INLAND EMPIRE
PUBLIC FACILITIES CORPORATION

AUDIT REPORT

JUNE 30, 2004

INLAND EMPIRE PUBLIC FACILITIES CORPORATION

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS

JAY H. ZERCHER, C.P.A.
ROBERT B. MEMORY, C.P.A.
PHILLIP H. WALLER, C.P.A.
BRENDA L ODLE, C.P.A.
TERRY P. SHEA, C.P.A.
KIRK A FRANKS, C.P.A.

LEENA SHANBHAG, C.P.A.
NANCY O'RAFFERTY, C.P.A.
KATHLEEN L. DEVALK, C.P.A.
LAURIE K. MARSCHER, C.P.A.
THOMAS T. PRILL, C.P.A.
JOSEPH P. WALSH, C.P.A.
SCOTT W. MANNO, C.P.A.
JANET M. VRYHEID, C.P.A.
JENNY LIU, C.P.A.
MATTHEW B. WILSON, C.P.A.

Board of Directors
Inland Empire Public Facilities Corporation
County Government Center
385 North Arrowhead Avenue, Second Floor
San Bernardino, CA 92415-0130

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying combined statement of net assets of the Inland Empire Public Facilities Corporation as of June 30, 2004, and the related combined statements of revenues, expenses and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion 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. 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 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Inland Empire Public Facilities Corporation at June 30, 2004, and the changes in its net assets and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis (MD&A) is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The management of the Inland Empire Public Facilities Corporation has elected to omit this information.

Rogers, Anderson, Malody & Scott LLP

September 17, 2004

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CALIFORNIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

VANIR TOWER • 290 NORTH "D" STREET • SUITE 300
SAN BERNARDINO, CA 92401
(909) 889-0871 • (909) 824-6736 • FAX (909) 889-5361
E-mail: rams@ramscpa.net

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INLAND EMPIRE PUBLIC FACILITIES CORPORATION
COMBINED STATEMENT OF NET ASSETS
JUNE 30, 2004

	Construction and Improvement Project	West Valley Detention Center Project	Medical Center Project	Glen Helen Blockbuster Project
ASSETS				
Cash and cash equivalents	$ 5,320,493	$ 4,921	$ 13,453,208	$ 10,903
Investments	6,604,652	-	44,952,225	-
Interest receivable	150,625	-	770,660	-
Receivable from County of San Bernardino	-	-	25,077	-
Current portion of gross lease payments receivable	8,926,860	7,093,070	55,427,475	815,746
Current portion of unearned lease interest income	(6,131,383)	(5,994,487)	(37,421,316)	(568,906)
Total Current Assets	14,871,247	1,103,504	77,207,329	257,743
Gross lease payments receivable, net of current portion	100,927,803	126,344,727	1,026,531,041	20,933,509
Unearned lease interest income, net of current portion	(39,607,955)	(49,273,121)	(505,285,809)	(6,783,117)
Deferred Certificates of Participation issuance costs	1,263,263	1,800,194	9,717,855	348,004
TOTAL ASSETS	77,454,358	79,975,304	608,170,416	14,756,139
LIABILITIES				
Interest payable	1,309,942	719,547	13,653,328	3,823
Accounts payable	-	-	-	797
Arbitrage payable	-	-	25,077	-
Current portion of Certificates of Participation payable	6,035,000	2,735,000	23,060,000	600,000
Total Current Liabilities	7,344,942	3,454,547	36,738,405	604,620
Certificates of Participation payable net of current portion	87,690,000	91,525,000	616,310,000	18,500,000
Deferred amount on refunding	(7,425,932)	(5,895,571)	(41,466,883)	(3,183,400)
Discounts, net of premium on Certificates of Participation payable	1,394,474	2,848,948	(13,925,796)	-
TOTAL LIABILITIES	89,003,484	91,932,924	597,655,726	15,921,220
NET ASSETS (DEFICIT)				
Restricted	$ (11,549,126)	$ (11,957,620)	$ 10,514,690	$ (1,165,081)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

EXHIBIT A

Capital Improvement Refinancing Project	Solid Waste Financing Project	Public Improvement Financing Project	Total	
				ASSETS
$ 8,688	$ 133,563	$ 4,610,388	$ 23,542,164	Cash and cash equivalents
-	-	1,412,239	52,969,116	Investments
4	52	31,989	953,330	Interest receivable
-	-	-	25,077	Receivable from County of San Bernardino
291,742	6,026,890	1,429,091	80,010,874	Current portion of gross lease payments receivable
(249,839)	(1,277,444)	(966,163)	(52,609,538)	Current portion of unearned lease interest income
50,595	4,883,061	6,517,544	104,891,023	Total Current Assets
8,986,211	92,188,694	21,847,591	1,397,759,576	Gross lease payments receivable, net of current portion
(2,968,938)	(8,365,777)	(10,652,586)	(622,937,303)	Unearned lease interest income, net of current portion
283,167	1,589,867	369,094	15,371,444	Deferred Certificates of Participation issuance costs
6,351,035	90,295,845	18,081,643	895,084,740	TOTAL ASSETS
				LIABILITIES
7,089	20,819	187,476	15,902,024	Interest payable
-	3,717	-	4,514	Accounts payable
-	-	-	25,077	Arbitrage payable
200,000	4,900,000	695,000	38,225,000	Current portion of Certificates of Participation payable
207,089	4,924,536	882,476	54,156,615	Total Current Liabilities
8,000,000	84,325,000	14,200,000	920,550,000	Certificates of Participation payable net of current portion
(1,504,906)	-	-	(59,476,692)	Deferred amount on refunding
	-	(230,170)	(9,912,544)	Discounts, net of premium on Certificates of Participation payable
6,702,183	89,249,536	14,852,306	905,317,379	TOTAL LIABILITIES
				NET ASSETS (DEFICIT)
$ (351,148)	$ 1,046,309	$ 3,229,337	$ (10,232,639)	Restricted

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2004

	Construction and Improvement Project	West Valley Detention Center Project	Medical Center Project	Glen Helen Blockbuster Project
REVENUES				
Lease interest	$ 5,820,653	$ 4,888,557	$ 36,049,076	$ 574,524
Investment income				
Interest and dividends	325,406	1,781	2,844,538	-
Other revenue	-	-	-	50,823
Net increase (decrease) in fair value of investments	-	-	(2,404,951)	-
Total Revenues	6,146,059	4,890,338	36,488,663	625,347
EXPENSES				
Interest	2,852,679	4,417,694	33,083,097	196,428
Amortization of deferred amount on refinancing	632,109	576,815	1,807,388	161,868
Amortization of discount(premium) on Certificates of Participation	(116,206)	(263,168)	434,878	-
Amortization of deferred Certificates of Participation issuance costs	107,659	125,475	628,955	17,695
Other expenses	257	4,249	129,867	49,340
Total Expenses	3,476,498	4,861,065	36,084,185	425,331
Changes in Net Assets	2,669,561	29,273	404,478	200,016
Net Assets (Deficit) - July 1, 2003	(14,218,687)	(11,986,893)	10,110,212	(1,365,097)
Net Assets (Deficit) - June 30, 2004	$ (11,549,126)	$ (11,957,620)	$ 10,514,690	$ (1,165,081)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Capital Improvement Refinancing Project	Solid Waste Financing Project	Public Improvement Financing Project	Total	
				REVENUES
$ 217,293	$ 1,271,466	$ 1,003,175	$ 49,824,744	Lease interest
				Investment income
126	849	129,929	3.302,629	Interest and dividends
-	248,433	-	299,256	Other revenue
-	-	-	(2,404,951)	Net increase (decrease) in fair value of investments
217,419	1,520,748	1,133,104	51,021,678	Total Revenues
				EXPENSES
80,203	1,075,844	757,301	42,463,246	Interest
70,542	-	-	3,248,722	Amortization of deferred amount on refinancing
-	-	10,832	66,336	Amortization of discount(premium) on Certificates of Participation
13,273	125,516	17,369	1,035,942	Amortization of deferred Certificates of Participation issuance costs
76	235,165		418,954	Other expenses
164,094	1,436,525	785,502	47,233,200	Total Expenses
53,325	84,223	347,602	3,788,478	Changes in Net Assets
(404,473)	962,086	2,881,735	(14,021,117)	**Net Assets (Deficit) - July 1, 2003**
$ (351,148)	$ 1,046,309	$ 3,229,337	$ (10,232,639)	**Net Assets (Deficit) - June 30, 2004**

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

	Construction and Improvement Project	West Valley Detention Center Project	Medical Center Project	Glen Helen Blockbuster Project
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Lease payments received	$ 8,453,539	$ 4,714,857	$ 52,699,914	$ 806,489
Other revenue received	-	-	-	50,823
Principal payments on Certificates of Participation	(5,775,000)	(295,000)	(21,890,000)	(600,000)
Interest paid	(2,928,593)	(4,419,858)	(33,538,042)	(194,248)
Other expenses	(257)	(4,249)	(129,867)	(48,543)
Certificate of Participation Issuance Costs	-	-	-	(3,898)
Net Cash Provided By (Used) For Capital and Related Financing Activities	(250,311)	(4,250)	(2,857,995)	10,623
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income	324,557	1,781	2,841,332	-
Proceeds from sale of investments	19,814,464	-	-	-
Purchase of investments	(19,814,634)	-	-	-
Net Cash Provided By (Used) For Investing Activities	324,387	1,781	2,841,332	-
Increase (decrease) in cash and cash equivalents	74,076	(2,469)	(16,663)	10,623
Cash and cash equivalents at June 30, 2003	5,246,417	7,390	13,469,871	280
Cash and cash equivalents at June 30, 2004	$ 5,320,493	$ 4,921	$ 13,453,208	$ 10,903

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Capital Improvement Refinancing Project	Solid Waste Financing Project	Public Improvement Financing Project	Total	
				CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:
$ 280,254	$ 5,811,103	$ 1,429,093	$ 74,195,249	Lease payments received
	248,433		299,256	Other revenue received
(200,000)	(4,650,000)	(665,000)	(34,075,000)	Principal payments on Certificates of Participation
(79,776)	(1,064,412)	(764,699)	(42,989,628)	Interest paid
(76)	(231,448)	-	(414,440)	Other expenses
-	(18,357)	-	(22,255)	Certificate of Participation Issuance Costs
402	95,319	(606)	(3,006,818)	Net Cash Provided By (Used For) Capital and Related Financing Activities
				CASH FLOWS FROM INVESTING ACTIVITIES:
128	889	175,267	3,343,954	Investment income
-			19,814,464	Proceeds from sale of investments
-			(19,814,634)	Purchase of investments
128	889	175,267	3,343,784	Net Cash Provided By (Used) For Investing Activities
530	96,208	174,661	336,966	Increase (decrease) in cash and cash equivalents
8,158	37,355	4,435,727	23,205,198	**Cash and cash equivalents at June 30, 2003**
$ 8,688	$ 133,563	$ 4,610,388	$ 23,542,164	**Cash and cash equivalents at June 30, 2004**

NOTE 1: DESCRIPTION OF THE CORPORATION AND ACCOUNTING POLICIES

The Inland Empire Public Facilities Corporation (the "Corporation") is a nonprofit public benefit corporation, formed on May 30, 1986, to serve the County of San Bernardino (the "County") by financing, refinancing, acquiring, constructing, improving, leasing and selling buildings, building improvements, equipment, land, land improvements, and any other real or personal property for the benefit of residents of the County.

The Corporation's financial statements are presented on the accrual basis of accounting. The Corporation is deemed to be a component unit of the County. Upon termination of the trust and lease agreements, any remaining assets of the Corporation shall become the property of the County. All projects are presented as proprietary funds.

The Corporation uses the Direct Financing Lease Method to record the lease of the projects to the County. Under this method, when a project is completed, the Corporation records a lease receivable (see Note 4) and the Capital Assets are carried on the books of the lessee (County). Until the project is completed, the expenses for capital assets are carried as Construction in Progress on the books of the Corporation.

The Corporation enters into interest rate swap agreements to modify interest rates on outstanding debt. Other than the net interest expenditures resulting from these agreements, no amounts are recorded in the financial statements.

The Corporation treats all investments with original maturities of three months or less as cash equivalents.

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

Accounting Changes

On July 1, 2001, the Corporation adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments."* Statement 34 established standards for external financial reporting for all state and local governmental entities, which includes a statement of net assets, a statement of revenues, expenses, and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

Invested in capital assets, net of related debt – This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

NOTE 1: DESCRIPTION OF THE CORPORATION AND ACCOUNTING POLICIES (continued)

Restricted – This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets – This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

NOTE 2: THE PROJECTS

Construction and Improvement Project: The Corporation issued Certificates of Participation dated January 15, 1992 in the amount of $89,905,000. The Corporation applied the proceeds of the sale of the Certificates, together with other available funds, to provide for the defeasance of $72,760,000 of the $111,695,000 then outstanding Certificates of Participation originally delivered in 1986 (the "Prior Certificates"). The Corporation issued Variable Certificates of Participation dated January 20, 1995 in the amount of $40,400,000 (the "1995 County Center Refinancing Certificates"). The proceeds from the sale of the 1995 County Center Refinancing Certificates were used to provide for the defeasance of the remaining outstanding Prior Certificates in the amount of $36,675,000 and to provide for reimbursement in the amount of $1,751,174 to the County of San Bernardino. The reimbursement was to finance capital projects within the County. The Corporation issued Certificates of Participation dated July 11, 1996 in the amount of $39,600,000 (the "1996 County Center Refinancing Certificates"). The proceeds from the sale of the 1996 Certificates were used to provide for the defeasance of the 1995 County Center Refinancing Certificates. The Corporation issued Certificates of Participation dated March 1, 2002 in the amount of $68,100,000 (the "2002 Certificates"). The Corporation applied the proceeds of the Certificates for the defeasance of the $66,130,000 outstanding Certificates of Participation originally delivered in 1992.

The Prior Certificates were delivered for a project with these three elements:

a. The refunding of outstanding Certificates of the San Bernardino Building Authority for the construction of the County Public Government Center.

b. The refunding of outstanding Certificates of the San Bernardino County Public Improvements Authority for the construction of the Foothill Law and Justice Center.

c. The financing of certain improvements to the Chino Airport.

The County Government Center is a five-story office complex located at 385 North Arrowhead Avenue in San Bernardino. The Foothill Law and Justice Center is a four-story office and courtroom facility in the City of Rancho Cucamonga. Improvements to the Chino Airport include construction of four aircraft assembly buildings and appropriate site development. All these facilities, known as the "Construction and Improvement Project," are leased to the County for lease payments which are designed in both time and amount to pay the principal and interest on the Certificates. On May 13, 1997, the Corporation approved amendments to the Lease Agreement entered into in connection with the issue of the 1996 County Center Refinancing Certificates. The amendment provided for the release of property leased and the substitution of other property owned by the County.

NOTE 2: THE PROJECTS (continued)

West Valley Detention Center Project: The Corporation issued Certificates of Participation dated May 1, 1992 in the amount of $117,770,000 to provide for the defeasance of the $104,745,996 outstanding Certificates of Participation which were delivered and executed in 1988. The 1988 Certificates of Participation were delivered to finance the construction of a detention center located in the City of Rancho Cucamonga and certain related facilities and equipment and acquisition of the site. In addition to providing for the defeasance, the Certificates of Participation were issued to provide for costs of additional improvements to the detention center in the amount of $2,600,000, and to provide for reimbursement in the amount of $8,980,336 to the County of San Bernardino. The reimbursement was for a portion of the costs relating to the acquisition of 4.13 acres of real property located in the City of San Bernardino together with a newly constructed office building situated thereon (the "Reimbursed Project"). The Corporation has entered into a lease agreement with San Bernardino County whereby the detention center, known as the "West Valley Detention Center," is leased to the County for lease payments which are designed in both time and amount to pay the principal and interest on the Certificates. The Reimbursed Project is not subject to the lease agreement. On May 13, 1997, the Corporation approved amendments to the Lease Agreement entered into in connection with the issue of the 1992 Certificates. The amendment provided for the release of property leased and the substitution of other property owned by the County. The Corporation issued Certificates of Participation dated October 25, 2001 in the amount of $8,365,000 (the "2001 Series A") and $42,075,000 (the "2001 Series B"). The 2001 Series A Certificates were issued to provide funds to refund on a cross-over basis $7,785,000 of the outstanding 1992 Certificates. The proceeds of the 2001 Series B Certificates were used to reimburse Bear, Stearns and Co., Inc. for funds advanced by it for the purchase of $39,825,000 of the outstanding 1992 Certificates. The purchased Certificates were then cancelled. The Corporation issued Certificates of Participation dated August 6, 2002 in the amount of $44,480,000 (the "2002 Series A") the proceeds of which were used to refund $44,545,000 of the outstanding 1992 Certificates.

Medical Center Project: On November 4, 1991, the Board of Directors of the Corporation approved the overall financing program for the construction of the replacement County Medical Center. The project consisted of a hospital to be constructed on the site and hospital equipment. The overall financing plan for the replacement County Medical Center consists of the following phases:

1. Land acquisition financing:

   The Corporation issued Certificates of Participation, Series A, dated November 1, 1991, in the amount of $18,360,000. The proceeds from the sale of the "Series A" Certificates were used to acquire certain parcels of real property, which were used as the site of the hospital.

NOTE 2: THE PROJECTS (continued)

2. Preconstruction and first phase construction financing:

The Corporation issued Certificates of Participation, Series B, dated January 1, 1992, in the amount of $246,100,000. The proceeds from the sale of the "Series B" Certificates were to be used to finance a portion of the costs of design, engineering, construction management and construction of the hospital, and to fund capitalized interest to August 1, 1999, and fund a reserve fund deposit.

On March 2, 1994, the Corporation issued Certificates of Participation dated February 1, 1994 in the amount of $283,245,000 (the "1994 Certificates"). The proceeds from the sale of the 1994 Certificates were used, together with remaining funds from the issuance of Series A and Series B Certificates, to provide funds for defeasance of the Series A and Series B Certificates. In addition to providing for the defeasance, the proceeds from the sale of the 1994 Certificates were used, together with remaining funds from the issuance of Series A and Series B Certificates, to provide funds to finance a portion of the costs of design, engineering, construction management and construction of the hospital and to fund capitalized interest to August 1, 1999, and fund a reserve fund deposit.

3. Principal construction financing

On June 28, 1995, the Corporation issued Certificates of Participation dated June 1, 1995 in the amount of $363,265,000 (the "1995 Certificates"). The proceeds from the sale of the 1995 Certificates were used, together with some of the remaining funds from the issuance of the 1994 Certificates, to provide funds for the defeasance of $69,640,000 of the $283,245,000 outstanding 1994 Certificates of Participation. In addition to providing for the defeasance, the proceeds from the sale of the 1995 Certificates were used to provide funds to complete construction and to fund capitalized interest to and including October 1, 1999, and fund a reserve fund deposit.

On January 31, 1996, the Corporation issued Certificates of Participation dated January 1, 1996 in the amount of $65,070,000 (the "1996 Certificates"). The proceeds from the sale of the 1996 Certificates were used to provide for the defeasance of $55,000,000 of the $363,265,000 outstanding 1995 Certificates.

On October 22, 1998, the Corporation issued Certificates of Participation dated October 16, 1998 in the amount of $176,510,000 (the "1998 Certificates"). The proceeds from the sale of the 1998 Certificates were used to advance refund $160,700,000 of the $308,265,000 outstanding 1995 Certificates, to fund capitalized interest on the series 1998 Certificates to October 1, 1999, and to pay certain expenses of the transaction.

4. Major equipment acquisition financing

On September 16, 1997, the Corporation issued Certificates of Participation dated August 1, 1997 in the amount of $121,095,000 (the "1997 Certificates"). The proceeds from the sale of the 1997 Certificates were used to provide funds to finance the acquisition of equipment for the replacement County Medical Center and to fund Capitalized interest to and including August 1, 1999, and fund a reserve fund deposit.

NOTE 2: THE PROJECTS (continued)

The acquisition and construction of the Project was carried out by the County as the agent of the Corporation pursuant to a Master Agency Agreement, dated as of February 1, 1994. The County has leased the Site to the Corporation pursuant to the Master Site Lease, dated as of February 1, 1994.

The Corporation has entered into a master lease agreement with the County whereby the project (i.e. the hospital) is leased to the County. The County is required under the master lease agreement to make aggregate lease payments which are designed in both time and amount to pay the principal and interest due with respect to the Series 1994 Certificates, the Series 1995 Certificates, the Series 1996 Certificates, the Series 1997 Certificates and the Series 1998 Certificates.

Glen Helen Blockbuster Project: The Corporation issued Certificates of Participation dated December 22, 1994 in the amount of $7,380,000 (the "Series C Certificates"), Certificates of Participation dated December 6, 1995 in the amount of $16,510,000 (the "Series D Certificates") and Certificates of Participation dated December 6, 1995 in the amount of $4,430,000 (the "Series E Certificates"). The proceeds from the sale of Series C Certificates were used to finance the acquisition, construction, installation and equipping of an interchange at I-15 and Glen Helen Parkway and related roadwork. The proceeds from the sale of the Series D Certificates were used to provide for the defeasance of the outstanding $14,625,000 Series A Certificates originally delivered in 1994 to finance the acquisition, construction, improvement and equipping of certain public improvements related to the Glen Helen Blockbuster Pavilion (the "Pavilion Improvements"). The proceeds from the sale of the Series E Certificates were used to provide for the defeasance of the outstanding $3,880,000 Series B Certificates originally delivered in 1994 to finance the acquisition, construction, improvement and equipping of certain improvements to the Glen Helen Park (the "Park Improvements").

The Corporation issued Certificates of Participation dated May 1, 2003 in the amounts of $9,825,000 (the "Series 2003 A Certificates") and $9,875,000 (the "Series 2003 B Certificates"). The proceeds were used to prepay and refund the outstanding $6,035,000 of the Series C Certificates, $9,690,000 of the Series D Certificates and $3,610,000 of the Series E Certificates. On May 1, 2003, the Corporation approved amendments to the previous Lease Agreements entered into in connection with the issues of Series C, Series D and Series E. The amendments provided for the release of property leased and the substitution of other property owned by the County. The Corporation has entered into a lease agreement with the County whereby the Mid-Valley Landfill is leased to the County for the lease payments which are designed in both time and amount to pay the principal and interest on the Series 2003 A and Series 2003 B Certificates. The Landfill is located along the western boundary of the City of Rialto, and currently serves the cities of Rialto, Fontana, Montclair, Ontario, Rancho Cucamonga and Upland, and the unincorporated western valley area of San Bernardino County.

Capital Improvement Refinancing Project: On June 26, 1996, the Corporation issued Certificates of Participation dated June 21, 1996 in the amount of $9,200,000 (the "1996 Capital Improvement Refinancing Certificates"). The proceeds from the sale of the 1996 Capital Improvement Refinancing Certificates were used to provide for the defeasance of $13,125,000 in outstanding West Valley Detention Center/County Museum Certificates originally delivered in 1995 to finance the acquisition, construction, installation and equipping of two dormitories at the West Valley Detention Center.

NOTE 2: THE PROJECTS (continued)

The Corporation has entered into a lease agreement whereby the Capital Improvement Refinancing Project is leased to the County for lease payments which are designed in both time and amount to pay the principal and interest on the 1996 Capital Improvement Refinancing Certificates. On May 13, 1997, the Corporation approved amendments to the Lease Agreement entered into in connection with the 1996 Capital Improvements Refinancing Certificates. The amendments provided for the release of property leased and the substitution of other property owned by the County.

Solid Waste Financing Project: The Corporation issued Certificates of Participation dated May 1, 2003 in the amount of $93,875,000 (the "2003 B Solid Waste Financing Certificates"). The proceeds were used to transfer funds to Inland Empire Solid Waste Financing Authority, a joint powers authority of San Bernardino County and San Bernardino County Flood Control District, which were used to refund $92,120,000 of outstanding Certificates of Participation issued by the Inland Empire Solid Waste Financing Authority.

The Corporation has entered into a lease agreement with the County whereby the Mid-Valley Landfill is leased to the County for lease payments which are designed in both time and amount to pay the principal and interest on the 2003 B Solid Waste Financing Certificates.

Public Improvement Financing Project: The Corporation issued on October 29, 1997, Certificates of Participation dated October 1, 1997 in the amount of $17,790,000 (the "Public Improvement Financing Certificates"). The proceeds from the sale of the Public Improvement Financing Certificates will be primarily used to finance the acquisition, construction, installation and equipping of certain improvements throughout the County consisting generally of (a) the retrofit of lighting and HVAC systems at various County facilities and the upgrade of the PCB ballasts and chiller for the Central Plant, (b) the acquisition of a building located in the City of Ontario to be used for child care services and (c) the construction of a new juvenile hall housing facility and administrative center adjacent to the West Valley Detention Center.

The Corporation has entered into a Lease Agreement whereby the Public Improvement Financing Project is leased to the County for lease payments which are designed in both time and amount to pay the principal and interest on the Public Improvement Financing Certificates.

NOTE 3: CASH AND INVESTMENTS

Fiscal agents acting on behalf of the Corporation held all cash and investments from long-term debt issuances. In accordance with the terms of the trust agreements, cash and investments are segregated and restricted for specified purposes. The trustee banks for the corporation's projects are as follows:

Project	Trustee
Construction and Improvement Project	BNY Western Trust Company and Wells Fargo Bank, Corporate Trust Services
West Valley Detention Center Project	BNY Western Trust Company
Medical Center Project	J P Morgan, Institutional Trust Services
Glen Helen Blockbuster Project	Wells Fargo, Corporate Trust Services
Capital Improvement Refinancing Project	J P Morgan, Institutional Trust Services
Solid Waste Financing Project	Wells Fargo Bank, Corporate Trust Services
Public Improvement Financing Project	J P Morgan, Institutional Trust Services

Certificates of Participation indentures specify the types of securities in which proceeds can be invested. The fair value of investments is based on the valuation provided by trustee banks.

Classification of Deposits and Investments by Credit Risk:

GASB 3 requires that deposits and investments be classified into three categories of credit risk. These categories are as follows:

Deposits:

Category 1 - Deposits which are insured by FDIC, FSLIC, a state depository insurance fund, or a multiple-financial institution collateral pool; or deposits which are collateralized with securities held by the Corporation or the Corporation's agent in the Corporation's name.

Category 2 - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Corporation's name.

Category 3 - Deposits which are uncollateralized, or collateralized but the pledged securities are not held in the Corporation's name.

Investments:

Category 1 - Investments which are insured by SIPC or registered in the Corporation's name, or where the securities are held by the Corporation or the Corporation's agent in the Corporation's name.

Category 2 - Investments which are uninsured and unregistered, where the securities are held by the purchasing financial institution's trust department or agent in the Corporation's name.

Category 3 - Investments which are uninsured and unregistered, where the securities are held by the purchasing financial institution's trust department or agent, but not in the Corporation's name.

NOTE 3: CASH AND INVESTMENTS (continued)

Deposits and Investments were categorized at June 30, 2004, as follows:

	1	2	3	Fair Value
Cash	$ -	$ -	$ -	$ -
Investments:				
U. S. Treasury Bonds	-	-	22,703,685	22,703,685
Federal National Mtg Assn Discount Note	-	-	6,604,652	6,604,652
	$ -	$ -	$ 29,308,337	29,308,337
Mutual Funds				23,542,164
Guaranteed Investment Contract				23,660,779
				$ 76,511,280

NOTE 4: LEASE RECEIVABLE

The Corporation has entered into an agreement with the County whereby the Projects are leased to the County for lease payments that are equal to the debt service due on the Certificates of Participation. The leases are reported net of Unearned Interest Income which is recognized when received from the County.

The County may, pursuant to the lease agreement, abate the lease payments by the amount of investment interest income earned by the trustee in the lease payment and reserve accounts.

NOTE 4: LEASE RECEIVABLE (continued)

The future minimum lease/installment payments to be received for each of the five succeeding fiscal years, and the aggregate thereafter are summarized as follows:

Description	2004-05	2005-06	2006-07
Construction and Improvement Project	$ 8,926,860	$ 8,874,988	$ 8,953,367
West Valley Detention Center Project	7,093,070	9,045,645	9,077,557
Medical Center Project	55,427,475	55,425,660	55,429,185
Glen Helen Blockbuster Project	815,746	872,112	862,690
Capital Improvement Refinancing Project	291,742	383,501	380,291
Solid Waste Financing Project	6,026,890	6,302,710	6,527,635
Public Improvement FinancingProject	1,429,091	1,426,424	1,422,014
	$ 80,010,874	$ 82,331,040	$ 82,652,739

Description	2014-19	2019-24	2024-29
Construction and Improvement Project	$ 18,902,960	$ -	$ -
West Valley Detention Center Project	44,923,746	-	-
Medical Center Project	200,619,169	201,115,795	201,927,519
Glen Helen Blockbuster Project	5,732,047	6,652,237	-
Capital Improvement Refinancing Project	2,226,758	2,414,449	1,009,054
Solid Waste Financing Project	26,912,223	-	-
Public Improvement FinancingProject	4,653,769	4,196,369	1,674,525
	$ 303,970,672	$ 214,378,850	$ 204,611,098

2007-08	2008-09	2009-14	Description
$ 8,896,778	$ 9,043,030	$ 46,256,680	Construction and Improvement Project
9,074,983	9,060,657	45,162,139	West Valley Detention Center Project
55,426,678	56,464,721	200,122,314	Medical Center Project
904,620	945,898	4,963,905	Glen Helen Blockbuster Project
377,081	373,871	1,821,206	Capital Improvement Refinancing Project
6,748,449	6,965,051	38,732,626	Solid Waste Financing Project
1,420,895	1,417,530	5,636,065	Public Improvement FinancingProject
$ 82,849,484	$ 84,270,758	$ 342,694,935	

Total Lease Payments	Unearned Interest	Lease Receivable	Description
$ 109,854,663	$ (45,739,338)	$ 64,115,325	Construction and Improvement Project
133,437,797	(55,267,608)	78,170,189	West Valley Detention Center Project
1,081,958,516	(542,707,125)	539,251,391	Medical Center Project
21,749,255	(7,352,023)	14,397,232	Glen Helen Blockbuster Project
9,277,953	(3,218,777)	6,059,176	Capital Improvement Refinancing Project
98,215,584	(9,643,221)	88,572,363	Solid Waste Financing Project
23,276,682	(11,618,749)	11,657,933	Public Improvement FinancingProject
$ 1,477,770,450	$ (675,546,841)	$ 802,223,609	

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NOTE 5: LONG-TERM DEBT

The following is a summary of changes in the Certificates of Participation for the fiscal year ended June 30, 2004:

Description	July 1, 2003	Additions	Reductions	June 30, 2004
Construction and Improvement Project				
1996 County Center Refinancing	$ 31,400,000	$ -	$ 1,900,000	$ 29,500,000
Regular Certificates (Series 2002)	68,100,000	-	3,875,000	64,225,000
West Valley Detention Center Project				
2001 Series A	8,365,000	-	-	8,365,000
2001 Series B	41,710,000	-	-	41,710,000
2002 Series A	44,480,000	-	295,000	44,185,000
Medical Center Project				
Series 1994	199,460,000	-	4,620,000	194,840,000
Series 1995	133,570,000	-	4,695,000	128,875,000
Series 1996	65,070,000	-	-	65,070,000
Series 1997	86,650,000	-	12,575,000	74,075,000
Series 1998	176,510,000	-	-	176,510,000
Glen Helen Blockbuster Project				
Series 2003 A	9,825,000	-	325,000	9,500,000
Series 2003 B	9,875,000	-	275,000	9,600,000
Capital Improvement Refinancing Project	8,400,000	-	200,000	8,200,000
Solid Waste Financing Project	93,875,000	-	4,650,000	89,225,000
Public Improvement Financing Project	15,560,000	-	665,000	14,895,000
	$ 992,850,000	$ -	$ 34,075,000	$ 958,775,000

NOTE 5: LONG-TERM DEBT (continued)

The annual requirements to amortize all long-term debt outstanding June 30, 2004, including interest payments of $524,424,951 over the life of the debt, are summarized as follows:

Description	2004-05	2005-06	2006-07
Construction and Improvement Project			
1996 County Center Refinancing**	$ 2,324,322	$ 2,272,850	$ 2,350,380
Regular Certificates (Series 2002)	6,531,312	6,539,838	6,537,562
West Valley Detention Center Project			
2001 Series A	348,732	417,333	458,632
2001 Series B	4,261,600	6,143,900	6,138,175
2002 Series A	2,482,737	2,484,413	2,480,750
Medical Center Project			
Series 1994	14,432,694	14,716,275	14,525,419
Series 1995	13,528,990	13,243,244	13,434,763
Series 1996	3,261,487	3,261,488	3,261,487
Series 1997	16,809,417	16,809,768	16,812,630
Series 1998	7,394,886	7,394,887	7,394,886
Glen Helen Blockbuster Project			
Series 2003 A*	419,263	442,497	437,310
Series 2003 B*	408,784	429,615	425,380
Capital Improvement Refinancing Project**	291,742	383,501	380,291
Solid Waste Financing Project*	6,124,046	6,302,711	6,527,635
Public Improvement Financing Project	1,429,091	1,426,424	1,422,014
	$ 80,049,103	$ 82,268,744	$ 82,587,314

Description	2009-14	2014-19	2019-24
Construction and Improvement Project			
1996 County Center Refinancing**	$ 13,703,480	$ 5,829,960	$ -
Regular Certificates (Series 2002)	32,120,100	19,101,500	-
West Valley Detention Center Project			
2001 Series A	4,365,345	4,347,021	-
2001 Series B	22,476,350	-	-
2002 Series A	18,320,444	40,576,725	-
Medical Center Project			
Series 1994	63,977,800	65,712,212	86,722,950
Series 1995	52,569,487	48,446,887	30,556,575
Series 1996	17,869,756	17,861,225	17,866,250
Series 1997	-	-	-
Series 1998	65,705,270	68,598,844	65,970,021
Glen Helen Blockbuster Project			
Series 2003 A*	2,462,185	2,768,643	3,101,836
Series 2003 B*	2,501,720	2,963,403	3,550,401
Capital Improvement Refinancing Project**	1,821,206	2,226,758	2,414,449
Solid Waste Financing Project*	38,732,626	26,912,222	-
Public Improvement Financing Project	5,636,065	4,653,769	4,196,368
	$ 342,261,834	$ 309,999,169	$ 214,378,850

* Interest is paid every 7th and 28th day at a variable auction interest rate. Interest is based on the June 30, 2004 interest rate.
** Interest is paid monthly, computed at a variable weekly interest rate. Interest is based on the June 30, 2004, interest rate.

2007-08	2008-09	Description
		Construction and Improvement Project
$ 2,426,840	$ 2,502,230	1996 County Center Refinancing**
6,536,463	6,397,869	Regular Certificates (Series 2002)
		West Valley Detention Center Project
875,433	874,645	2001 Series A
5,659,150	5,642,875	2001 Series B
2,540,400	2,543,138	2002 Series A
		Medical Center Project
12,889,200	12,888,100	Series 1994
15,071,244	15,070,725	Series 1995
3,261,488	3,319,913	Series 1996
16,809,860	16,812,045	Series 1997
7,394,887	8,373,939	Series 1998
		Glen Helen Blockbuster Project
458,578	479,720	Series 2003 A*
446,043	466,177	Series 2003 B*
377,081	373,871	Capital Improvement Refinancing Project**
6,748,449	6,965,051	Solid Waste Financing Project*
1,420,895	1,417,530	Public Improvement Financing Project
$ 82,916,011	$ 84,127,828	

2024-29	Total	Description
		Construction and Improvement Project
$ -	$ 31,410,062	1996 County Center Refinancing**
-	83,764,644	Regular Certificates (Series 2002)
		West Valley Detention Center Project
-	11,687,141	2001 Series A
-	50,322,050	2001 Series B
-	71,428,607	2002 Series A
		Medical Center Project
78,127,175	363,991,825	Series 1994
-	201,921,915	Series 1995
68,715,750	138,678,844	Series 1996
-	84,053,720	Series 1997
55,084,594	293,312,214	Series 1998
		Glen Helen Blockbuster Project
-	10,570,032	Series 2003 A*
-	11,191,523	Series 2003 B*
1,009,054	9,277,953	Capital Improvement Refinancing Project**
-	98,312,740	Solid Waste Financing Project*
1,674,525	23,276,681	Public Improvement Financing Project
$ 204,611,098	$ 1,483,199,951	

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NOTE 5: LONG-TERM DEBT (continued)

Source of Payment: The ability of the Corporation to pay its obligation is dependent upon receipt of payments from the County of San Bernardino in accordance with various Lease Agreements. Under the Lease Agreements the County is required to make lease payments in each year, from any source of legally available funds, in an amount sufficient to pay the annual principal and interest with respect to the Certificates of Participation. The obligation of the County to make lease payments does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation, or for which the County has levied or pledged any form of taxation. Neither the Certificates, nor the obligation of the County to make such lease payments, constitutes any indebtedness of the County.

Construction and Improvement Project: The Corporation issued Certificates of Participation in the amount of $68,100,000, consisting of $61,575,000 Series 2002 A Certificates and $6,525,000 Taxable Series 2002 A-T the "2002 Certificates," dated March 1, 2002. Interest rates range from 3.00 percent to 5.00 percent with July 1, 2016 final maturity date. The 2002 Certificates are not subject to optional prepayment prior to maturity.

On July 11, 1996, the Corporation issued "Variable Rate Demand" Certificates in the amount of $39,600,000 due July 1, 2015. Interest on the Variable Rate Demand Certificates is payable at a variable weekly interest rate.

The Variable Rate Demand Certificates are subject to optional redemption, while bearing variable interest rates, on any interest payment date. During any Long-Term Interest Rate Period, the Certificates are subject to redemption in whole at any time or in part, on any interest payment date, during the periods specified below, at the premiums set forth below plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	Redemption Premium
Greater than 15	After 10 years at 2%, declining by 1% each year to 0%
Less than or equal to 15 and greater than 10	After 7 years at 2%, declining by 1% each year to 0%
Less than or equal to 10 and greater than 7	After 5 years at 2%, declining by 1% each year to 0%
Less than or equal to 7 and greater than 4	After 3 years at 1%, declining by 1% after a year to 0%
Less than or equal to 4	After 2 years at 0%

West Valley Detention Center Project: On October 25, 2001, the Corporation issued "2001 Series A" Certificates of Participation in the amount of $8,365,000 and "2001 Series B" Certificates of Participation in the amount of $42,075,000. The 2001 Series A Certificates bear interest rates from 4.00 percent to 4.60 percent. The 2001 Series B Certificates bear interest rates from 3.50 percent to 4.00 percent.

On August 6, 2002 the Corporation issued "2002 Series A" Certificates of Participation in the amount of $44,480,000 which bear interest rates from 4.50 percent to 5.25 percent.

NOTE 5: LONG-TERM DEBT (continued)

The 2001 Series A, 2001 Series B and 2002 Series A Certificates are subject to optional prepayment prior to maturity on or after November 1, 2011 at the option of the Corporation, as a whole or in part on any interest payment date, at the following premiums, plus accrued but unpaid interest to the prepayment date:

Prepayment Period	Premium
November 1, 2011 through October 31, 2012	2%
November 1, 2012 through October 31, 2013	1%
November 1 2013, and thereafter	0%

Medical Center Project: The Medical Center Series 1994 Certificates of Participation were issued by the Corporation dated February 1, 1994, in the amount of $283,245,000, with interest rates from 4.60 percent to 7.00 percent.

The Series 1994 Certificates maturing on August 1, 2005, August 1, 2006, August 1, 2019, August 1, 2024, August 1, 2026, and August 1, 2028, are subject to optional redemption in whole or in part on any date in such order of maturity as the Corporation shall determine and by lot within a maturity, on or after August 1, 2004, at the following premiums, plus interest accrued to the redemption date:

Redemption Dates	Premium
August 1, 2004 to July 31, 2005	2%
August 1, 2005 to July 31, 2006	1%
August 1, 2006 and thereafter	0%

The Series 1994 Certificates maturing through August 1, 2004, August 1, 2009, August 1, 2017, August 1, 2020, and August 1, 2022, are not subject to optional redemption prior to maturity.

The Medical Center Series 1995 Certificates of Participation were issued by the Corporation dated June 1, 1995, in the amount of $363,265,000, with interest rates from 4.80 percent to 7.00 percent.

The Series 1995 Certificates maturing on August 1, 2022, are subject to optional redemption in whole or in part on any date in such order of maturity as the Corporation shall determine and by lot within a maturity, on or after August 1, 2005, at the following premiums, plus interest accrued to the redemption date:

Redemption Dates	Premium
August 1, 2005 to July 31, 2006	2%
August 1, 2006 to July 31, 2007	1%
August 1, 2007 and thereafter	0%

The Series 1995 Certificates maturing on and prior to August 1, 2010 and on August 1, 2017 are not subject to optional redemption prior to maturity.

NOTE 5: LONG-TERM DEBT (continued)

The Medical Center Series 1996 Certificates of Participation were issued by the Corporation dated January 1, 1996, in the amount of $65,070,000, with interest rates from 5 percent to 5.25 percent.

The Series 1996 Certificates are subject to optional redemption in whole or in part on any date in such order of maturity as the Corporation shall determine and by lot within a maturity, on or after August 1, 2006, at the following premiums, plus interest accrued to the redemption date:

Redemption Dates	Premium
August 1, 2006 to July 31, 2007	2%
August 1, 2007 to July 31, 2008	1%
August 1, 2008 and thereafter	0%

The Medical Center Series 1997 Certificates of Participation were issued by the Corporation dated September 1, 1997, in the amount of $121,095,000, with interest rates from 4.30 percent to 5.50 percent.

The Series 1997 Certificates are not subject to optional redemption prior to maturity.

The Medical Center Series 1998 Certificates of Participation were issued by the Corporation dated October 22, 1998, in the amount of $176,510,000. Interest with respect to the Certificates is payable at an adjustable weekly interest rate which may be converted to a fixed interest rate at the option of the Corporation. The Corporation entered into an interest rate swap agreement with Merrill Lynch Capital Services, Inc. which provides that the Corporation will pay a fixed rate of 4.1895% to the Swap Provider on a notional amount equal to the principal amount of the Series 1998 Certificates and the Swap Provider will pay interest to the Corporation at a variable rate of interest on such notional amount, such payments to be made on a net basis (see Note 6).

The Series 1998 Certificates are subject to optional redemption prior to their maturity at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption as follows:

(a) Prior to the Conversion Date to fixed interest rate, at a redemption price equal to the principal amount called for redemption without premium.

(b) After the Conversion Date, at a redemption price of 100% of the principal amount plus a premium to be determined on or prior to the Conversion Date.

Glen Helen Blockbuster Project: On May 1, 2003 the Corporation issued Certificates of Participation in the amount of $19,700,000, consisting of $9,825,000 (the "Series 2003 A Certificates") and $9,875,000 (the "Series 2003 B Certificates") with March 1, 2024 final maturity date. Interest with respect to the Series 2003 A Certificates is payable at an adjustable weekly rate determined pursuant to the Dutch Auction procedures, with the maximum rate being 12% per annum. Interest with respect to the Series 2003 B certificates is payable every fourth Thursday after May 8, 2003 at an adjustable rate determined pursuant to the Dutch Auction procedures, with the maximum being 17% per annum.

NOTE 5: LONG-TERM DEBT (continued)

The Rate Period for either Series of Certificates may be converted from a Dutch Auction Rate Period to a different Rate Period.

At the option of the Corporation, either Series of Certificates may be converted to bear interest at a Daily Rate, Weekly Rate, Commercial Paper Rates or a Long Term Rate. On the Conversion Date, such series of Certificates shall be subject to mandatory tender for purchase at a purchase price equal to 100% of the principal amount thereof, plus accrued interest.

While either Series of Certificates bears interest at a Dutch Auction Rate, such Certificates shall be subject to mandatory conversion to an Interest Rate Mode other than the Dutch Auction Rate if such Certificates are rated either less than "A3" by Moody's Investors Service or less than "A-" by Standard & Poor's.

While a Dutch Auction Rate Period is in effect with respect to either Series of Certificates, such Certificates will be subject to prepayment prior to their stated maturity at the option of the Corporation, in whole or in part, by lot, at the principal amount thereof, plus interest accrued thereon to the date fixed for prepayment, without premium.

The Series 2003 A and Series 2003 B Certificates are also subject to mandatory prepayment prior to their stated maturity in part from mandatory sinking account payments established pursuant to the Trust Agreement on any March 1 or September 1 on or after September 1, 2003, at the principal amount thereof together with interest accrued thereon to the date fixed for payment, without premium.

Capital Improvement Refinancing Project: The 1996 Capital Improvement Refinancing Certificates of Participation were issued by the Corporation dated June 21, 1996, in the amount of $9,200,000. Interest with respect to the Certificates is payable at a variable weekly interest rate which may be converted to a fixed interest rate at the option of the Corporation.

The 1996 Certificates are subject to optional redemption, while bearing variable interest rates, on any interest payment date. From and after the conversion date (to fixed interest rate), the Certificates are subject to redemption in whole at any time or in part on any interest payment date, with prior consent of the Letter of Credit Bank, during the periods specified below, at the premiums set forth below plus accrued interest, if any, to the redemption date:

NOTE 5: LONG-TERM DEBT (continued)

Period to Maturity (in years)	Redemption Dates and Premiums
Greater than 15	On or after the first March 1 following the ninth anniversary of the conversion date, at redemption premium of 2 percent, declining one-half percent on each anniversary of such March 1, until it reaches zero percent.
Greater than 10	On or after the first March 1 following the seventh anniversary of the conversion date, at redemption premium of 2 percent, declining one-half percent on each anniversary of such March 1, until it reaches zero percent.
Greater than 5	On or after the first March 1 following the fourth anniversary of the conversion date, at redemption premium of 2 percent, declining one-half percent on each anniversary of such March 1, until it reaches zero percent.

Solid Waste Financing Project: On May 1, 2003 the Corporation issued Certificates of Participation in the amount of $93,875,000 (the "Series 2003 B Certificates") with March 1, 2017 final maturity date. The descriptions pertaining to Series 2003 B Certificates (Glen Helen Blockbuster Project) are applicable to these Series 2003 B as they were issued together as the 2003 Refunding Certificates.

Public Improvement Financing Project: The Public Improvement Financing Certificates were issued by the Corporation dated October 1, 1997, in the amount of $17,790,000, with interest rates from 3.85 percent to 5 percent.

The Certificates maturing on or before October 1, 2007, are not subject to optional redemption prior to maturity. The Certificates maturing on and after October 1, 2008, are subject to redemption in whole or in part on any date on or after October 1, 2007, at the principal amount with respect thereto, together with the premium set forth below, together with accrued interest unpaid with respect thereto to the date fixed for redemption, from the proceeds of optional prepayments of Lease Payments made by the County pursuant to the Lease Agreement:

Redemption Dates	Premium
October 1, 2007 through September 30, 2008	2%
October 1, 2008 through September 30, 2009	1%
October 1, 2009 and thereafter	0%

NOTE 6: INTEREST RATE SWAP

Objective of the interest rate swap. As a means to lower financing costs, and to reduce the risks to the Corporation associated with the fluctuation in the market interest rates, the Corporation entered into an interest rate swap in connection with the Medical Center Series 1998 Certificates of Participation (Series 1998 Certificates) in the amount of $176,510,000. The intention of the swap was to effectively change the variable interest rate on the bonds to a synthetic fixed-rate of 4.1895 percent.

Terms. The Series 1998 Certificates and the related agreement mature on August 1, 2026, and the swap's notional amount of $176,510,000 matches the $176,510,000 variable-rate Series 1998 Certificates. The swap was effective at the same time the Series 1998 Certificates were issued on October 22, 1998. Starting in fiscal year 2008-09, the notional value of the swap and the principal amount of the associated debt decline. Under the swap agreement, through August 1, 2005, the Corporation pays Merrill Lynch a fixed rate of 4.1895 percent and Merrill Lynch pays the Corporation an amount equal to the variable rate interest payable on the outstanding Series 1998 Certificates. After August 1, 2005 the Corporation pays Merrill Lynch a fixed payment of 4.1895 percent and receives from Merrill Lynch a variable payment computed as 73 percent of the monthly London Interbank Offered Rate (LIBOR). Conversely, the Series 1998 Certificates variable-rate coupons have historically been similar to the Bond Market Association Swap Index (BMA).

Fair Value. Because interest rates have declined since the execution of the swap, the swap had a negative fair value of $4,098,284 on June 30, 2004. The swap's negative fair value may be countered by a reduction in total interest payments required under the variable-rate bonds, creating a lower synthetic interest rate. Because the coupons on the variable-rate Series 1998 Certificates adjust to changing interest rates, the Series 1998 Certificates do not have a corresponding fair value decrease. The fair value was the quoted market price from Merrill Lynch at June 30, 2004.

Credit Risk. The swap counterparty was rated Aa3 by Moody's and A+ by Standard & Poor as of June 30, 2004. The swap agreement specifies that if the long-term senior unsecured debt rating of Merrill Lynch & Co. is withdrawn, suspended or falls below A- (Standard & Poor) or A3 (Moody's) a collateral agreement will be executed within 30 days or the swap agreement will terminate.

Basis Risk. The swap exposes the Corporation to basis risk should the relationship between LIBOR and BMA converge, changing the synthetic rate on the Series 1998 Certificates. If a change occurs that results in the rates moving to convergence, the expected cost savings may not be realized. As of June 30, 2004, the BMA rate was 1.05 percent, the actual variable interest rate was 1.02 percent, and 73 percent of LIBOR was .9992 percent.

Termination Risk. The Corporation or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap may be terminated by the Corporation if Merrill Lynch credit quality rating falls below A- as issued by Standard & Poor or A3 by Moody's. If the swap is terminated, the variable-rate Series 1998 Certificates would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Corporation would be liable to Merrill Lynch for a payment equal to the swap's fair value.

NOTE 6: INTEREST RATE SWAP (continued)

Swap payments and associated debt. Using rates as of June 30, 2004, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term, were as follows. As rates vary, variable-rate Series 1998 Certificates interest payments and net swap payments will vary.

Fiscal Year	Variable Rate Bonds Principal	Variable Rate Bonds Interest	Interest Rate Swaps, Net	Total
2004/05	$ -	$ 1,800,402	$ 5,594,484	$ 7,394,886
2005/06	-	1,800,402	5,594,484	7,394,886
2006/07	-	1,800,402	5,594,484	7,394,886
2007/08	-	1,800,402	5,594,484	7,394,886
2008/09	1,000,000	1,795,302	5,578,637	8,373,939
2009-27	175,510,000	19,440,435	60,408,295	255,358,730
	$ 176,510,000	$ 28,437,345	$ 88,364,868	$ 293,312,213

NOTE 7: PRIOR YEARS' DEFEASANCE OF DEBT

In the prior years, the Corporation defeased certain Certificates of Participation by placing the proceeds of new certificates in an irrevocable trust to provide for all future debt service payments on the Certificates of Participation. Accordingly, the trust account assets and liability for the defeased certificates are not included in the Corporation's financial statements. At June 30, 2004, $288,225,000 of Certificates of Participation outstanding are considered defeased.

NOTE 8: ARBITRAGE PAYABLE

The exclusion, under Section 103(a) of the Internal Revenue Code of 1986, from gross income for federal income tax purposes of the interest component of Lease Payments (and the interest payable with respect to the Certificates) is based on compliance with certain requirements of the Code. Included among such requirements of Section 148(f) of the Code is that certain excess investment earnings be rebated to the federal government.

Rebatable arbitrage (if any) is required to be paid to the federal government following the end of each period of five bond years during the term of the Lease Agreement (and Certificates of Participation). The Corporation has estimated the amount of rebatable arbitrage (excess investment earnings) as of June 30, 2004 as follows:

Medical Center Project	$ 25,077

NOTE 9: NET ASSETS/DEFICITS

The deficit was caused by a timing difference in recognition of revenue and expenses. Due to refunding of certain debt issues, costs, which otherwise would have been deferred, were accelerated into expenses.

Construction and Improvement Project Fund: The deficit was caused by the refunding of four debt issues resulting in total extraordinary losses in the amount of $37.8 million.

The first refunding resulted in a $9.0 million extraordinary loss during 1984-85. The refunded debt was the Certificates of Participation that originally financed the County Government Center.

The second refunding involved a $15.1 million extraordinary loss during 1986-87. During this time, two Certificates of Participation issues were merged into a single issue. The two Certificate issues were the County Government Center Certificates (previously refunded in 1984-85) and the original Foothill Law and Justice Certificates.

The third refunding involved a $6.9 million extraordinary loss during 1991-92. During this time, a portion of the 1986 Certificates of Participation were refunded.

All extraordinary losses consisted of prepaid interest, the difference in the amount placed in the escrow for redemption of the Certificates and the amount of Certificates removed from the Corporation's accounting records, redemption premiums, write-offs of Certificates issuance costs and write-offs of discounts on Certificates.

West Valley Detention Center Project: The deficit was caused by two debt refunding issues, an operating transfer and a timing difference in the expense of the interest of the 1988 Capital Appreciation Certificates and the collection of the associated lease revenue.

The first debt refunding involved an $8.8 million extraordinary loss during 1991-92. During this time, 1988 Current Interest Certificates and 1988 Capital Appreciation Certificates were refunded.

The second debt refunding involved a $2 million extraordinary loss during 2002-03. During this time, 1992 Series Certificates were refunded

The extraordinary loss was composed of the difference in the amount placed in the escrow for redemption of the Certificates and the amount of Certificates removed from the Corporation's accounting records, write-offs of Certificates issuance costs, write-offs of discounts on Certificates, and the unappreciated balance of the Capital Appreciation Certificates.

Glen Helen Blockbuster Project. The deficit was caused by a timing difference in recognition of lease interest income and amortization of costs of issuance on Certificates and deferred amount on refinancing.

Capital Improvement Refinancing Project: The deficit was caused by a timing difference in recognition of lease interest income and amortization of costs of issuance on Certificates and deferred amount on refinancing.

ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS

JAY H. ZERCHER, C.P.A.
ROBERT B. MEMORY, C.P.A.
PHILLIP H. WALLER, C.P.A.
BRENDA L ODLE, C.P.A.
TERRY P. SHEA, C.P.A.
KIRK A FRANKS, C.P.A.

LEENA SHANBHAG, C.P.A.
NANCY O'RAFFERTY, C.P.A.
KATHLEEN L. DEVALK, C.P.A.
LAURIE K. MARSCHER, C.P.A.
THOMAS T. PRILL, C.P.A.
JOSEPH P. WALSH, C.P.A.
SCOTT W. MANNO, C.P.A.
JANET M. VRYHEID, C.P.A.
JENNY LIU, C.P.A.
MATTHEW B. WILSON, C.P.A.

Board of Directors
Inland Empire Public Facilities Corporation
County Government Center
385 North Arrowhead Avenue, Second Floor
San Bernardino, CA 92415-0130

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information on pages 30 through 59 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Rogers, Anderson, Malody & Scott LLP

September 17, 2004

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CALIFORNIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

VANIR TOWER • 290 NORTH "D" STREET • SUITE 300
SAN BERNARDINO, CA 92401
(909) 889-0871 • (909) 824-6736 • FAX (909) 889-5361
E-mail: rams@ramscpa.net

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Schedule One

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

CONSTRUCTION AND IMPROVEMENT CENTER PROJECT
1996 COUNTY CENTER REFINANCING

Fiscal Year	Total Payment
2004-05	$ 2,324,322.07
2005-06	2,272,850.24
2006-07	2,350,380.00
2007-08	2,426,840.12
2008-09	2,502,230.08
2009-10	2,576,549.88
2010-11	2,649,800.04
2011-12	2,721,980.04
2012-13	2,793,089.88
2013-14	2,962,059.92
2014-15	3,029,959.80
2015-16	2,800,000.00
	$ 31,410,062.07

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

CONSTRUCTION AND IMPROVEMENT CENTER PROJECT
SERIES 2002

Fiscal Year	Due December 15	Due June 15	Total Payment
2004-05	$ 1,211,268.75	$ 5,391,268.75	$ 6,602,537.50
2005-06	1,148,568.75	5,453,568.75	6,602,137.50
2006-07	1,083,993.75	5,518,993.75	6,602,987.50
2007-08	1,017,468.75	5,452,468.75	6,469,937.50
2008-09	945,400.00	5,595,400.00	6,540,800.00
2009-10	852,400.00	5,642,400.00	6,494,800.00
2010-11	756,600.00	5,781,600.00	6,538,200.00
2011-12	656,100.00	5,811,100.00	6,467,200.00
2012-13	553,000.00	6,028,000.00	6,581,000.00
2013-14	443,500.00	6,028,500.00	6,472,000.00
2014-15	303,875.00	6,253,875.00	6,557,750.00
2015-16	155,125.00	6,360,125.00	6,515,250.00
	$ 9,127,300.00	$ 69,317,300.00	$ 78,444,600.00

Schedule Three

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

WEST VALLEY DETENTION CENTER PROJECT - 2001 SERIES A

Fiscal Year	Due November 1	Due May 1	Total
2004-05	$ 174,366.25	$ 174,366.25	$ 348,732.50
2005-06	244,366.25	172,966.25	417,332.50
2006-07	287,966.25	170,666.25	458,632.50
2007-08	715,666.25	159,766.25	875,432.50
2008-09	724,766.25	149,878.75	874,645.00
2009-10	739,878.75	138,078.75	877,957.50
2010-11	748,078.75	125,878.75	873,957.50
2011-12	760,878.75	113,178.75	874,057.50
2012-13	768,178.75	100,078.75	868,257.50
2013-14	785,078.75	86,036.25	871,115.00
2014-15	801,036.25	70,842.50	871,878.75
2015-16	815,842.50	54,825.00	870,667.50
2016-17	829,825.00	37,775.00	867,600.00
2017-18	847,775.00	19,550.00	867,325.00
2018-19	869,550.00	-	869,550.00
	$ 10,113,253.75	$ 1,573,887.50	$ 11,687,141.25

Schedule Four

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

WEST VALLEY DETENTION CENTER PROJECT - 2001 SERIES B

Fiscal Year	Due November 1	Due May 1	Total
2004-05	$ 3,433,850.00	$ 827,750.00	$ 4,261,600.00
2005-06	5,407,750.00	736,150.00	6,143,900.00
2006-07	5,511,150.00	627,025.00	6,138,175.00
2007-08	5,122,025.00	537,125.00	5,659,150.00
2008-09	5,187,125.00	455,750.00	5,642,875.00
2009-10	5,295,750.00	337,000.00	5,632,750.00
2010-11	5,392,000.00	235,900.00	5,627,900.00
2011-12	5,500,900.00	109,900.00	5,610,800.00
2012-13	5,604,900.00	-	5,604,900.00
	$ 46,455,450.00	$ 3,866,600.00	$ 50,322,050.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

WEST VALLEY DETENTION CENTER PROJECT – 2002 SERIES A

Fiscal Year	Due November 1	Due May 1	Total
2004-05	$ 1,333,393.75	$ 1,149,343.75	$ 2,482,737.50
2005-06	1,339,343.75	1,145,068.75	2,484,412.50
2006-07	1,340,068.75	1,140,681.25	2,480,750.00
2007-08	1,405,681.25	1,134,718.75	2,540,400.00
2008-09	1,414,718.75	1,128,418.75	2,543,137.50
2009-10	1,418,418.75	1,121,893.75	2,540,312.50
2010-11	1,426,893.75	1,114,268.75	2,541,162.50
2011-12	1,439,268.75	1,106,143.75	2,545,412.50
2012-13	1,446,143.75	1,097,643.75	2,543,787.50
2013-14	7,212,643.75	937,125.00	8,149,768.75
2014-15	7,367,125.00	768,337.50	8,135,462.50
2015-16	7,533,337.50	590,756.25	8,124,093.75
2016-17	7,715,756.25	403,725.00	8,119,481.25
2017-18	7,898,725.00	206,981.25	8,105,706.25
2018-19	8,091,981.25	-	8,091,981.25
	$ 58,383,500.00	$ 13,045,106.25	$ 71,428,606.25

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1994

Fiscal Year	Due July 15	Due January 15	Total
2004-05	$ 9,250,887.50	$ 5,181,806.25	$ 14,432,693.75
2005-06	9,651,806.25	5,064,468.75	14,716,275.00
2006-07	9,579,468.75	4,945,950.00	14,525,418.75
2007-08	8,035,950.00	4,853,250.00	12,889,200.00
2008-09	8,133,250.00	4,754,850.00	12,888,100.00
2009-10	8,234,850.00	4,650,450.00	12,885,300.00
2010-11	8,220,450.00	4,552,275.00	12,772,725.00
2011-12	8,327,275.00	4,448,462.50	12,775,737.50
2012-13	8,438,462.50	4,338,737.50	12,777,200.00
2013-14	8,543,737.50	4,223,100.00	12,766,837.50
2014-15	8,668,100.00	4,100,862.50	12,768,962.50
2015-16	8,795,862.50	3,971,750.00	12,767,612.50
2016-17	8,936,750.00	3,835,212.50	12,771,962.50
2017-18	9,070,212.50	3,691,250.00	12,761,462.50
2018-19	11,156,250.00	3,485,962.50	14,642,212.50
2019-20	11,365,962.50	3,269,262.50	14,635,225.00
2020-21	15,449,262.50	2,842,962.50	18,292,225.00
2021-22	15,412,962.50	2,497,287.50	17,910,250.00
2022-23	15,787,287.50	2,131,812.50	17,919,100.00
2023-24	16,221,812.50	1,744,337.50	17,966,150.00
2024-25	16,634,337.50	1,334,862.50	17,969,200.00
2025-26	14,394,862.50	1,008,362.50	15,403,225.00
2026-27	14,733,362.50	665,237.50	15,398,600.00
2027-28	14,340,237.50	340,456.25	14,680,693.75
2028-29	14,675,456.25	-	14,675,456.25
	$ 282,058,856.25	$ 81,932,968.75	$ 363,991,825.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1995

Fiscal Year	Due July 15	Due January 15	Total
2004-05	$ 9,760,415.00	$ 3,768,575.00	$ 13,528,990.00
2005-06	9,643,575.00	3,599,668.75	13,243,243.75
2006-07	10,019,668.75	3,415,093.75	13,434,762.50
2007-08	11,900,093.75	3,171,150.00	15,071,243.75
2008-09	12,216,150.00	2,854,575.00	15,070,725.00
2009-10	12,559,575.00	2,514,900.00	15,074,475.00
2010-11	13,039,900.00	2,146,525.00	15,186,425.00
2011-12	5,391,525.00	2,041,062.50	7,432,587.50
2012-13	5,506,062.50	1,928,450.00	7,434,512.50
2013-14	5,633,450.00	1,808,037.50	7,441,487.50
2014-15	5,763,037.50	1,679,500.00	7,442,537.50
2015-16	5,904,500.00	1,542,187.50	7,446,687.50
2016-17	11,087,187.50	1,257,175.00	12,344,362.50
2017-18	11,397,175.00	954,250.00	12,351,425.00
2018-19	8,104,250.00	757,625.00	8,861,875.00
2019-20	8,317,625.00	549,725.00	8,867,350.00
2020-21	6,729,725.00	379,775.00	7,109,500.00
2021-22	7,099,775.00	194,975.00	7,294,750.00
2022-23	7,284,975.00	-	7,284,975.00
	$ 167,358,665.00	$ 34,563,250.00	$ 201,921,915.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1996

Fiscal Year	Due July 15	Due January 15	Total
2004-05	$ 1,630,743.75	$ 1,630,743.75	$ 3,261,487.50
2005-06	1,630,743.75	1,630,743.75	3,261,487.50
2006-07	1,630,743.75	1,630,743.75	3,261,487.50
2007-08	1,630,743.75	1,630,743.75	3,261,487.50
2008-09	1,690,743.75	1,629,168.75	3,319,912.50
2009-10	1,954,168.75	1,620,637.50	3,574,806.25
2010-11	1,960,637.50	1,611,712.50	3,572,350.00
2011-12	1,971,712.50	1,602,262.50	3,573,975.00
2012-13	1,982,262.50	1,592,287.50	3,574,550.00
2013-14	1,992,287.50	1,581,787.50	3,574,075.00
2014-15	2,001,787.50	1,570,762.50	3,572,550.00
2015-16	2,015,762.50	1,559,081.25	3,574,843.75
2016-17	2,024,081.25	1,546,875.00	3,570,956.25
2017-18	2,036,875.00	1,534,625.00	3,571,500.00
2018-19	2,049,625.00	1,521,750.00	3,571,375.00
2019-20	2,066,750.00	1,508,125.00	3,574,875.00
2020-21	2,078,125.00	1,493,875.00	3,572,000.00
2021-22	2,093,875.00	1,478,875.00	3,572,750.00
2022-23	2,108,875.00	1,463,125.00	3,572,000.00
2023-24	2,128,125.00	1,446,500.00	3,574,625.00
2024-25	2,141,500.00	1,429,125.00	3,570,625.00
2025-26	2,164,125.00	1,410,750.00	3,574,875.00
2026-27	8,530,750.00	1,232,750.00	9,763,500.00
2027-28	25,262,750.00	632,000.00	25,894,750.00
2028-29	25,912,000.00	-	25,912,000.00
	$ 102,689,793.75	$ 35,989,050.00	$ 138,678,843.75

Schedule Nine

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1997

Fiscal Year	Due July 15	Due January 15	Total
2004-05	$ 15,214,465.00	$ 1,594,952.50	$ 16,809,417.50
2005-06	15,599,952.50	1,209,815.00	16,809,767.50
2006-07	16,009,815.00	802,815.00	16,812,630.00
2007-08	16,407,815.00	402,045.00	16,809,860.00
2008-09	16,812,045.00	-	16,812,045.00
	$ 80,044,092.50	$ 4,009,627.50	$ 84,053,720.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1998

Fiscal Year	Due July 15	Due January 15	Total
2004-05	$ 3,697,443.23	$ 3,697,443.23	$ 7,394,886.46
2005-06	3,697,443.23	3,697,443.23	7,394,886.46
2006-07	3,697,443.23	3,697,443.23	7,394,886.46
2007-08	3,697,443.23	3,697,443.23	7,394,886.46
2008-09	4,697,443.23	3,676,495.73	8,373,938.96
2009-10	4,776,495.73	3,653,453.48	8,429,949.21
2010-11	4,853,453.48	3,628,316.48	8,481,769.96
2011-12	12,828,316.48	3,435,599.48	16,263,915.96
2012-13	13,035,599.48	3,234,503.48	16,270,102.96
2013-14	13,234,503.48	3,025,028.48	16,259,531.96
2014-15	13,525,028.48	2,805,079.73	16,330,108.21
2015-16	13,705,079.73	2,576,751.98	16,281,831.71
2016-17	8,976,751.98	2,442,687.98	11,419,439.96
2017-18	9,142,687.98	2,302,339.73	11,445,027.71
2018-19	11,002,339.73	2,120,096.48	13,122,436.21
2019-20	11,220,096.48	1,929,474.23	13,149,570.71
2020-21	9,429,474.23	1,772,367.98	11,201,842.21
2021-22	9,872,367.98	1,602,693.23	11,475,061.21
2022-23	10,002,693.23	1,426,734.23	11,429,427.46
2023-24	17,626,734.23	1,087,384.73	18,714,118.96
2024-25	17,987,384.73	733,371.98	18,720,756.71
2025-26	20,933,371.98	310,232.48	21,243,604.46
2026-27	15,120,232.48	-	15,120,232.48
	$ 236,759,828.04	$ 56,552,384.81	$ 293,312,212.85

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

GLEN HELEN BLOCKBUSTER PROJECT
SERIES 2003 A

Fiscal Year	Total Payment
2004-05	$ 417,416.10
2005-06	442,497.21
2006-07	437,309.87
2007-08	458,577.84
2008-09	479,720.04
2009-10	475,812.52
2010-11	471,527.91
2011-12	493,554.32
2012-13	512,850.81
2013-14	508,438.97
2014-15	528,820.25
2015-16	523,912.00
2016-17	569,515.88
2017-18	563,448.58
2018-19	582,946.55
2019-20	577,408.24
2020-21	621,457.70
2021-22	615,659.02
2022-23	634,530.52
2023-24	652,780.45
	$ 10,568,184.78

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

GLEN HELEN BLOCKBUSTER PROJECT
SERIES 2003 B

Fiscal Year	Total Payment
2004-05	$ 398,330.26
2005-06	429,614.74
2006-07	425,379.75
2007-08	446,042.65
2008-09	466,177.65
2009-10	461,236.80
2010-11	481,190.97
2011-12	500,625.00
2012-13	519,884.06
2013-14	538,783.35
2014-15	557,154.76
2015-16	575,360.87
2016-17	593,038.04
2017-18	610,354.59
2018-19	627,495.12
2019-20	668,849.19
2020-21	684,946.53
2021-22	700,679.28
2022-23	741,434.47
2023-24	754,491.65
	$ 11,181,069.73

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

CAPITAL IMPROVEMENT REFINANCING PROJECT

Fiscal Year	Total Payment
2004-05	$ 291,742.11
2005-06	383,500.98
2006-07	380,291.02
2007-08	377,081.06
2008-09	373,871.10
2009-10	370,661.14
2010-11	367,451.18
2011-12	364,241.22
2012-13	361,031.26
2013-14	357,821.30
2014-15	453,911.62
2015-16	449,631.50
2016-17	445,351.38
2017-18	441,071.60
2018-19	436,791.66
2019-20	432,511.54
2020-21	428,231.42
2021-22	523,251.92
2022-23	517,901.82
2023-24	512,551.88
2024-25	507,201.78
2025-26	501,851.84
	$ 9,277,952.33

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

SOLID WASTE FINANCING PROJECT
SERIES 2003 B

Fiscal Year	Total Payment
2004-05	$ 6,026,890.19
2005-06	6,302,710.46
2006-07	6,527,635.43
2007-08	6,748,448.89
2008-09	6,965,050.65
2009-10	7,202,211.37
2010-11	7,459,515.84
2011-12	7,736,928.09
2012-13	8,008,897.77
2013-14	8,325,073.02
2014-15	8,635,265.26
2015-16	8,964,545.40
2016-17	9,312,411.79
	$ 98,215,584.16

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF LEASE PAYMENTS RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2004

PUBLIC IMPROVEMENT PROJECT

Fiscal Year	Due September 15	Due March 15	Total
2004-05	$ 1,069,951.25	$ 359,140.00	$ 1,429,091.25
2005-06	1,084,140.00	342,283.75	1,426,423.75
2006-07	1,097,283.75	324,730.00	1,422,013.75
2007-08	1,114,730.00	306,165.00	1,420,895.00
2008-09	1,131,165.00	286,365.00	1,417,530.00
2009-10	1,156,365.00	265,050.00	1,421,415.00
2010-11	1,175,050.00	242,300.00	1,417,350.00
2011-12	702,300.00	230,800.00	933,100.00
2012-13	715,800.00	218,675.00	934,475.00
2013-14	723,675.00	206,050.00	929,725.00
2014-15	741,050.00	192,675.00	933,725.00
2015-16	752,675.00	177,975.00	930,650.00
2016-17	767,975.00	162,487.50	930,462.50
2017-18	782,487.50	146,212.50	928,700.00
2018-19	801,212.50	129,018.75	930,231.25
2019-20	729,018.75	113,268.75	842,287.50
2020-21	743,268.75	96,731.25	840,000.00
2021-22	761,731.25	79,275.00	841,006.25
2022-23	774,275.00	61,031.25	835,306.25
2023-24	796,031.25	41,737.50	837,768.75
2024-25	816,737.50	21,393.75	838,131.25
2025-26	836,393.75	-	836,393.75
	$ 19,273,316.25	$ 4,003,365.00	$ 23,276,681.25

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

CONSTRUCTION AND IMPROVEMENT PROJECT
1996 COUNTY CENTER REFINANCING

Fiscal Year	Due July 1 Principal	Fiscal Year** Interest	Total
2004-05	$ 2,000,000.00	$ 324,322.07	$ 2,324,322.07
2005-06	2,000,000.00	272,850.24	2,272,850.24
2006-07	2,100,000.00	250,380.00	2,350,380.00
2007-08	2,200,000.00	226,840.12	2,426,840.12
2008-09	2,300,000.00	202,230.08	2,502,230.08
2009-10	2,400,000.00	176,549.88	2,576,549.88
2010-11	2,500,000.00	149,800.04	2,649,800.04
2011-12	2,600,000.00	121,980.04	2,721,980.04
2012-13	2,700,000.00	93,089.88	2,793,089.88
2013-14	2,900,000.00	62,059.92	2,962,059.92
2014-15	3,000,000.00	29,959.80	3,029,959.80
2015-16	2,800,000.00	-	2,800,000.00
	$ 29,500,000.00	$ 1,910,062.07	$ 31,410,062.07

**Interest paid monthly, computed at a variable interest rate. Fiscal year interest in this schedule is based on June 30, 2004 interest rate.

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

CONSTRUCTION AND IMPROVEMENT PROJECT
SERIES 2002

Fiscal Year	Due July 1		Due January 1	
	Principal	Interest	Interest	Total
2004-05	$ 4,035,000.00	$ 1,285,043.75	$ 1,211,268.75	$ 6,531,312.50
2005-06	4,180,000.00	1,211,268.75	1,148,568.75	6,539,837.50
2006-07	4,305,000.00	1,148,568.75	1,083,993.75	6,537,562.50
2007-08	4,435,000.00	1,083,993.75	1,017,468.75	6,536,462.50
2008-09	4,435,000.00	1,017,468.75	945,400.00	6,397,868.75
2009-10	4,650,000.00	945,400.00	852,400.00	6,447,800.00
2010-11	4,790,000.00	852,400.00	756,600.00	6,399,000.00
2011-12	5,025,000.00	756,600.00	656,100.00	6,437,700.00
2012-13	5,155,000.00	656,100.00	553,000.00	6,364,100.00
2013-14	5,475,000.00	553,000.00	443,500.00	6,471,500.00
2014-15	5,585,000.00	443,500.00	303,875.00	6,332,375.00
2015-16	5,950,000.00	303,875.00	155,125.00	6,409,000.00
2016-17	6,205,000.00	155,125.00	-	6,360,125.00
	$ 64,225,000.00	$ 10,412,343.75	$ 9,127,300.00	$ 83,764,643.75

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

WEST VALLEY DETENTION CENTER PROJECT - 2001 SERIES A

Fiscal Year	Due November 1		Due May 1	
	Principal	Interest	Interest	Total
2004-05	$ -	$ 174,366.25	$ 174,366.25	$ 348,732.50
2005-06	70,000.00	174,366.25	172,966.25	417,332.50
2006-07	115,000.00	172,966.25	170,666.25	458,632.50
2007-08	545,000.00	170,666.25	159,766.25	875,432.50
2008-09	565,000.00	159,766.25	149,878.75	874,645.00
2009-10	590,000.00	149,878.75	138,078.75	877,957.50
2010-11	610,000.00	138,078.75	125,878.75	873,957.50
2011-12	635,000.00	125,878.75	113,178.75	874,057.50
2012-13	655,000.00	113,178.75	100,078.75	868,257.50
2013-14	685,000.00	100,078.75	86,036.25	871,115.00
2014-15	715,000.00	86,036.25	70,842.50	871,878.75
2015-16	745,000.00	70,842.50	54,825.00	870,667.50
2016-17	775,000.00	54,825.00	37,775.00	867,600.00
2017-18	810,000.00	37,775.00	19,550.00	867,325.00
2018-19	850,000.00	19,550.00	-	869,550.00
	$ 8,365,000.00	$ 1,748,253.75	$ 1,573,887.50	$ 11,687,141.25

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

WEST VALLEY DETENTION CENTER PROJECT - 2001 SERIES B

Fiscal Year	Due November 1		Due May 1	
	Principal	Interest	Interest	Total
2004-05	$ 2,555,000.00	$ 878,850.00	$ 827,750.00	$ 4,261,600.00
2005-06	4,580,000.00	827,750.00	736,150.00	6,143,900.00
2006-07	4,775,000.00	736,150.00	627,025.00	6,138,175.00
2007-08	4,495,000.00	627,025.00	537,125.00	5,659,150.00
2008-09	4,650,000.00	537,125.00	455,750.00	5,642,875.00
2009-10	4,840,000.00	455,750.00	337,000.00	5,632,750.00
2010-11	5,055,000.00	337,000.00	235,900.00	5,627,900.00
2011-12	5,265,000.00	235,900.00	109,900.00	5,610,800.00
2012-13	5,495,000.00	109,900.00	-	5,604,900.00
	$ 41,710,000.00	$ 4,745,450.00	$ 3,866,600.00	$ 50,322,050.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

WEST VALLEY DETENTION CENTER PROJECT - 2002 SERIES A

Fiscal Year	Due November 1		Due May 1	
	Principal	Interest	Interest	Total
2004-05	$ 180,000.00	$ 1,153,393.75	$ 1,149,343.75	$ 2,482,737.50
2005-06	190,000.00	1,149,343.75	1,145,068.75	2,484,412.50
2006-07	195,000.00	1,145,068.75	1,140,681.25	2,480,750.00
2007-08	265,000.00	1,140,681.25	1,134,718.75	2,540,400.00
2008-09	280,000.00	1,134,718.75	1,128,418.75	2,543,137.50
2009-10	290,000.00	1,128,418.75	1,121,893.75	2,540,312.50
2010-11	305,000.00	1,121,893.75	1,114,268.75	2,541,162.50
2011-12	325,000.00	1,114,268.75	1,106,143.75	2,545,412.50
2012-13	340,000.00	1,106,143.75	1,097,643.75	2,543,787.50
2013-14	6,115,000.00	1,097,643.75	937,125.00	8,149,768.75
2014-15	6,430,000.00	937,125.00	768,337.50	8,135,462.50
2015-16	6,765,000.00	768,337.50	590,756.25	8,124,093.75
2016-17	7,125,000.00	590,756.25	403,725.00	8,119,481.25
2017-18	7,495,000.00	403,725.00	206,981.25	8,105,706.25
2018-19	7,885,000.00	206,981.25	-	8,091,981.25
	$ 44,185,000.00	$ 14,198,500.00	$ 13,045,106.25	$ 71,428,606.25

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1994

Fiscal Year	Due August 1		Due February 1	
	Principal	Interest	Interest	Total
2004-05	$ 3,965,000.00	$ 5,285,887.50	$ 5,181,806.25	$ 14,432,693.75
2005-06	4,470,000.00	5,181,806.25	5,064,468.75	14,716,275.00
2006-07	4,515,000.00	5,064,468.75	4,945,950.00	14,525,418.75
2007-08	3,090,000.00	4,945,950.00	4,853,250.00	12,889,200.00
2008-09	3,280,000.00	4,853,250.00	4,754,850.00	12,888,100.00
2009-10	3,480,000.00	4,754,850.00	4,650,450.00	12,885,300.00
2010-11	3,570,000.00	4,650,450.00	4,552,275.00	12,772,725.00
2011-12	3,775,000.00	4,552,275.00	4,448,462.50	12,775,737.50
2012-13	3,990,000.00	4,448,462.50	4,338,737.50	12,777,200.00
2013-14	4,205,000.00	4,338,737.50	4,223,100.00	12,766,837.50
2014-15	4,445,000.00	4,223,100.00	4,100,862.50	12,768,962.50
2015-16	4,695,000.00	4,100,862.50	3,971,750.00	12,767,612.50
2016-17	4,965,000.00	3,971,750.00	3,835,212.50	12,771,962.50
2017-18	5,235,000.00	3,835,212.50	3,691,250.00	12,761,462.50
2018-19	7,465,000.00	3,691,250.00	3,485,962.50	14,642,212.50
2019-20	7,880,000.00	3,485,962.50	3,269,262.50	14,635,225.00
2020-21	12,180,000.00	3,269,262.50	2,842,962.50	18,292,225.00
2021-22	12,570,000.00	2,842,962.50	2,497,287.50	17,910,250.00
2022-23	13,290,000.00	2,497,287.50	2,131,812.50	17,919,100.00
2023-24	14,090,000.00	2,131,812.50	1,744,337.50	17,966,150.00
2024-25	14,890,000.00	1,744,337.50	1,334,862.50	17,969,200.00
2025-26	13,060,000.00	1,334,862.50	1,008,362.50	15,403,225.00
2026-27	13,725,000.00	1,008,362.50	665,237.50	15,398,600.00
2027-28	13,675,000.00	665,237.50	340,456.25	14,680,693.75
2028-29	14,335,000.00	340,456.25	-	14,675,456.25
	$ 194,840,000.00	$ 87,218,856.25	$ 81,932,968.75	$ 363,991,825.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1995

Fiscal Year	Due August 1		Due February 1	
	Principal	Interest	Interest	Total
2004-05	$ 5,840,000.00	$ 3,920,415.00	$ 3,768,575.00	$ 13,528,990.00
2005-06	5,875,000.00	3,768,575.00	3,599,668.75	13,243,243.75
2006-07	6,420,000.00	3,599,668.75	3,415,093.75	13,434,762.50
2007-08	8,485,000.00	3,415,093.75	3,171,150.00	15,071,243.75
2008-09	9,045,000.00	3,171,150.00	2,854,575.00	15,070,725.00
2009-10	9,705,000.00	2,854,575.00	2,514,900.00	15,074,475.00
2010-11	10,525,000.00	2,514,900.00	2,146,525.00	15,186,425.00
2011-12	3,245,000.00	2,146,525.00	2,041,062.50	7,432,587.50
2012-13	3,465,000.00	2,041,062.50	1,928,450.00	7,434,512.50
2013-14	3,705,000.00	1,928,450.00	1,808,037.50	7,441,487.50
2014-15	3,955,000.00	1,808,037.50	1,679,500.00	7,442,537.50
2015-16	4,225,000.00	1,679,500.00	1,542,187.50	7,446,687.50
2016-17	9,545,000.00	1,542,187.50	1,257,175.00	12,344,362.50
2017-18	10,140,000.00	1,257,175.00	954,250.00	12,351,425.00
2018-19	7,150,000.00	954,250.00	757,625.00	8,861,875.00
2019-20	7,560,000.00	757,625.00	549,725.00	8,867,350.00
2020-21	6,180,000.00	549,725.00	379,775.00	7,109,500.00
2021-22	6,720,000.00	379,775.00	194,975.00	7,294,750.00
2022-23	7,090,000.00	194,975.00	-	7,284,975.00
	$ 128,875,000.00	$ 38,483,665.00	$ 34,563,250.00	$ 201,921,915.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1996

Fiscal Year	Due August 1 Principal	Due August 1 Interest	Due February 1 Interest	Total
2004-05	$ -	$ 1,630,743.75	$ 1,630,743.75	$ 3,261,487.50
2005-06	-	1,630,743.75	1,630,743.75	3,261,487.50
2006-07	-	1,630,743.75	1,630,743.75	3,261,487.50
2007-08	-	1,630,743.75	1,630,743.75	3,261,487.50
2008-09	60,000.00	1,630,743.75	1,629,168.75	3,319,912.50
2009-10	325,000.00	1,629,168.75	1,620,637.50	3,574,806.25
2010-11	340,000.00	1,620,637.50	1,611,712.50	3,572,350.00
2011-12	360,000.00	1,611,712.50	1,602,262.50	3,573,975.00
2012-13	380,000.00	1,602,262.50	1,592,287.50	3,574,550.00
2013-14	400,000.00	1,592,287.50	1,581,787.50	3,574,075.00
2014-15	420,000.00	1,581,787.50	1,570,762.50	3,572,550.00
2015-16	445,000.00	1,570,762.50	1,559,081.25	3,574,843.75
2016-17	465,000.00	1,559,081.25	1,546,875.00	3,570,956.25
2017-18	490,000.00	1,546,875.00	1,534,625.00	3,571,500.00
2018-19	515,000.00	1,534,625.00	1,521,750.00	3,571,375.00
2019-20	545,000.00	1,521,750.00	1,508,125.00	3,574,875.00
2020-21	570,000.00	1,508,125.00	1,493,875.00	3,572,000.00
2021-22	600,000.00	1,493,875.00	1,478,875.00	3,572,750.00
2022-23	630,000.00	1,478,875.00	1,463,125.00	3,572,000.00
2023-24	665,000.00	1,463,125.00	1,446,500.00	3,574,625.00
2024-25	695,000.00	1,446,500.00	1,429,125.00	3,570,625.00
2025-26	735,000.00	1,429,125.00	1,410,750.00	3,574,875.00
2026-27	7,120,000.00	1,410,750.00	1,232,750.00	9,763,500.00
2027-28	24,030,000.00	1,232,750.00	632,000.00	25,894,750.00
2028-29	25,280,000.00	632,000.00	-	25,912,000.00
	$ 65,070,000.00	$ 37,619,793.75	$ 35,989,050.00	$ 138,678,843.75

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT - SERIES 1997

Fiscal Year	Due August 1		Due February 1	
	Principal	Interest	Interest	Total
2004-05	$ 13,255,000.00	$ 1,959,465.00	$ 1,594,952.50	$ 16,809,417.50
2005-06	14,005,000.00	1,594,952.50	1,209,815.00	16,809,767.50
2006-07	14,800,000.00	1,209,815.00	802,815.00	16,812,630.00
2007-08	15,605,000.00	802,815.00	402,045.00	16,809,860.00
2008-09	16,410,000.00	402,045.00	-	16,812,045.00
	$ 74,075,000.00	$ 5,969,092.50	$ 4,009,627.50	$ 84,053,720.00

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

MEDICAL CENTER PROJECT – SERIES 1998

Fiscal Year	Due August 1		Due February 1	
	Principal	Interest	Interest	Total
2004-05	$ -	$ 3,697,443.23	$ 3,697,443.23	$ 7,394,886.46
2005-06	-	3,697,443.23	3,697,443.23	7,394,886.46
2006-07	-	3,697,443.23	3,697,443.23	7,394,886.46
2007-08	-	3,697,443.23	3,697,443.23	7,394,886.46
2008-09	1,000,000.00	3,697,443.23	3,676,495.73	8,373,938.96
2009-10	1,100,000.00	3,676,495.73	3,653,453.48	8,429,949.21
2010-11	1,200,000.00	3,653,453.48	3,628,316.48	8,481,769.96
2011-12	9,200,000.00	3,628,316.48	3,435,599.48	16,263,915.96
2012-13	9,600,000.00	3,435,599.48	3,234,503.48	16,270,102.96
2013-14	10,000,000.00	3,234,503.48	3,025,028.48	16,259,531.96
2014-15	10,500,000.00	3,025,028.48	2,805,079.73	16,330,108.21
2015-16	10,900,000.00	2,805,079.73	2,576,751.98	16,281,831.71
2016-17	6,400,000.00	2,576,751.98	2,442,687.98	11,419,439.96
2017-18	6,700,000.00	2,442,687.98	2,302,339.73	11,445,027.71
2018-19	8,700,000.00	2,302,339.73	2,120,096.48	13,122,436.21
2019-20	9,100,000.00	2,120,096.48	1,929,474.23	13,149,570.71
2020-21	7,500,000.00	1,929,474.23	1,772,367.98	11,201,842.21
2021-22	8,100,000.00	1,772,367.98	1,602,693.23	11,475,061.21
2022-23	8,400,000.00	1,602,693.23	1,426,734.23	11,429,427.46
2023-24	16,200,000.00	1,426,734.23	1,087,384.73	18,714,118.96
2024-25	16,900,000.00	1,087,384.73	733,371.98	18,720,756.71
2025-26	20,200,000.00	733,371.98	310,232.48	21,243,604.46
2026-27	14,810,000.00	310,232.48	-	15,120,232.48
	$ 176,510,000.00	$ 60,249,828.04	$ 56,552,384.81	$ 293,312,212.85

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

GLEN HELEN BLOCKBUSTER REFINANCING PROJECT – SERIES 2003 A

Fiscal Year	Principal		Fiscal Year	
	Due September 1	Due March 1	Interest**	Total
2004-05	$ 150,000.00	$ 175,000.00	$ 94,263.32	$ 419,263.32
2005-06	175,000.00	175,000.00	92,497.21	442,497.21
2006-07	150,000.00	200,000.00	87,309.87	437,309.87
2007-08	175,000.00	200,000.00	83,577.84	458,577.84
2008-09	175,000.00	225,000.00	79,720.04	479,720.04
2009-10	150,000.00	250,000.00	75,812.52	475,812.52
2010-11	200,000.00	200,000.00	71,527.91	471,527.91
2011-12	225,000.00	200,000.00	68,554.32	493,554.32
2012-13	225,000.00	225,000.00	62,850.81	512,850.81
2013-14	200,000.00	250,000.00	58,438.97	508,438.97
2014-15	200,000.00	275,000.00	53,820.25	528,820.25
2015-16	225,000.00	250,000.00	48,912.00	523,912.00
2016-17	275,000.00	250,000.00	44,515.88	569,515.88
2017-18	250,000.00	275,000.00	38,448.58	563,448.58
2018-19	275,000.00	275,000.00	32,946.55	582,946.55
2019-20	275,000.00	275,000.00	27,408.24	577,408.24
2020-21	325,000.00	275,000.00	21,457.70	621,457.70
2021-22	275,000.00	325,000.00	15,659.02	615,659.02
2022-23	300,000.00	325,000.00	9,530.52	634,530.52
2023-24	325,000.00	325,000.00	2,780.45	652,780.45
	$ 4,550,000.00	$ 4,950,000.00	$ 1,070,032.00	$ 10,570,032.00

** Interest paid every 7 days, computed at a variable auction interest rate. Fiscal year interest in this schedule is based on June 30, 2004 rate.

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

GLEN HELEN BLOCKBUSTER REFINANCING PROJECT – SERIES 2003 B

Fiscal Year	Principal		Fiscal Year	
	Due September 1	Due March 1	Interest**	Total
2004-05	$ 125,000.00	$ 150,000.00	$ 133,783.59	$ 408,783.59
2005-06	150,000.00	150,000.00	129,614.74	429,614.74
2006-07	150,000.00	150,000.00	125,379.75	425,379.75
2007-08	150,000.00	175,000.00	121,042.65	446,042.65
2008-09	175,000.00	175,000.00	116,177.65	466,177.65
2009-10	175,000.00	175,000.00	111,236.80	461,236.80
2010-11	175,000.00	200,000.00	106,190.97	481,190.97
2011-12	200,000.00	200,000.00	100,625.00	500,625.00
2012-13	200,000.00	225,000.00	94,884.06	519,884.06
2013-14	200,000.00	250,000.00	88,783.35	538,783.35
2014-15	225,000.00	250,000.00	82,154.76	557,154.76
2015-16	225,000.00	275,000.00	75,360.87	575,360.87
2016-17	250,000.00	275,000.00	68,038.04	593,038.04
2017-18	275,000.00	275,000.00	60,354.59	610,354.59
2018-19	275,000.00	300,000.00	52,495.12	627,495.12
2019-20	325,000.00	300,000.00	43,849.19	668,849.19
2020-21	325,000.00	325,000.00	34,946.53	684,946.53
2021-22	325,000.00	350,000.00	25,679.28	700,679.28
2022-23	375,000.00	350,000.00	16,434.47	741,434.47
2023-24	375,000.00	375,000.00	4,491.65	754,491.65
	$ 4,675,000.00	$ 4,925,000.00	$ 1,591,523.06	$ 11,191,523.06

** Interest paid every 28 days, computed at a variable auction interest rate. Fiscal year interest in this schedule is based on June 30, 2004 interest rate.

Schedule Twenty-eight

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

CAPITAL IMPROVEMENT REFINANCING PROJECT

Fiscal Year	Due November 1 Principal	Fiscal Year Interest**	Total
2004-05	$ 200,000.00	$ 91,742.11	$ 291,742.11
2005-06	300,000.00	83,500.98	383,500.98
2006-07	300,000.00	80,291.02	380,291.02
2007-08	300,000.00	77,081.06	377,081.06
2008-09	300,000.00	73,871.10	373,871.10
2009-10	300,000.00	70,661.14	370,661.14
2010-11	300,000.00	67,451.18	367,451.18
2011-12	300,000.00	64,241.22	364,241.22
2012-13	300,000.00	61,031.26	361,031.26
2013-14	300,000.00	57,821.30	357,821.30
2014-15	400,000.00	53,911.62	453,911.62
2015-16	400,000.00	49,631.50	449,631.50
2016-17	400,000.00	45,351.38	445,351.38
2017-18	400,000.00	41,071.60	441,071.60
2018-19	400,000.00	36,791.66	436,791.66
2019-20	400,000.00	32,511.54	432,511.54
2020-21	400,000.00	28,231.42	428,231.42
2021-22	500,000.00	23,251.92	523,251.92
2022-23	500,000.00	17,901.82	517,901.82
2023-24	500,000.00	12,551.88	512,551.88
2024-25	500,000.00	7,201.78	507,201.78
2025-26	500,000.00	1,851.84	501,851.84
	$ 8,200,000.00	$ 1,077,952.33	$ 9,277,952.33

**Interest paid every 28 days, computed at a variable auction interest rate. Fiscal year interest in this schedule is based on June 30, 2004, interest rate.

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

SOLID WASTE FINANCING PROJECT – SERIES 2003 B

Fiscal Year	Principal		Fiscal Year	
	Due September 1	Due March 1	Interest**	Total
2004-05	$ 2,425,000.00	$ 2,475,000.00	$ 1,224,046.30	$ 6,124,046.30
2005-06	2,575,000.00	2,575,000.00	1,152,710.46	6,302,710.46
2006-07	2,725,000.00	2,725,000.00	1,077,635.43	6,527,635.43
2007-08	2,875,000.00	2,875,000.00	998,448.89	6,748,448.89
2008-09	3,025,000.00	3,025,000.00	915,050.65	6,965,050.65
2009-10	3,175,000.00	3,200,000.00	827,211.37	7,202,211.37
2010-11	3,350,000.00	3,375,000.00	734,515.84	7,459,515.84
2011-12	3,525,000.00	3,575,000.00	636,928.09	7,736,928.09
2012-13	3,725,000.00	3,750,000.00	533,897.77	8,008,897.77
2013-14	3,950,000.00	3,950,000.00	425,073.02	8,325,073.02
2014-15	4,175,000.00	4,150,000.00	310,265.26	8,635,265.26
2015-16	4,400,000.00	4,375,000.00	189,545.40	8,964,545.40
2016-17	4,625,000.00	4,625,000.00	62,411.79	9,312,411.79
	$ 44,550,000.00	$ 44,675,000.00	$ 9,087,740.27	$ 98,312,740.27

**Interest paid every 28 days, computed at an auction rate. Fiscal year interest in this schedule is based on June 30, 2004 interest rate.

INLAND EMPIRE PUBLIC FACILITIES CORPORATION
SCHEDULE OF DEBT SERVICE - CERTIFICATES OF PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2004

PUBLIC IMPROVEMENT PROJECT

Fiscal Year	Due October 1		Due April 1	
	Principal	Interest	Interest	Total
2004-05	$ 695,000.00	$ 374,951.25	$ 359,140.00	$ 1,429,091.25
2005-06	725,000.00	359,140.00	342,283.75	1,426,423.75
2006-07	755,000.00	342,283.75	324,730.00	1,422,013.75
2007-08	790,000.00	324,730.00	306,165.00	1,420,895.00
2008-09	825,000.00	306,165.00	286,365.00	1,417,530.00
2009-10	870,000.00	286,365.00	265,050.00	1,421,415.00
2010-11	910,000.00	265,050.00	242,300.00	1,417,350.00
2011-12	460,000.00	242,300.00	230,800.00	933,100.00
2012-13	485,000.00	230,800.00	218,675.00	934,475.00
2013-14	505,000.00	218,675.00	206,050.00	929,725.00
2014-15	535,000.00	206,050.00	192,675.00	933,725.00
2015-16	560,000.00	192,675.00	177,975.00	930,650.00
2016-17	590,000.00	177,975.00	162,487.50	930,462.50
2017-18	620,000.00	162,487.50	146,212.50	928,700.00
2018-19	655,000.00	146,212.50	129,018.75	930,231.25
2019-20	600,000.00	129,018.75	113,268.75	842,287.50
2020-21	630,000.00	113,268.75	96,731.25	840,000.00
2021-22	665,000.00	96,731.25	79,275.00	841,006.25
2022-23	695,000.00	79,275.00	61,031.25	835,306.25
2023-24	735,000.00	61,031.25	41,737.50	837,768.75
2024-25	775,000.00	41,737.50	21,393.75	838,131.25
2025-26	815,000.00	21,393.75	-	836,393.75
	$ 14,895,000.00	$ 4,378,316.25	$ 4,003,365.00	$ 23,276,681.25

SAN BERNARDINO COUNTY FINANCING AUTHORITY

AUDIT REPORT

JUNE 30, 2004

SAN BERNARDINO COUNTY FINANCING AUTHORITY

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS

JAY H. ZERCHER, C.P.A.
ROBERT B. MEMORY, C.P.A.
PHILLIP H. WALLER, C.P.A.
BRENDA L. ODLE, C.P.A.
TERRY P. SHEA, C.P.A.
KIRK A. FRANKS, C.P.A.

LEENA SHANBHAG, C.P.A.
NANCY O'RAFFERTY, C.P.A.
KATHLEEN L. DEVALK, C.P.A.
LAURIE K. MARSCHER, C.P.A.
THOMAS T. PRILL, C.P.A.
JOSEPH P. WALSH, C.P.A.
SCOTT W. MANNO, C.P.A.
JANET M. VRYHEID, C.P.A.
JENNY LIU, C.P.A.
MATTHEW B. WILSON, C.P.A.

Board of Directors
San Bernardino County Financing Authority
c/o Clerk of the Board
County Government Center
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, California 92415-0130

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying combined statement of net assets of San Bernardino County Financing Authority as of June 30, 2004 and the related combined statements of revenues, expenses, and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of San Bernardino County Financing Authority's management. Our responsibility is to express an opinion 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. 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 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the San Bernardino County Financing Authority as of June 30, 2004 and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The *Management's Discussion and Analysis* is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The management of the San Bernardino County Financing Authority has elected to omit this information.

Rogers, Anderson, Malody & Scott, LLP

September 28, 2004

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VANIR TOWER • 290 NORTH "D" STREET • SUITE 300
SAN BERNARDINO, CA 92401
(909) 889-0871 • (909) 824-6736 • FAX (909) 889-5361
E-mail: rams@ramscpa.net

Exhibit "A"

SAN BERNARDINO COUNTY FINANCING AUTHORITY
COMBINED STATEMENT OF NET ASSETS
JUNE 30, 2004

	Improvement Refunding	Pension Obligation	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 2,588,898	$ 82,576	$ 2,671,474
Investments (Note 2)	6,907,563	463,694,744	470,602,307
Interest receivable	184,672	6,795,170	6,979,842
Total current assets	9,681,133	470,572,490	480,253,623
Noncurrent assets			
Deferred bond issuance costs	304,965	4,868,270	5,173,235
Total assets	9,986,098	475,440,760	485,426,858
LIABILITIES			
Current liabilities			
Interest payable	176,913	6,795,107	6,972,020
Current portion of revenue bonds	1,010,000	17,315,000	18,325,000
Total current liabilities	1,186,913	24,110,107	25,297,020
Noncurrent liabilities			
Revenue Bonds (Net of current portion) (Note 3)	6,420,000	820,480,000	826,900,000
Bond Discount	(23,786)	(369,175,852)	(369,199,638)
Total noncurrent liabilities	6,396,214	451,304,148	457,700,362
Total liabilities	7,583,127	475,414,255	482,997,382
NET ASSETS			
Restricted	$ 2,402,971	$ 26,505	$ 2,429,476

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Exhibit "B"

SAN BERNARDINO COUNTY FINANCING AUTHORITY
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2004

	Public Improvement Refunding	Pension Obligation	Total
REVENUES			
Investment Income:			
Interest and dividends	$ 577,869	$ 16,659,777	$ 17,237,646
Accretion of interest income	-	16,801,621	16,801,621
Total revenues	577,869	33,461,398	34,039,267
EXPENSES			
Interest	542,156	16,388,562	16,930,718
Accretion of interest expense	-	16,801,621	16,801,621
Amortization of bond discount	3,852	-	3,852
Amortization of bond issuance costs	23,160	284,972	308,132
Other expenses	-	2,851	2,851
Transfer to Agency Fund	237,487	-	237,487
Total expenses	806,655	33,478,006	34,284,661
Changes in Net Assets	(228,786)	(16,608)	(245,394)
Net Assets - July 1, 2003	2,631,757	43,113	2,674,870
Net Assets - June 30, 2004	$ 2,402,971	$ 26,505	$ 2,429,476

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Exhibit "C"

SAN BERNARDINO COUNTY FINANCING AUTHORITY
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

	Public Improvement Refunding	Pension Obligation	Total
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments on revenue bonds	$ (985,000)	$ (14,735,000)	$ (15,720,000)
Interest paid	(564,390)	(16,790,091)	(17,354,481)
Transfer to Agency Fund	(237,487)	-	(237,487)
Net cash used for capital and related financing activities	(1,786,877)	(31,525,091)	(33,311,968)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	605,181	16,779,206	17,384,387
Proceeds from sales of investments	1,028,372	14,735,000	15,763,372
Other expenses	-	(2,851)	(2,851)
Net cash provided by investing activities	1,633,553	31,511,355	33,144,908
Increase (decrease) in cash and cash equivalents	(153,324)	(13,736)	(167,060)
Cash and cash equivalents at June 30, 2003	2,742,222	96,312	2,838,534
Cash and cash equivalents at June 30, 2004	$ 2,588,898	$ 82,576	$ 2,671,474

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

SAN BERNARDINO COUNTY FINANCING AUTHORITY
STATEMENT OF FIDUCIARY NET ASSETS - AGENCY FUNDS
JUNE 30, 2004

	Agency Fund Public Improvement Refunding
ASSETS	
Cash and cash equivalents	$ 205,697
Total assets	205,697
LIABILITIES	
Agency fund payable	205,697
Total liabilities	$ 205,697

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

NOTE 1: DESCRIPTION OF THE AUTHORITY AND ACCOUNTING POLICIES

The San Bernardino County Financing Authority (the "Authority") was created pursuant to a Joint Exercise of Powers Agreement (the "Agreement") dated May 16, 1966 as amended on July 1, 1982, and May 1, 1983, as amended and restated on March 27, 1989, and as amended on February 15, 1994 and between the County of San Bernardino (the "County") and the San Bernardino County Flood Control District (the "District"). The 1994 amendment changed the name of the Authority from San Bernardino Building Authority to San Bernardino County Financing Authority to better reflect the broad purposes of the Authority.

The Agreement authorizes the Authority to provide financing for public capital improvements for the County, to acquire such public capital improvements, and to purchase certain underlying obligations issued by or in behalf of the County. Obligations may be in the form of assessment district bonds, community facilities district bonds, general obligation bonds, limited obligation bonds, revenue bonds, notes, lease-purchase agreements and other evidence of indebtedness. The financial position and results of operations of the services provided are reflected in the funds of the joint powers authority.

All activities of the Authority are presented as proprietary funds. The Authority's financial statements are presented on the accrual basis of accounting. Under this method, income is recognized when earned and expenses recorded when incurred. The Authority is deemed to be a component unit of the County. All accounts and records of the Authority's projects are maintained by trustee banks.

The Authority records all investments that are not actively traded in the securities market at cost or amortized cost. The Authority treats all investments with original maturities of three months or less as cash equivalents. The Authority has investments in Capital Appreciation Bonds, which are also called "zero-coupon" or "deep-discount" bonds. These investments, which are purchased at their issue price, are deeply discounted from the face value, have no regular interest payments and are payable at maturity at their face value. Since the Capital Appreciation Bonds are not actively traded in the securities market, the Authority records all investments in Capital Appreciation Bonds at the accreted value. The accreted value as of the calculation date of a capital appreciation bond is the sum of the total of principal and interest payable per the bond indenture. The Authority records the increase in the value of the investments each year as accretion of investment income.

The Authority has capitalized deferred issuance costs and bond premium (discount) and deep-discounts associated with the bond issues. The deferred issuance costs and bond discount are being amortized over the term of the respective bonds using the straight-line method. The deep-discount is being amortized based on the accreted value of the bonds at year-end. The Authority records the amortization of deep-discount as accretion of interest expense.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could differ from those estimates.

NOTE 1: DESCRIPTION OF THE AUTHORITY AND ACCOUNTING POLICIES (continued)

On July 1, 2001, the Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments."* Statement 34 established standards for external financial reporting for all state and local governmental entities, which includes a statement of net assets, a statement of revenues, expenses, and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

Invested in capital assets, net of related debt – This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

Restricted – This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

NOTE 2: CASH AND INVESTMENTS

Fiscal agents acting on behalf of the Authority held all cash and investments from long-term debt issuances. In accordance with the terms of the trust agreements, cash and investments are segregated and restricted for specified purposes. The trustee banks for the Authority are as follows:

Bond Issue	Trustee
Public Improvement Refunding Revenue Bonds	US Bank
Pension Obligation Revenue Bonds	BNY Western Trust Company

NOTE 2: CASH AND INVESTMENTS (continued)

Classification of Deposits and Investments by Credit Risk:

GASB 3 requires that deposits and investments be classified into three categories of credit risk. These categories are as follows:

Deposits:

Category 1 - Deposits which are insured by FDIC, FSLIC, a state depository insurance fund, or a multiple-financial institution collateral pool; or deposits which are collaterized with securities held by the Authority or the Authority's agent in the Authority's name.

Category 2 - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

Category 3 - Deposits which are uncollateralized, or collateralized but the pledged securities are not held in the Authority's name.

Investments:

Category 1 - Investments which are insured by SIPC or registered in the Authority's name, or where the securities are held by the Authority or the Authority's agent in the Authority's name.

Category 2 - Investments which are uninsured and unregistered, where the securities are held by the purchasing financial institution's trust department or agent in the Authority's name.

Category 3 - Investments which are uninsured and unregistered, where the securities are held by the purchasing financial institution's trust department or agent, but not in the Authority's name.

Investments were categorized at June 30, 2004 as follows:

	1	2	3	Fair Value or Amortized Cost
Investments:				
Municipal Bonds	$	$ 470,602,307	$	$ 470,602,307
	$	$ 470,602,307	$	470,602,307
Mutual Funds				2,671,474
				$ 473,273,781

NOTE 2: CASH AND INVESTMENTS (continued)

The investments of each bond issue are described below:

Public Improvement Refunding

Investments consist of County Assessment District 94-2 Limited Obligation Bonds (Assessment Bonds). The Assessment Bonds are payable from annual reassessment payments collected on assessed parcels within the 94-2 Assessment District.

Per bond covenant, with respect to delinquencies in the payment of assessments, the County is to start foreclosure proceedings against any parcel with delinquencies in excess of $1,000, or against any parcel or parcels owned by a single taxpayer in excess of $1,000.

Information on special assessment delinquencies is shown below:

(A)	(B)	(C)	(D)	(E)
Fiscal Year	Number of Parcels Levied	Assessment Amount Levied	Amount of Delinquent Assessments	Percentage of Delinquent Assessments (D ÷ C)
2003/04	4657	$ 1,632,451	$ 302,889	19%
2002/03	4642	$ 1,648,314	$ 372,700	23%
2001/02	4646	$ 1,645,566	$ 401,641	24%
2000/01	9638	$ 1,774,318	$ 392,466	22%
1999/00	7332	$ 2,468,566	$ 522,634	21%

The information for fiscal year 2003-04, 2002-03, 2001-02, 2000-01, and 1999-00 is dated July 1, 2004, July 1, 2003, July 1, 2002, July 1, 2001, and July 1, 2000, respectively.

Pension Obligation

Investments consist of Pension Obligation Revenue Bonds issued by the County and the South Coast Air Quality Management District (the AQMD). Since these investments are not actively traded in the securities market, they have been reported at amortized cost.

NOTE 3: LONG-TERM DEBT

Public Improvement Refunding Revenue Bonds

On June 30, 1994 the Authority issued 1994 Public Improvement Refunding Revenue Bonds, Series A (the "Revenue Bonds - Series A"), in the amount of $12,050,000 and Subordinated 1994 Public Improvement Refunding Revenue Bonds Series B (the "Revenue Bonds - Series B"), in the amount of $10,490,000. The Revenue Bonds were issued to enable the Authority to acquire the County of San Bernardino Assessment District 94-2 Limited Obligation Refunding Bonds (the "Assessment Bonds"). The County issued the Assessment Bonds to refund nine prior series of assessment bonds and to repay two related assessment loans.

The Revenue Bonds are payable solely from and secured by revenues from the repayments of the Assessment Bonds, investment income with respect to funds held by the Trustee in the funds established under the Indenture and any other investment income received by the Trustee.

Interest is payable on the Revenue Bonds - Series A, semi-annually at interest rates from 6.50% to 7%. Interest is payable on the Revenue Bonds - Series B, semi-annually at interest rates from 7% to 7.5%.

The Bonds maturing on and after September 2, 2001, are subject to optional redemption prior to maturity at the option of the Authority on any interest payment date, at the following premiums, plus accrued interest to the redemption date:

Redemption Dates	Premium
September 2, 2003 and thereafter	0%

Pension Obligation Bonds

On December 13, 1995 the Authority issued Current Interest Authority Bonds in the amount of $298,595,000 and Capital Appreciation Authority Bonds in the amount of $121,932,487 (collectively referred to as the "Authority Bonds"). The Authority Bonds were issued to provide funds to enable the Authority to purchase the San Bernardino County 1995 Pension Obligation Refunding Bonds (the "County Bonds") and the South Coast Air Quality Management District 1995 Pension Obligation Refunding Bonds (the "AQMD Bonds") which were issued by the County and AQMD respectively, to allow them to refinance each of their unfunded accrued actuarial liability with respect to retirement benefits for their respective employees.

The repayment of the Authority Bonds is secured by a first lien on and pledge of all amounts payable by the County and AQMD on the County Bonds and the AQMD Bonds.

Interest is payable on the Current Interest Authority Bonds semi-annually at interest rates from 6.54% to 7.09%. Interest on the Capital Appreciation Authority Bonds compounds semi-annually at interest rates from 7.56% to 7.70% payable solely at maturity.

The Authority Bonds are not subject to redemption prior to maturity.

NOTE 3: LONG-TERM DEBT (continued)

The following is a summary of changes in the Bonds for the fiscal year ended June 30, 2004:

Description	July 1, 2003	Additions	Reductions	June 30, 2004
Public Improvement Refunding				
Revenue Bonds - Series A	$ 4,040,000	$ -	$ 435,000	$ 3,605,000
Revenue Bonds - Series B	4,375,000	-	550,000	3,825,000
Pension Obligation				
Current Interest Authority Bonds	251,410,000	-	14,735,000	236,675,000
Capital Appreciation Authority Bonds	601,120,000	-	-	601,120,000
	$ 860,945,000	$ -	$ 15,720,000	$ 845,225,000

The annual requirements to amortize all bonds outstanding at June 30, 2004, including interest payments of $78,958,425 over the life of the debt, are as follows:

Description	2004-05	2005-06	2006-07	2007-08	2008-09
Public Improvement Refunding					
Revenue Bonds - Series A	$ 651,788	$ 807,125	$ 832,325	$ 814,025	$ 373,850
Revenue Bonds - Series B	854,343	855,180	856,955	844,760	467,938
Pension Obligation					
Current Interest Authority Bonds	33,047,533	34,642,457	36,318,063	38,082,014	39,921,442
Capital Appreciation Authority Bonds	-	-	-	-	-
	$34,553,664	$36,304,762	$38,007,343	$39,740,799	$40,763,230

Description	2009-14	2014-19	2019-24	Total
Public Improvement Refunding				
Revenue Bonds - Series A	$ 893,975	$ 154,700	$ -	$ 4,527,788
Revenue Bonds - Series B	834,063	-	-	4,713,239
Pension Obligation				
Current Interest Authority Bonds	131,810,889	-	-	313,822,398
Capital Appreciation Authority Bonds	98,930,000	292,930,000	209,260,000	601,120,000
	$ 232,468,927	$ 293,084,700	$ 209,260,000	$ 924,183,425

ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS

JAY H. ZERCHER, C.P.A.
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MATTHEW B. WILSON, C.P.A.

Board of Directors
San Bernardino County Financing Authority
c/o Clerk of the Board
County Government Center
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, California 92415-0130

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information on pages 13 through 17 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Rogers, Anderson, Malody & Scott, LLP

September 28, 2004

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CALIFORNIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

VANIR TOWER • 290 NORTH "D" STREET • SUITE 300
SAN BERNARDINO, CA 92401
(909) 889-0871 • (909) 824-6736 • FAX (909) 889-5361
E-mail: rams@ramscpa.net

SCHEDULE ONE

SAN BERNARDINO COUNTY PUBLIC FINANCING AUTHORITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Agency Funds Public Improvement Refunding
Cash and cash equivalents	
Balance at July 1, 2003	$ 38,890
Additions:	
Special assessments	1,549,512
Investment Income	604
Transfer from Enterprise Fund	237,487
Total additions	1,787,603
Payments:	
Interest paid	590,674
Principal payments on assessment bonds	1,028,372
Premium paid on early redemption of assessment bonds	1,750
Other expenses	
Total payments	1,620,796
Balance at June 30, 2004	$ 205,697

SAN BERNARDINO COUNTY FINANCING AUTHORITY
SCHEDULE OF DEBT SERVICE
FOR THE YEAR ENDED JUNE 30, 2004

PUBLIC IMPROVEMENT REFUNDING

REVENUE BONDS - SERIES A

Fiscal Year	Due September 2		Due March 2	
	Principal	Interest	Interest	Total
2004-05	$ 415,000.00	$ 125,137.50	$ 111,650.00	$ 651,787.50
2005-06	605,000.00	111,650.00	90,475.00	807,125.00
2006-07	675,000.00	90,475.00	66,850.00	832,325.00
2007-08	705,000.00	66,850.00	42,175.00	814,025.00
2008-09	300,000.00	42,175.00	31,675.00	373,850.00
2009-10	290,000.00	31,675.00	21,525.00	343,200.00
2010-11	325,000.00	21,525.00	10,150.00	356,675.00
2011-12	60,000.00	10,150.00	8,050.00	78,200.00
2012-13	45,000.00	8,050.00	6,475.00	59,525.00
2013-14	45,000.00	6,475.00	4,900.00	56,375.00
2014-15	45,000.00	4,900.00	3,325.00	53,225.00
2015-16	50,000.00	3,325.00	1,575.00	54,900.00
2016-17	45,000.00	1,575.00	-	46,575.00
TOTALS	$ 3,605,000.00	$ 523,962.50	$ 398,825.00	$ 4,527,787.50

SAN BERNARDINO COUNTY FINANCING AUTHORITY
SCHEDULE OF DEBT SERVICE
FOR THE YEAR ENDED JUNE 30, 2004

PUBLIC IMPROVEMENT REFUNDING

REVENUE BONDS - SERIES B

Fiscal Year	Due September 2		Due March 2	
	Principal	Interest	Interest	Total
2004-05	$ 595,000.00	$ 140,232.50	$ 119,110.00	$ 854,342.50
2005-06	640,000.00	119,110.00	96,070.00	855,180.00
2006-07	690,000.00	96,070.00	70,885.00	856,955.00
2007-08	730,000.00	70,885.00	43,875.00	844,760.00
2008-09	395,000.00	43,875.00	29,062.50	467,937.50
2009-10	375,000.00	29,062.50	15,000.00	419,062.50
2010-11	400,000.00	15,000.00	-	415,000.00
TOTALS	$ 3,825,000.00	$ 514,235.00	$ 374,002.50	$ 4,713,237.50

SAN BERNARDINO COUNTY FINANCING AUTHORITY
SCHEDULE OF DEBT SERVICE
FOR THE YEAR ENDED JUNE 30, 2004

PENSION OBLIGATION
CURRENT INTEREST AUTHORITY BONDS

Fiscal Year	Due August 1		Due Feburary 1	
	Principal	Interest	Interest	Total
2004-05	$ 17,315,000.00	$ 8,154,128.25	$ 7,578,404.50	$ 33,047,532.75
2005-06	20,160,000.00	7,578,404.50	6,904,052.50	34,642,457.00
2006-07	23,295,000.00	6,904,052.50	6,119,011.00	36,318,063.50
2007-08	26,755,000.00	6,119,011.00	5,208,003.25	38,082,014.25
2008-09	30,555,000.00	5,208,003.25	4,158,439.00	39,921,442.25
2009-10	34,755,000.00	4,158,439.00	2,952,440.50	41,865,879.50
2010-11	39,375,000.00	2,952,440.50	1,576,284.25	43,903,724.75
2011-12	44,465,000.00	1,576,284.25	-	46,041,284.25
TOTALS	$ 236,675,000.00	$ 42,650,763.25	$ 34,496,635.00	$ 313,822,398.25

SAN BERNARDINO COUNTY FINANCING AUTHORITY
SCHEDULE OF DEBT SERVICE
FOR THE YEAR ENDED JUNE 30, 2004

PENSION OBLIGATION REVENUE BONDS
CAPITAL APPRECIATION AUTHORITY BONDS

	Due August 1		
Fiscal Year	Initial Principal	Accreted Interest	Total
2012-13	$ 14,052,383.55	$ 34,232,616.45	$ 48,285,000.00
2013-14	13,615,908.25	37,029,091.75	50,645,000.00
2014-15	13,161,011.20	39,958,988.80	53,120,000.00
2015-16	12,736,477.60	42,983,522.40	55,720,000.00
2016-17	12,319,506.50	46,130,493.50	58,450,000.00
2017-18	11,958,877.60	49,356,122.40	61,315,000.00
2018-19	11,608,089.50	52,716,910.50	64,325,000.00
2019-20	11,265,271.05	56,219,728.95	67,485,000.00
2020-21	10,982,496.00	59,817,504.00	70,800,000.00
2021-22	10,232,465.75	60,742,534.25	70,975,000.00
TOTALS	$121,932,487.00	479,187,513.00	$601,120,000.00