

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets							
	Program Revenues				Primary Government	Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities and Total	Sevier County School Department	Emergency Communica-tions District	Public Building Authority
<b>Primary Government:</b>								
Governmental Activities:								
General Government	\$ 3,262,849	\$ 1,739,245	\$ 3,000	\$ 0	\$ (1,520,604)	\$ 0	\$ 0	\$ 0
Finance	1,499,685	2,146,511	29,164	0	675,990	0	0	0
Administration of Justice	1,547,786	1,038,036	44,000	0	(465,750)	0	0	0
Public Safety	6,709,013	856,316	193,123	0	(5,659,574)	0	0	0
Public Health and Welfare	6,374,770	2,553,050	229,447	226,903	(3,365,370)	0	0	0
Social, Cultural and Recreational Services	981,008	0	55,510	0	(925,498)	0	0	0
Agricultural and Natural Resources	158,749	0	0	0	(158,749)	0	0	0
Other Operations	3,725,939	0	0	0	(3,725,939)	0	0	0
Highways	4,082,302	8,139	2,285,169	2,650,431	861,437	0	0	0
Education	5,799,444	531,334	0	0	(5,268,110)	0	0	0
Debt Service:								
Interest on Long-Term Debt	3,125,143	0	0	0	(3,125,143)	0	0	0
Other Debt Service	111,751	0	0	0	(111,751)	0	0	0
<b>Total Primary Government</b>	<b>\$ 37,378,439</b>	<b>\$ 8,872,631</b>	<b>\$ 2,839,413</b>	<b>\$ 2,877,334</b>	<b>\$ (22,789,061)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Component Units:</b>								
Sevier County School Department	\$ 82,470,975	\$ 2,625,404	\$ 9,240,479	\$ 5,315,000	\$ 0	\$ (65,290,092)	\$ 0	\$ 0
Emergency Communications District	613,880	628,393	0	0	0	0	14,513	0
Public Building Authority	46,017	0	127,978	118,268	0	0	0	200,229
<b>Total Component Units</b>	<b>\$ 83,130,872</b>	<b>\$ 3,253,797</b>	<b>\$ 9,368,457</b>	<b>\$ 5,433,268</b>	<b>\$ 0</b>	<b>\$ (65,290,092)</b>	<b>\$ 14,513</b>	<b>\$ 200,229</b>
<b>General Revenues:</b>								
Property Taxes					\$ 17,758,170	\$ 14,107,059	\$ 0	\$ 0
Sales Taxes					2,267,863	26,427,039	0	0
Other Taxes					2,163,713	9,026	0	0
Grants and Contributions not restricted to specific programs					5,232,631	29,958,093	0	0
Unrestricted Investment Income					914,321	7,667	4,861	12,132
Gain on Sale of Capital Assets					0	0	2,800	0
Miscellaneous					78,877	180,642	0	0
<b>Total General Revenues</b>					<b>\$ 28,415,575</b>	<b>\$ 70,689,526</b>	<b>\$ 7,661</b>	<b>\$ 12,132</b>
<b>Change in Net Assets</b>					<b>\$ 5,626,514</b>	<b>\$ 5,399,434</b>	<b>\$ 22,174</b>	<b>\$ 212,361</b>
<b>Net Assets - Beginning</b>					<b>(28,230,020)</b>	<b>67,216,041</b>	<b>1,076,460</b>	<b>895,123</b>
<b>Net Assets - Ending</b>					<b>\$ (22,603,506)</b>	<b>\$ 72,615,475</b>	<b>\$ 1,098,634</b>	<b>\$ 1,107,484</b>

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