

NOTE 11: DEFICIT FUND BALANCE OR RETAINED EARNINGS OF INDIVIDUAL FUNDS

The Stadium District Special Revenue Fund had a deficit fund balance at June 30, 2000, of \$5,558. Management plans to eliminate the deficit by refinancing debt and operating the Baseball Complex profitably in the future.

Pima Health Care System had a deficit balance of retained earnings at June 30, 2000, of \$28,287. This deficit does not violate any statutory requirement and can be corrected in the future, since the Board of Supervisors has implemented operational changes and adopted an increase in property tax revenue to repay the health care system deficit within the next few years.