

Exhibit B-1

Montgomery County Tennessee
 Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Governmental Fund
 For the Year Ended June 30, 2003

	Major Funds					Nonmajor	Total
	General	Highway/ Public Works	General Debt Service	General Capital Projects	Other Capital Projects #2	Other Govern- mental Funds	
Revenues							
Local Taxes	\$ 15,960,957	\$ 2,632,418	\$ 18,212,173	\$ 0	\$ 0	\$ 0	\$ 36,805,548
Licenses and Permits	543,245	0	0	0	0	0	543,245
Fines, Forfeitures and Penalties	921,096	0	0	0	0	10,566	931,652
Charges for Current Services	2,745,340	445	0	0	0	5,584,739	8,330,524
Other Local Revenues	1,797,769	169,652	264,310	38,565	5,363	473,550	2,747,209
State of Tennessee	4,190,321	3,107,045	0	462,534	0	0	7,759,900
Federal Government	410,559	0	0	0	0	73,979	484,538
Other Governments and Citizens Groups	225,640	0	834,362	133,408	0	37,438	1,230,848
Total Revenues	\$ 26,794,927	\$ 5,909,660	\$ 19,310,845	\$ 634,507	\$ 5,363	\$ 6,180,262	\$ 58,837,464
Expenditures							
Current:							
General Government	\$ 3,356,336	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,356,336
Finance	2,830,176	0	0	0	0	176	2,830,351
Administration of Justice	3,092,704	0	0	0	0	16,030	3,108,734
Public Safety	10,136,262	0	0	0	0	96	10,136,358
Public Health and Welfare	4,977,173	0	0	0	0	0	4,977,173
Social, Cultural, and Recreational Services	783,642	0	0	0	0	0	783,642
Agricultural and Natural Resources	273,747	0	0	0	0	0	273,747
Other Operations	6,463,697	0	0	0	0	111,417	6,575,114
Highways	103,597	5,869,804	0	0	0	0	5,973,401
Capital Outlay	0	0	0	0	0	3,833,022	3,833,022
Debt Service:							
Principal	0	0	10,320,616	0	2,540,750	0	12,861,366
Interest	0	1,997	6,775,508	0	0	0	6,777,505
Other Debt Service	0	0	1,491,410	0	1,200,000	1,787,863	4,479,273
Capital Projects	47,605	0	0	29,750,194	0	0	29,797,799
Total Expenditures	\$ 32,064,937	\$ 5,871,801	\$ 18,587,534	\$ 29,750,194	\$ 3,740,750	\$ 5,748,604	\$ 95,763,820
Excess (Deficiency) of Revenues Over Expenditures	\$ (5,270,010)	\$ 37,759	\$ 723,311	\$ (29,115,687)	\$ (3,737,387)	\$ 431,658	\$ (36,930,356)
Other Financing Sources (Uses)							
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 25,000,000	\$ 0	\$ 0	\$ 25,000,000
Notes Issued	0	0	0	0	0	2,540,750	2,540,750
Refunding Debt Issued	0	0	81,640,000	0	0	0	81,640,000
Premiums on Debt Issued	0	0	7,303,515	0	363,310	0	7,666,825
Other Loans Issued	0	0	0	0	0	1,292,272	1,292,272
Transfers In	5,635,174	0	21,848	22,639,860	0	0	28,296,882

(Continued)

Exhibit B-1

Montgomery County, Tennessee
 Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Governmental Funds (Cont.)

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Highway/ Public Works	General Debt Service	General Capital Projects	Other Capital Projects #2	Other Govern- mental Funds	
Other Financing Sources (Uses) (Cont.)							
Transfers Out	\$ (80,012)	\$ 0	\$ (177,232)	\$ 0	\$ 0	\$ (28,039,638)	\$ (28,296,882)
Payments to Refunded Debt Escrow Agent	0	0	(88,210,000)	0	0	0	(88,210,000)
Total Other Financing Sources (Uses)	\$ 5,555,162	\$ 0	\$ 578,131	\$ 22,639,860	\$ 25,362,310	\$ (24,206,616)	\$ 29,928,847
Net Change in Fund Balances	\$ 285,152	\$ 37,759	\$ 1301,442	\$ (6,475,827)	\$ 21,624,923	\$ (23,774,958)	\$ (7,001,509)
Fund Balance, July 1, 2002	7,458,412	706,465	27,539,101	7,189,465	0	31,889,713	74,783,156
Prior Period Adjustment	0	0	(5,609,685)	0	0	0	(5,609,685)
Fund Balance, June 30, 2003	\$ 7,743,564	\$ 744,224	\$ 23,230,858	\$ 713,638	\$ 21,624,923	\$ 8,114,755	\$ 62,171,962

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