30, 2003

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			School Department	Emergency Communications District
					Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General Government	\$ 932,172	\$ 333,009	\$ 21,000	\$ 0	\$ (578,163)	\$ 0	\$ (578,163)	\$ 0	\$ 0
Finance	785,863	512,356	10,338	0	(263,169)	0	(263,169)	0	0
Administration of Justice	699,564	561,985	2,869	0	(134,710)	0	(134,710)	0	0
Public Safety	3,108,312	619,575	112,693	164,174	(2,211,870)	0	(2,211,870)	0	0
Public Health and Welfare	7,590,276	666,753	6,884,961	70,000	31,438	0	31,438	0	0
Social, Cultural and Rec Services	115,131	0	0	0	(115,131)	0	(115,131)	0	0
Agriculture & Natural Resources	119,678	31,413	0	0	(88,265)	0	(88,265)	0	0
Other Operations	634,285	0	0	312,420	(321,865)	0	(321,865)	0	0
Highways/Public Works	2,268,029	24,549	1,829,937	215,716	(197,827)	0	(197,827)	0	0
Interest on Long-term Debt	1,211,766	0	0	0	(1,211,766)	0	(1,211,766)	0	0
Other Debt Service	25,399	0	0	0	(25,399)	0	(25,399)	0	0
Total Governmental Activities	\$ 17,490,475	\$ 2,749,640	\$ 8,861,798	\$ 762,310	\$ (5,116,727)	\$ 0	\$ (5,116,727)	\$ 0	\$ 0
Business-type Activities:									
Lincoln County Health System	\$ 28,133,937	\$ 27,876,909	\$ 0	\$ 34,860	\$ 0	\$ (222,168)	\$ (222,168)	\$ 0	\$ 0
Lincoln County Board of Public Utilities	2,749,819	3,010,060	84,672	127,005	0	471,918	471,918	0	0
Total Business-type Activities	\$ 30,883,756	\$ 30,886,969	\$ 84,672	\$ 161,865	\$ 0	\$ 249,750	\$ 249,750	\$ 0	\$ 0
Total Primary Government	\$ 48,374,231	\$ 33,636,609	\$ 8,946,470	\$ 924,175	\$ (5,116,727)	\$ 249,750	\$ (4,866,977)	\$ 0	\$ 0
Component Units:									
Lincoln County School Department	\$ 22,471,974	\$ 1,071,853	\$ 1,686,982	\$ 28,282	\$ 0	\$ 0	\$ 0	\$ (19,684,857)	\$ 0
Emergency Communications District	513,317	206,809	331,790	60,000	0	0	0	0	85,282
Total Component Units	\$ 22,985,291	\$ 1,278,662	\$ 2,018,772	\$ 88,282	\$ 0	\$ 0	\$ 0	\$ (19,684,857)	\$ 85,282

(Continued)

Exhibit B

Lincoln County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	School Department	Emergency Communications District
General Revenues:									
Taxes:									
Property taxes levied for general purposes					\$ 2,437,612	\$ 0	\$ 2,437,612	\$ 3,110,783	\$ 0
Property taxes levied for debt service					985,797	0	985,797	0	0
Local option sales tax					1,321,259	0	1,321,259	2,162,747	0
Other local taxes					1,164,494	0	1,164,494	90,788	0
Grants & Contributions not restricted for specific programs					879,382	0	879,382	13,127,280	0
Unrestricted Investment Earnings					265,187	149,889	415,076	0	3,331
Miscellaneous					18,948	0	18,948	40,383	11,391
Total General Revenues					\$ 7,072,679	\$ 149,889	\$ 7,222,568	\$ 18,531,981	\$ 14,722
Change in net assets					\$ 1,955,952	\$ 399,639	\$ 2,355,591	\$ (1,152,876)	\$ 100,004
Prior Period Adjustment					0	0	0	(350,000)	0
Net assets, July 1, 2002					(14,849,992)	31,334,132	16,484,140	35,121,830	706,692
Net assets, June 30, 2003					\$ (12,894,040)	\$ 31,733,771	\$ 18,839,731	\$ 33,618,954	\$ 806,696

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