

Comprehensive Annual  
Financial Report

ANCHORAGE SCHOOL DISTRICT

for the Fiscal Year Ended  
June 30, 2012

Jim Browder, Ed.D.  
Superintendent

Prepared by Business Management Division

Chad Stiteler, Chief Financial Officer  
Susan Jolin, Controller



A Component Unit of the Municipality of Anchorage  
Anchorage, Alaska

### **Non Discrimination Statement**

It is the policy of the Anchorage School District to provide equal educational and employment opportunities, and to provide services and benefits to all students and employees without regard to race, color, religion, disability, national origin, gender, marital status, change in marital status, pregnancy, parenthood or other prohibitions. This policy is consistent with numerous laws, regulations, and executive orders enforced by various federal, state, and municipal agencies, including but not limited to Executive Order 11246, Title 41, part 60-1, 60-2, 60-3, 60-20, Title VI and VII of the 1964 Civil Rights Act, Title IX of the Education Amendments Act of 1972, and Section 504. Inquiries or complaints may be addressed to the School District's Equal Employment Opportunity Director, who also serves as the Title IX Coordinator, ASD Education Center, Anchorage, AK 99504-3135, (907) 742-4132 or to any of the following external agencies: Alaska State Commission for Human Rights, Anchorage Equal Rights Commission, Director of the Office for Civil Rights, Department of Education, Department of Health and Human Services.

	<u>Page</u>
Title Page .....	i
EEO Policy .....	ii
Table of Contents .....	iii
 <b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	v
School Board .....	ix
Organizational Chart .....	x
Certificate of Achievement .....	xi
Certificate of Excellence .....	xii
 <b>FINANCIAL SECTION</b>	
Independent Auditor's Report .....	1
Management's Discussion and Analysis .....	3
<u>Exhibit</u> Basic Financial Statements:	
Government-wide Financial Statements:	
I Statement of Net Assets .....	13
II Statement of Activities .....	14
Fund Financial Statements:	
III Balance Sheet - Governmental Funds .....	15
IV Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Assets.....	16
V Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	17
VI Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities.....	18
VII Statement of Net Assets - Proprietary Funds .....	19
VIII Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds .....	20
IX Statement of Cash Flows - Proprietary Funds .....	21
Notes to the Basic Financial Statements .....	22
Required Supplementary Information	
X Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - General Fund .....	53
XI Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual - State and Federal Grants Special Revenue Funds.....	55
Notes to the Required Supplementary Information .....	58
Combining and Individual Fund Statements and Schedules:	
<u>Schedule</u> General Fund:	
A-1 Balance Sheet .....	61
A-2 Schedule of Revenues, Expenditures, and Changes in Fund Balance - GAAP Basis .....	62
A-3 Schedule of Expenditures - GAAP Basis .....	63
A-4 Schedule of Expenditures, Budget (Non-GAAP Basis) and Actual .....	65
A-5 Schedule of Expenditures by Function, Activity, and Object - GAAP Basis .....	69
Special Revenue Funds:	
Grants Fund:	
B-1 Balance Sheet .....	71
B-2 Schedule of Revenues, Expenditures and Changes in Fund Balance - GAAP Basis .....	72
B-3 Schedule of Expenditures - GAAP Basis .....	75
B-4 Schedule of Expenditures, Budget (Non-GAAP Basis) and Actual .....	77
B-5 Schedule of Expenditures by Function, Activity, and Object - GAAP Basis .....	86
B-6 Combining Balance Sheet - Nonmajor Governmental Funds.....	88
B-7 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	89
Food Service Fund:	
B-8 Balance Sheet .....	90
B-9 Schedule of Revenues, Expenditures, and Changes in Fund Balance - GAAP Basis .....	91
B-10 Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget (Non-GAAP Basis) and Actual .....	92

<u>Schedule</u>		<u>Page</u>
	Student Activity Fund:	
B-12	Balance Sheet - By Account.....	95
B-13	Schedule of Revenues, Expenditures, and Changes in Fund Balance - By Account.....	96
B-14	Balance Sheet - Decentralized Activities - By Department.....	97
B-15	Schedule of Revenues, Expenditures, and Changes in Fund Balance - Decentralized Activities - By Department.....	98
B-16	Balance Sheet - Centralized Activities - By Department.....	99
B-17	Schedule of Revenues, Expenditures, and Changes in Fund Balance - Centralized Activities - By Department.....	100
	Debt Service Fund:	
C-1	Balance Sheet .....	101
C-2	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget (GAAP Basis) and Actual .....	102
	Capital Projects Fund:	
D-1	Balance Sheet .....	103
D-2	Schedule of Revenues, Expenditures, and Changes in Fund Balance - GAAP Basis .....	104
D-3	Schedule of Expenditures - Project Authorization and Actual - GAAP Basis .....	105
	Internal Service Funds	
E-1	Combining Statement of Net Assets.....	109
E-2	Statement of Revenues, Expenses and Changes in Net Assets.....	110
E-3	Statement of Cash Flows.....	111

Table

**STATISTICAL SECTION**

AA	Statement of Net Assets - Last Ten Years.....	115
BB	Statement of Activities and Change in Net Assets - Last Ten Years.....	116
CC	Fund Balance, Governmental Funds - Last Ten Years.....	118
DD	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Last Ten Years.....	120
EE	Government-wide Expenses by Function - Last Ten Years.....	122
FF	Government-wide Revenues by Function - Last Ten Years.....	123
GG	General Expenditures by Function - Last Ten Years .....	124
HH	General Revenues by Source - Last Ten Years .....	125
II	Assessed and Actual Value of Taxable Property - Last Ten Years .....	126
JJ	Property Tax Rates and Tax Levies - Direct and Overlapping Governments - Service Funds - Last Ten Years .....	127
KK	Principal Property Taxpayers - Current Year and Nine Years Ago.....	128
LL	Property Tax Levies and Collections - Last Ten Years .....	129
MM	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita and Per Student - Last Ten Years .....	130
NN	Computation of Direct and Overlapping Debt, and Legal Debt Margin .....	131
OO	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures - Last Ten Years .....	132
PP	Demographic Statistics - Last Ten Years .....	133
QQ	Principal Employers - Current and Nine Years Ago .....	134
RR	Average General Expenditures Per Pupil - Last Ten Years .....	135
SS	Average Daily Membership as Compared to Assessed Valuation Showing Assessed Valuation Support Per Student - Last Ten Years .....	136
TT	Authorized Positions by Category - General Operations - Last Ten Years .....	137
UU	Teacher Education and Salary Information - Current Year.....	138
VV	Average Daily Membership and Pupil to Classroom Teacher Ratio - Last Ten Years .....	139
WW	Facility Utilization and School Buildings - Last Ten Years.....	140
XX	Student Nutrition Local Revenues - Last Ten Years.....	141
YY	Miscellaneous Statistics - Last Ten Years.....	142
ZZ	Schedule of Insurance in Force - Current Year.....	143

# Introductory Section





# Anchorage School District

5530 E. Northern Lights Blvd.  
Anchorage, Alaska 99504-3135  
(907) 742-4000

October 29, 2012

Members of the School Board, and  
Citizens of the Municipality of Anchorage  
Anchorage School District  
Anchorage, Alaska

## **SCHOOL BOARD**

Jeannie Mackie  
President

Tam Agosti-Gisler  
Vice President

Kathleen Plunkett  
Treasurer

Natasha Von Imhof  
Clerk

Gretchen Guess

Pat Higgins

Don Smith

## **SUPERINTENDENT**

Jim Browder, Ed.D.

The Comprehensive Annual Financial Report (CAFR) of the Anchorage School District (district) for the year ended June 30, 2012, is submitted herewith. It includes, as required by Alaska statutes, financial statements that have been audited by an independent firm of certified public accountants.

Responsibility for the accuracy, completeness and fairness of presentation, including all disclosures, rests with the district based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the benefits provided, the controls offer reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Mikunda, Cottrell & Co., Certified Public Accountants, have issued an unqualified (“clean”) opinion on the Anchorage School District’s financial statements for the year ended June 30, 2012. The independent auditor’s report can be found at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follow the independent auditor’s report and provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is intended to compliment the MD&A and should be read in conjunction with it.

## **DISTRICT PROFILE**

The Anchorage School District (district) was established by the Home Rule Charter of the Municipality of Anchorage (municipality) on September 16, 1975. The district primarily serves 48,422 students in grades K through 12 and encompasses an area of approximately 1,955 square miles.

The district is a component unit of the municipality whose eleven member assembly approves the district's budget as to the total amount (upper limit). The district is operated under a superintendent-board system with a seven member school board elected at-large from the community. The superintendent acts under the direction of the school board and is responsible for running the day to day district activities. The school board serves as the governing body of the district and approves memorandums, significant contracts, budgets and all personnel appointments and terminations.

The district provides a full range of educational and certain community services. Educational opportunities within the district include various programs to prepare students to graduate college and career ready. These programs include but are not limited to, traditional K-12 learning opportunities, as well as educational alternatives, such as Montessori, back to basics learning, language immersion, charter schools, and self-paced instruction. In addition, the district offers special education services, gifted, career and technical as well as cultural education programs. The district offers community use of district facilities, such as tracks, fields, playgrounds, ice rinks, classrooms, libraries, etc.

The school board approves the superintendent's budget for the General, Grants Special Revenue Fund, Food Service Special Revenue Fund and Debt Service Funds and is required to submit the budget to the assembly on (but not later than or prior to) the first Monday in March each year for the subsequent year's budget. The assembly must approve the upper limit and appropriate the funds within 30 days after receipt.

Budgetary control is maintained by the district by fund, organization and object in the General Fund, Food Service Special Revenue Fund and Debt Service Funds only. Budgetary control in the Grants Special Revenue Fund is generally authorized and maintained by granting agencies.

Additional information regarding the district, its programs, services, facilities, events and other statistics can be found on the district's website at [www.asdk12.org](http://www.asdk12.org).

## **LOCAL ECONOMY**

It is important to consider the specific environment in which the district operates, in order to better understand the information presented in the financial statements. The district encompasses the state's largest city of Anchorage, which contains approximately 41 percent of Alaska's population. The average unemployment rate in Anchorage for fiscal year 2011-2012 was 6.4 percent while the national average was percent. Average unemployment in Anchorage decreased 0.5 percent from a year ago and is attributable to having stability in the major sectors driving the economy, including oil and gas, transportation, tourism, and construction.

Oil prices have remained relatively steady throughout the fiscal year and have helped to keep unemployment below the national average. Although production continues to decline, modest job growth in the oil and gas sector is anticipated.

The transportation industry, consisting of air cargo at the Ted Stevens International Airport, activity through the municipal owned port, and the Alaska Railroad has experienced slight growth over the past year. The Ted Stevens International airport is the fourth busiest airport for cargo throughput and is directly or indirectly responsible for 1 in 10 jobs in Anchorage. The Port of Anchorage accounts for 90 percent of all consumer goods arriving in Alaska and is serviced by two major maritime carriers, Totem Ocean Trailer Express and Horizon Lines. The tourism industry is another major driver of the Anchorage economy that continues to slowly improve. Passenger volume at the Ted Stevens International Airport is expected to increase slightly over the next few years.

Troops stationed at the military installation Joint Base Elmendorf Richardson will be returning home from deployment throughout the year and will impact the local economy. Additionally, there are ongoing efforts to consolidate other military installations around the state into Joint Base Elmendorf Richardson.

Although the district has no authority to levy taxes, a steady economy has provided the municipality the ability to fund its local contribution to education. The district has approved a balanced budget for fiscal year 2012-2013 by appropriating \$6 million of fund balance and currently projects approximately \$20 million budget deficit for fiscal year 2013-2014.

## **LONG-TERM FINANCIAL PLANNING**

The district engages in long-term fiscal planning through its forward looking Long-range Fiscal Plan, which anticipates economic conditions that affect revenues and expenditures of the district over a six-year period. Within the plan, the district strives to maintain appropriate class sizes, providing programs that offer maximum performance and benefits while controlling costs. The district must consider certain constraints while engaging in long-range fiscal planning. One such constraint is the state's limitation on the amount of fund balance district's in Alaska may retain in their operating funds. This limitation may affect the district's ability to carry excess fund balance to offset future reductions in revenues and/or increases in operating costs.

## **RELEVANT FINANCIAL POLICIES**

The district has adopted fiscal policies and best practices which are reviewed on an annual basis to determine relevance and reliability. These policies are outlined in a policy document that is used in conjunction with the annual budget development process and includes guidance on various items such as, 'the use of one-time funds may only be used for one-time expenditures' and 'maintaining the maximum amount of fund balance in the operating fund pursuant to state allowances'.

## **MAJOR INITIATIVES**

The district has adopted the Common Core State Standards (CCSS) which will begin a curriculum re-alignment process to ensure effective implementation of the standards. The CCSS is a set of rigorous, evidenced-based standards that are clear, consistent and aligned with college and career expectations. The adoption of the standards will have a significant financial impact as the district must re-assess its existing programs and offer augmentation or replace programs in order to comply with the new standards.

## **AWARDS**

The Association of School Business Officials International (ASBOI) awarded a Certificate of Excellence in Financial Reporting to the Anchorage School District, Alaska for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2011.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Anchorage School District, Alaska for its comprehensive annual financial report for the fiscal year ended June 30, 2011.

In order to be awarded a Certificate of Excellence and a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to principles and standards as recommended and adopted by ASBOI and GFOA. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Excellence and a Certificate of Achievement are valid for a period of one year only. We believe our current report continues to conform to the Certificate of Excellence and Certificate of Achievement Program requirements, and we are submitting it to ASBOI and GFOA.

## **ACKNOWLEDGEMENTS**

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire accounting, budget and payroll staff, independent auditors and other administrative staff. We would like to express our appreciation to all staff members who assisted and contributed to its preparation. We would also like to thank the members of the Anchorage School Board for their interest and support in planning and conducting financial operations of the district in a responsible and progressive manner.

Respectfully submitted,



Jim Browder, Ed.D.  
Superintendent

Prepared by,



Chad Stiteler  
Chief Financial Officer

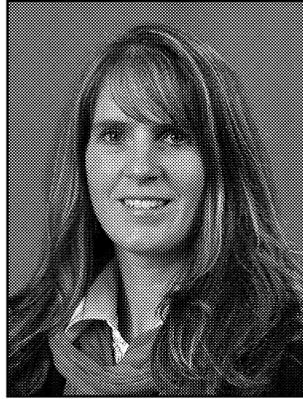
# The Anchorage School Board



Jeannie Mackie  
President



Tam Agosti-Gisler  
Vice President



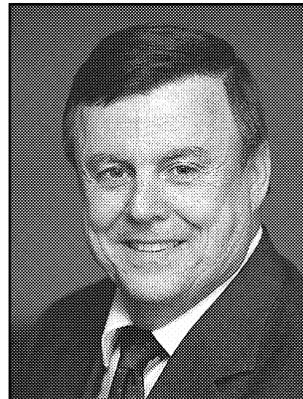
Natasha Von Imhof  
Clerk



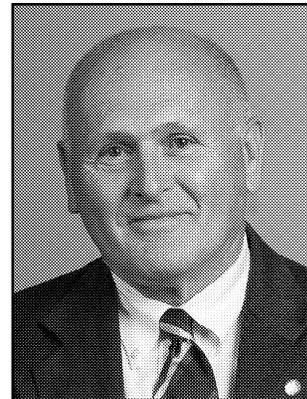
Kathleen Plunkett  
Treasurer



Gretchen Guess



Pat Higgins

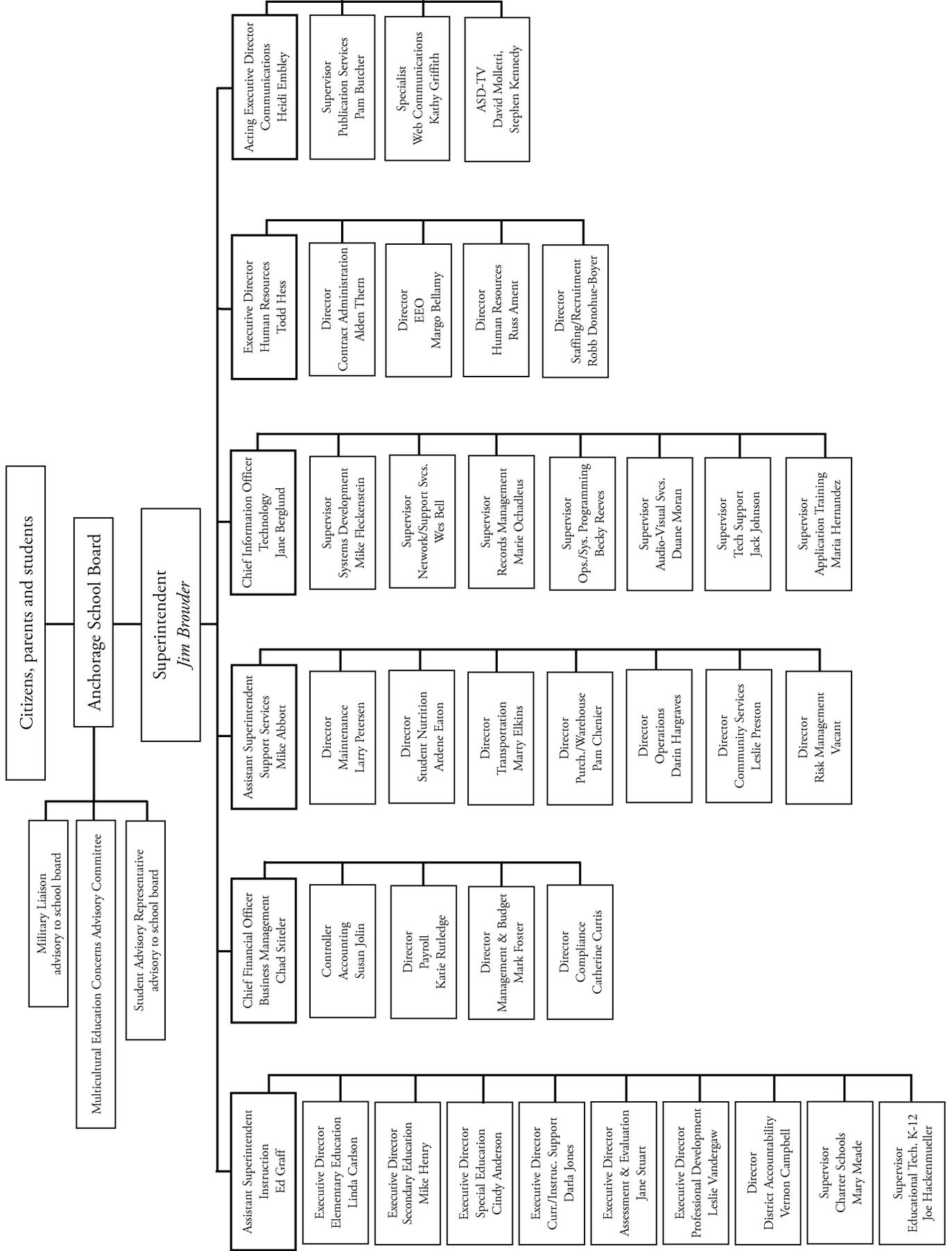


Don Smith

The Anchorage School Board is the governing body of the Anchorage School District and is composed of seven members. The board meets twice a month. Early meetings begin at 2:30 p.m., executive sessions at 5:30 p.m., and regular meetings at 6:30 p.m. The meetings are held in the board room of the ASD Education Center located at 5530 E. Northern Lights Boulevard. In addition, special meetings and work sessions are scheduled throughout the year. Regular meetings may be watched live on ASD-TV or cable channel 14 and are also available on-demand online after the meetings are over.

# ANCHORAGE SCHOOL DISTRICT ORGANIZATIONAL CHART

OCTOBER 2012



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Anchorage School District  
Alaska

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Dandson*

President

*Jeffrey R. Emer*

Executive Director

# Association of School Business Officials International

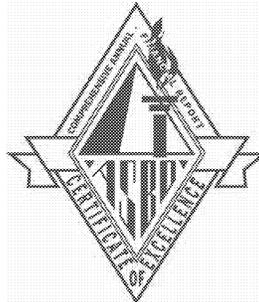


*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## **Anchorage School District**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2011*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in cursive script, reading 'Brian L. Mee', positioned above a horizontal line.

Brian L. Mee, SFO, RSBA  
President

A handwritten signature in cursive script, reading 'John D. Musso', positioned above a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

# Financial Section



Independent Auditor's Report

Members of the School Board  
Anchorage School District  
(A Component Unit of the Municipality of Anchorage, Alaska)  
Anchorage, Alaska

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Anchorage School District (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the School Board  
Anchorage School District  
(A Component Unit of the Municipality of Anchorage, Alaska)

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the budgetary comparison schedules on pages 53 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as additional supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements by us or other auditors, and accordingly, we do not express an opinion or provide any assurance on it.

*Mikunda, Cottrell & Co.*

Anchorage, Alaska  
October 29, 2012

## Management's Discussion and Analysis

As management of the Anchorage School District (district), we offer readers of the district's financial statements this narrative overview and analysis of the financial activities of the district for the year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v-xxiii of this report. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A).

### Financial Highlights

The assets of the district exceeded its liabilities at the close of the most recent fiscal year by \$679,245,087 (net assets). Of this amount, \$140,397,923 (unrestricted net assets) may be used to meet the district's ongoing obligations.

The district's total net assets increased by \$33,554,549, primarily due to the reduction in long term debt and revenues exceeding expenses for the year.

As of the close of the fiscal year, the district's governmental funds reported combined ending fund balances of \$152,867,082. Of this total, \$23,629,393 is not committed and available for spending at the district's discretion (unassigned fund balance).

- Of the total fund balance amounts in the governmental funds \$13,877,033 represents amounts that are non-spendable, \$24,327,135 have been restricted, \$28,155,124 is committed and \$62,878,397 is assigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$23,677,394 or 3.67 percent of total General Fund expenditures.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the district's basic financial statements. The district's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** – the government-wide financial statements are designed to provide readers with a broad overview of the district's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the district's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The Statement of Activities presents information showing how the district's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods; e.g., uncollected taxes and earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the district that are principally supported by taxes and intergovernmental revenues (governmental activities). The district does not currently have any activities that are considered business-type activities. The governmental activities of the district include general administration, instruction, pupil transportation, operation and maintenance of plant, community services, food services, and interest expense.

The government-wide financial statements include only the Anchorage School District. The district is a component unit of the Municipality of Anchorage (municipality).

The government-wide financial statements can be found on pages 13-14 of this report.

**Schedules of budgetary comparisons** – these schedules present comparisons of actual information to the legally adopted budget. The basis of budgeting is on the modified accrual basis.

The district's financial transactions are recorded on a modified accrual basis of accounting for the various governmental fund types. The modified accrual basis of accounting is defined as that method of accounting in which revenues are recorded in the accounting period in which they become susceptible to accrual; this is, when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for un-matured principal and interest on long-term debt and accrued compensated absences.

**Fund financial statements** – a fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the district can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds** – governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The district maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Grants Special Revenue Fund, Debt Service Fund and Capital Projects Fund, all of which are considered to be major funds. Data from the other two governmental funds—Food Service and Student Activities Special Revenue Funds are combined into a

single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual fund schedules elsewhere in this report.

The district adopts an annual appropriated budget for its General Fund, Grants and Food Service Special Revenue Funds and Debt Service Funds. Budgetary comparison schedules have been provided for the General Fund and Grants Special Revenue Fund. The combining and individual statements and schedules also include budgetary information for the Food Service Special Revenue Fund and Debt Service Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15-17 of this report.

**Proprietary funds** - the district maintains two Internal Service Funds for the financing of goods or services provided to other departments on a cost reimbursement basis. The Equipment Replacement Fund is used to account for the financing of government equipment and vehicles. The Health Insurance Fund is used to account for activity relating to the support services employees' health insurance plan. Because both of these services predominantly benefit governmental functions rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

The Internal Service Funds are presented in a single, aggregated presentation on pages 19-21 of this report. Individual fund data for each internal service fund can be found in the form of combining and individual fund statements and schedules elsewhere in this report.

**Notes to the basic financial statements** – the notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-52 of this report.

**Other information** – in addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the district's budgetary data. A reconciliation from GAAP to budgetary basis is provided to present the actual amounts on a budgetary basis for the budget to actual comparison. Required supplementary information and accompanying notes to the required supplementary information can be found on pages 53-59 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and individual fund schedules can be found on pages 61-107 of this report. Detailed information on the district's Internal Service Funds can also be found on pages 109-111.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the district, assets exceeded liabilities by \$679,245,087 at the close of the most recent fiscal year. On the following page, Table 1 compares the net assets of the most recent fiscal year to the prior fiscal year.

Table 1 – Net Assets

	Governmental Activities	
	2011-2012	2010-2011
<b>ASSETS</b>		
Current and other assets	\$ 329,450,569	\$ 331,452,862
Capital assets	1,190,916,008	1,209,315,494
Total assets	<u>1,520,366,577</u>	<u>1,540,768,356</u>
<b>LIABILITIES</b>		
Bonds payable, net	654,044,477	710,727,818
Other liabilities	187,077,013	184,350,000
Total liabilities	<u>841,121,490</u>	<u>895,077,818</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	538,847,164	506,570,859
Restricted	--	11,549,306
Unrestricted	140,397,923	127,570,373
Total net assets	<u>\$ 679,245,087</u>	<u>\$ 645,690,538</u>

By far the largest portion of the district's total assets reflects its investment in capital assets; e.g., land, building, machinery and equipment, less any related debt used to acquire those assets that is still outstanding. The district uses these capital assets to provide services to students and citizens; consequently, these assets are not available for future spending. The district's net assets invested in capital assets, net of debt was \$538,847,164. Although the district's investment in its capital assets is reported net of debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves can't be used to liquidate the liabilities.

The unrestricted balance of \$140,397,923 in net assets may be used to meet the district's ongoing obligations. Unrestricted net assets increased \$12,827,550 over the prior year, primarily due to the reduction in long-term liabilities associated with the repayment of bonds.

Table 2 highlights the district's revenues and expenses for the fiscal year 2011-2012. These two main components are subtracted to yield the change in net assets. This table utilizes the full accrual method of accounting. Revenue is further divided into two major components: program revenues and general revenues. Program revenues are defined as charges for services, operating and capital grants and contributions. General revenues include taxes and non-categorical entitlements such as the Alaska Public School Funding Program. Expenses are shown in programs including general administration, instruction,

pupil transportation, operation and maintenance of plant, community service, food services and interest expense.

The net increase in program revenues are mainly attributable to revenues received from the Education Jobs Fund. The net increase in General revenues are mainly attributable to amounts received from the municipality tax appropriation, Alaska Public School Funding Program and the State of Alaska Energy Relief funds. These increases were partially offset in the reduction in Federal Impact Aid revenue.

Table 2 – Program Revenues and Expenses

	Governmental Activities	
	2011-2012	2010-2011
Program revenues:		
Charges for services	\$ 6,079,822	\$ 8,682,220
Operating grants and contributions	204,363,184	197,545,476
Capital grants and contributions	45,937,003	46,117,714
General revenues:		
Appropriation from Municipality of Anchorage	237,587,445	234,759,972
Investment income	1,446,162	2,376,959
Public school funding program	311,645,866	310,300,774
Federal Impact Aid	20,166,071	23,992,347
Other	8,009,165	1,188,572
Total revenues	<u>\$ 835,234,718</u>	<u>\$ 824,964,034</u>
Program expenses:		
General administration	\$ 16,619,942	\$ 14,804,134
Instruction	675,765,006	670,615,868
Pupil transportation	21,785,259	20,304,158
Operation and maintenance of plant	34,377,691	34,814,864
Community service	4,110,522	1,042,966
Food services	18,820,132	18,666,353
Interest expense	30,201,617	33,201,590
Total expenses	<u>\$ 801,680,169</u>	<u>\$ 793,449,933</u>
Increase in net assets	33,554,549	31,514,101
Net asset beginning of year	645,690,538	614,176,437
Net assets ending	<u>\$ 679,245,087</u>	<u>\$ 645,690,538</u>

Table 3 discloses cost of services for the governmental activities. The total cost of services column contains all costs related to the governmental functions, the program revenues column represents all categories of program revenues generally derived directly from the function or from sources other than local taxpayers, finally the net cost of services column shows how much of the total cost of service is not

covered by program revenues. Succinctly put, net costs are costs that must be covered by unrestricted state revenues; e.g., Alaska Public School Funding Program or local taxes.

Table 3 – Cost of Services

Governmental Activities	Total Cost of Services 2011-2012	Program Revenues 2011-2012	Net Cost of Services 2011-2012
General administration	\$ 16,619,942	\$ 233,563	\$ 16,386,379
Instruction	675,765,006	213,816,866	461,948,140
Pupil transportation	21,785,259	21,169,073	616,186
Operation and maintenance of plant	34,377,691	2,304,852	32,072,839
Community service	4,110,522	749,654	3,360,868
Food service	18,820,132	18,106,001	714,131
Interest expense	30,201,617	--	30,201,617
Total expenses	<u>\$ 801,680,169</u>	<u>\$ 256,380,009</u>	<u>\$ 545,300,160</u>

### Financial Analysis of the Government’s Funds

The district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – the focus of the district’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the district’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. Non-spendable, restricted, committed and assigned fund balance may serve as an indication of resources allocated to future expenditures.

The overall governmental funds fund balance decreased by \$8,923,231 for the year ended June 30, 2012. Non-spendable, restricted and committed fund balances within the Capital Projects Fund was reduced by \$7,901,563 and committed items within the Debt Service Fund were reduced by \$426,785 making up the majority of the reduction.

### *General Operating Fund*

The General Fund is the primary operating fund of the district. At the end of the current fiscal year, the unassigned fund balance was \$23,677,394 while total fund balance was \$130,141,423. Total fund balance decreased \$519,930 from the prior fiscal year. The reduction in committed, assigned and unassigned fund balance of \$6,889,692 was offset by increases to non-spendable and restricted fund balance attributable to increases in pre-paid items and the amount set aside for the municipal bond rating.

A measure of the general fund's liquidity would be the comparison of unrestricted fund balance to total expenditures. Unrestricted fund balance is comprised of committed, assigned and unassigned fund balance. For the current fiscal year the district's unrestricted fund balance was \$93,055,963 or 14.4 percent of expenditures.

Actual revenues on the budgetary basis were 99.3 percent of budgeted revenues. While actual expenditures on the budgetary basis were 98.3 percent of budgeted expenditures. Actual expenditures for instructional related salaries and the retirement system on behalf benefits were lower than anticipated.

The General Fund expenditure budget for the year ended June 30, 2012 was \$653,692,584, an increase of \$45,781,304 over the prior year budget of \$607,911,280.

### *Special Revenue Fund*

Grants reported in the Grants Special Revenue Fund are cost reimbursable grants; therefore, expenditures are equal to revenues. Expenditures & revenues for the Grants Special Revenue Fund for the year were \$67,765,501, a decrease of 18.5 percent from the prior year. The decrease to the Grants Special Revenue Fund was primarily due to the expiration of ARRA funds.

### *Debt Service Fund*

The Debt Service Fund has a total fund balance of \$1,709,552, all of which is committed for payment of debt service. There were no material differences in the budgeted revenues and expenditures in debt service for fiscal year 2011-2012.

### *Capital Projects Fund*

The Capital Projects Fund closed the fiscal year with \$16,361,267 in expenditures. Proceeds from the May 2011 (the prior fiscal year) general obligation bond sale primarily financed the activity for the year, thus decreasing the total fund balance on June 30, 2012 to \$14,247,243 from \$22,148,806. Activity stemming from the approved propositions is reflected within the expenditures for the current fiscal year.

## **Capital Assets and Debt Administration**

**Capital assets** – the district's investment in capital assets for its governmental activities as of June 30, 2012 amounts to \$1,190,916,008 (net of accumulated depreciation). This investment in capital assets includes land, land improvement, buildings, equipment and vehicles, and construction in progress. The total increase in the district's investment in capital assets for the current year net of related debt was 6.37 percent.

As described in Note 2 of the Financial Statements, the district has a significant number of construction projects that are currently in various stages of planning or construction. A brief summary of the major projects is as follows:

- Service High School Renovations
- West High School Artificial Turf
- East High School CTE
- Aurora Elementary School Roof Upgrade

The following table shows ending balances of capital assets (net of accumulated depreciation) invested in various categories. The district recognized a total decrease of \$18,399,486 in capital assets net of accumulated depreciation primarily due to depreciation expense.

Table 4 – Capital Assets as of June 30 (Net of Depreciation)

	<u>Governmental Activities</u>	
	<u>2011-2012</u>	<u>2010-2011</u>
Land	\$ 42,357,063	\$ 42,357,063
Land improvements	17,365,876	15,486,930
Buildings, equipment and vehicles	1,129,347,511	1,149,158,477
Construction in progress	<u>1,845,558</u>	<u>2,313,024</u>
Totals	<u>\$1,190,916,008</u>	<u>\$1,209,315,494</u>

**Long-term debt** – as of June 30, 2012 the district had outstanding general obligation bonds totaling \$640,120,000. This entire amount of \$640,120,000 comprises debt backed by the full faith and credit of the municipality. Over the fiscal year, the district paid \$54,875,000 in principal. More detailed information about the district’s long-term debt liabilities is presented in Note 3, Changes in Long-Term Debt, in the basic financial statements.

Table 5 – Outstanding Debt, as of June 30

	<u>Governmental Activities</u>		<u>Maturity</u>
	<u>2011-2012</u>	<u>2010-2011</u>	
General obligation bonds	<u>\$ 640,120,000</u>	<u>\$ 694,995,000</u>	2031

As of June 30, 2012, the district’s available authorized but unissued general obligation school bonds amounted to \$84,922,000.

Outstanding debt on general obligation bonds of the municipality, including the district, is reflected in the municipality’s Comprehensive Annual Financial Report for their fiscal year ended December 31, 2011.

The municipality's current bond ratings are as follows:

	<u>Fitch's</u>	<u>Standard and Poor's</u>
General obligation bonds	AA+	AA+

### **Economic Factors and Next Year's Budgets and Rates**

The Citizens Property Tax Cap limits the amount of local taxes for general government and school purposes. The calculation does allow for both economic change (inflation and population) and for a number of other factors including new construction, debt service, voter-approved new services, special taxes, operations and maintenance costs on voter-approved projects, and judgments when calculating the total allowable taxes for the district.

- On October 25, 2011 the Anchorage Assembly introduced and approved resolution AR No. 2011-296, which addresses funding for the district's 2012-2013 general and debt service funds. The resolution allowed for funding of general fund activities up to the amount of \$199,901,539 which includes an increase from the prior fiscal year of \$3,594,227. The allowable increase under the tax cap was \$6,870,756.
- The resolution did provide for tax revenues to cover all of the district's debt service activity as well as to fund school resource officers for fiscal year 2012-2013 that previously had been paid out of the municipality's budget by taxes and results in a shift of both revenue and expenditure from the municipality to the district.
- On April 15, 2012 the State of Alaska Legislature passed Senate Bill 182 which limits the amount of local contributions that school districts can receive beginning in fiscal year 2012-2013. This bill effectively reduces the amount the municipality can contribute to the district by approximately \$8 million. The State of Alaska will offset the reduction in local contributions by providing additional State funding.

Revisions passed by the Alaska Legislature and the governor made a number of changes to the state revenues including contributions to the retirement systems on-behalf of school districts that had a positive effect on district funding for fiscal year 2012-2013. In addition, changes to the state funding formula will continue to have an impact on revenues. In the spring of 2012, legislation, specifically Senate Bill 182, was passed in the first session of the 27<sup>th</sup> Legislature marking a change to Alaska school district funding by changing the funding formula to increase vocational education. The significant elements of that legislation to affect the district during fiscal year 2012-2013 include:

- A CTE funding factor within the state foundation formula was increased, and will provide approximately \$1.8 million.
- Per student transportation funding increased from \$435 to \$449 and will provide approximately \$2 million. The change is effective for school years beginning on or after July 1, 2012.

While not included in the Public School Funding Formula, the governor signed Senate Bill 160 which provided energy cost relief; this amounts to "one-time" revenues of approximately \$7.5 million and capital funding of \$20.5 million.

A major driving force of the district's financial outlook is student enrollment. Maturing of the Anchorage population coupled with low birth rates should result in a significant decline in student enrollment. However, the district has experienced only a slight decline in enrollment since its peak enrollment of 50,029 students in fiscal year 2002-2003. This slow rate of decline can be explained by increased immigration, rural-urban transitioning, and immigration from other countries.

This year the district's enrollment at the end of September was 48,734 students which was only 94 fewer students than 2011-12. This preliminary enrollment data is above projected enrollment by approximately 0.07 percent, thus reducing state funding projections. The district regularly holds back teaching positions and other discretionary funds until enrollment stabilizes through the state funding count period and does not anticipate that the lower enrollment will negatively affect the financial position of the district.

Rate increases, although less than prior years, for purchased services and products are expected to continue. Underlying costs to provide services are also anticipated to continue to be passed along to the district. In addition, maintenance material costs have increased due to the diversion of these materials to overseas and natural disaster reconstruction. The district continues to consider these trends when analyzing program costs in accordance to budget objectives.

Even with slight decreases in certain utility costs, such as heat and electric the district continues to closely monitor all utilities across the district, to maximize efficiency and implement energy conservation measures.

All of these factors were considered in preparing the district's budget for the 2012-2013 fiscal year.

### **Requests for Information**

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors disclosure of the district's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write to Chief Financial Officer, Anchorage School District, 5530 East Northern Lights Blvd., Anchorage, Alaska 99504-3135.

# Basic Financial Statements



June 30, 2012  
With Comparative Totals for  
June 30, 2011

## STATEMENT OF NET ASSETS

	Governmental Activities	
	2012	2011
<b>Assets</b>		
Cash and investments	\$ 142,837,205	\$ 124,695,578
Cash and investments with paying agent	19,921,156	32,143,220
Accounts receivable, net of allowances	1,316,525	1,915,950
Interest receivable	4,831	21,858
Due from other governments	145,534,199	154,627,173
Prepaid items	9,902,759	8,583,845
Inventory, at weighted average cost	4,260,674	3,203,048
Deferred charges	5,673,220	6,262,190
Capital assets:		
Non-depreciable:		
Land	42,357,063	42,357,063
Construction in progress	1,845,558	2,313,024
Depreciable:		
Land improvements	55,559,407	52,342,890
Buildings and equipment	1,570,967,715	1,560,294,004
Pupil transportation equipment	10,344,635	9,493,410
Accumulated depreciation	(490,158,370)	(457,484,897)
Capital assets, net of accumulated depreciation	1,190,916,008	1,209,315,494
Total assets	1,520,366,577	1,540,768,356
<b>Liabilities</b>		
Accounts payable	2,961,923	5,745,701
Contracts payable	2,901,958	724,379
Medical claims payable, including IBNR	9,164,718	8,361,005
Interest payable	9,517,716	9,866,932
Accrued salaries and related items:		
Wages and salaries payable	3,317,822	1,321,892
Payroll taxes, other accrued and withheld items	11,722,257	11,427,349
Unearned revenue	121,169,068	119,731,969
Noncurrent liabilities:		
Due within one year:		
Accrued compensated absences	3,616,461	3,353,198
Workers' compensation payable	2,651,636	2,487,984
Bonds payable	55,425,000	54,875,000
Due in more than one year:		
Accrued compensated absences	6,795,271	6,838,087
Workers' compensation payable	13,258,183	14,491,504
Bonds payable, net	598,619,477	655,852,818
Total liabilities	841,121,490	895,077,818
<b>Net Assets</b>		
Investment in capital assets, net of related debt	538,847,164	506,570,859
Restricted for:		
Authorized construction, net of authorized unissued bonds	--	11,549,306
Unrestricted	140,397,923	127,570,373
Total net assets	\$ 679,245,087	\$ 645,690,538

For the Year Ended June 30, 2012

## STATEMENT OF ACTIVITIES

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b><u>Functions/Programs</u></b>					
District-wide activities					
General administration	\$ (16,619,942)	\$ 6,008	\$ 227,555	\$ --	\$ (16,386,379)
Instruction	(675,765,006)	1,984,242	165,895,621	45,937,003	(461,948,140)
Pupil transportation	(21,785,259)	--	21,169,073	--	(616,186)
Operation and maintenance of plant	(34,377,691)	--	2,304,852	--	(32,072,839)
Community services	(4,110,522)	734,693	14,961	--	(3,360,868)
Food services	(18,820,132)	3,354,879	14,751,122	--	(714,131)
Interest expense	(30,201,617)	--	--	--	(30,201,617)
Total district-wide activities	<u>\$ (801,680,169)</u>	<u>\$ 6,079,822</u>	<u>\$ 204,363,184</u>	<u>\$ 45,937,003</u>	<u>\$ (545,300,160)</u>
General revenues:					
Unrestricted:					
Appropriation from Municipality of Anchorage					237,587,445
Investment income					1,446,162
Public School Funding Program					311,645,866
Federal Impact Aid					20,166,071
Other					8,009,165
Total general revenues					<u>578,854,709</u>
Change in net assets					33,554,549
Net assets at beginning of year					<u>645,690,538</u>
Net assets at end of the year					<u>\$ 679,245,087</u>

June 30, 2012  
With Comparative Totals for  
June 30, 2011

## BALANCE SHEET - GOVERNMENTAL FUNDS

	General	Grants Special Revenue	Debt Service	Capital Projects	Non-Major Governmental Funds	Totals	
						2012	2011
<b>Assets</b>							
Cash and investments	\$ 107,839,202	\$ --	\$ --	\$ 3,750,186	\$ 2,754,181	\$ 114,343,569	\$ 100,623,875
Cash with paying agent	--	--	19,918,163	2,993	--	19,921,156	32,143,220
Accounts receivable (net of any allowances for uncollectibles)	934,169	300,679	--	--	76,968	1,311,816	1,909,371
Interest receivable	--	--	--	4,235	596	4,831	21,854
Due from other funds	35,793,089	--	--	10,484,267	3,092,411	49,369,767	73,791,947
Due from other governments	102,197,693	19,694,839	20,519,803	2,985,456	136,408	145,534,199	154,627,173
Prepaid items	9,836,354	48,001	--	1,953	16,451	9,902,759	8,583,845
Inventory	2,921,971	--	--	--	1,338,703	4,260,674	3,203,048
Total assets	<u>\$ 259,522,478</u>	<u>\$ 20,043,519</u>	<u>\$ 40,437,966</u>	<u>\$ 17,229,090</u>	<u>\$ 7,415,718</u>	<u>\$ 344,648,771</u>	<u>\$ 374,904,333</u>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Accounts payable	\$ 2,294,406	\$ 574,507	\$ --	\$ 12,486	\$ 80,524	\$ 2,961,923	\$ 3,751,485
Contracts payable	--	--	--	2,901,958	--	2,901,958	2,639,364
Medical claims payable	338,894	--	--	--	--	338,894	450,383
Due to other funds	13,576,678	17,070,241	18,697,524	--	25,324	49,369,767	73,791,947
Accrued salaries and related items	13,162,628	1,772,336	--	53,603	51,512	15,040,079	12,748,871
Unearned revenue	100,008,449	626,435	20,030,890	13,800	489,494	121,169,068	119,731,970
Total liabilities	<u>129,381,055</u>	<u>20,043,519</u>	<u>38,728,414</u>	<u>2,981,847</u>	<u>646,854</u>	<u>191,781,689</u>	<u>213,114,020</u>
Fund balances:							
Non-spendable	12,758,325	48,001	--	1,953	1,068,754	13,877,033	11,576,533
Restricted	24,327,135	--	--	--	--	24,327,135	31,452,054
Committed	11,888,710	--	1,709,552	14,245,290	311,572	28,155,124	26,934,669
Assigned	57,489,859	--	--	--	5,388,538	62,878,397	67,041,822
Unassigned	23,677,394	(48,001)	--	--	--	23,629,393	24,785,235
Total fund balances	<u>130,141,423</u>	<u>--</u>	<u>1,709,552</u>	<u>14,247,243</u>	<u>6,768,864</u>	<u>152,867,082</u>	<u>161,790,313</u>
Total liabilities and fund balances	<u>\$ 259,522,478</u>	<u>\$ 20,043,519</u>	<u>\$ 40,437,966</u>	<u>\$ 17,229,090</u>	<u>\$ 7,415,718</u>	<u>\$ 344,648,771</u>	<u>\$ 374,904,333</u>

See accompanying notes to basic financial statements

June 30, 2012  
With Comparative Totals for  
June 30, 2011

**RECONCILIATION OF THE BALANCE SHEET  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**

	2012	2011
Total governmental fund balances	\$ 152,867,082	\$ 161,790,313
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds	1,186,154,413	1,207,216,244
Other long-term liabilities not due and payable in the current period, and therefore not reported in the funds:		
Accrued compensated absences	(10,411,732)	(10,191,285)
Workers' compensation payable	(15,909,819)	(16,979,488)
General obligation debt	(640,120,000)	(694,995,000)
Accrued interest on general obligation debt	(9,517,716)	(9,866,932)
Unamortized cost of bond issuance	3,199,534	3,566,058
Unamortized loss and cost of issuance of refunding bonds	2,473,686	2,696,134
Unamortized general obligation bond premium	(13,924,477)	(15,732,817)
Internal service fund net assets	24,434,116	18,187,311
Total reconciling items	526,378,005	483,900,225
Net assets of governmental activities	<u>\$ 679,245,087</u>	<u>\$ 645,690,538</u>

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

**STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND  
 BALANCES - GOVERNMENTAL FUNDS**

	General	Grants Special Revenue	Debt Service	Capital Projects	Non-Major Governmental Funds	Totals	
						2012	2011
<b>Revenues:</b>							
Local sources	\$ 202,729,355	\$ 713,743	\$ 41,280,138	\$ 1,005,679	\$ 11,168,759	\$ 256,897,674	\$ 253,899,166
State sources	422,663,330	10,558,156	44,616,255	4,559,473	652,149	483,049,363	452,943,504
Federal sources	20,593,620	56,493,602	277,412	2,900,647	14,122,627	94,387,908	115,379,897
Total revenues	645,986,305	67,765,501	86,173,805	8,465,799	25,943,535	834,334,945	822,222,567
<b>Expenditures:</b>							
Current:							
General administration	18,477,848	--	--	--	--	18,477,848	16,788,549
Instruction	565,917,129	67,765,501	--	--	7,403,068	641,085,698	626,655,789
Pupil transportation	22,430,878	--	--	--	--	22,430,878	20,239,375
Operation and maintenance of plant	30,203,145	--	--	--	--	30,203,145	30,785,534
Community services	3,994,445	--	--	--	--	3,994,445	1,033,794
Non-departmental	2,993,960	--	--	--	--	2,993,960	4,384,847
Food services	--	--	--	--	18,615,420	18,615,420	18,017,232
Debt service:							
Refunding bond issuance cost	--	--	--	--	--	--	159,339
Principal	--	--	54,875,000	--	--	54,875,000	52,475,000
Interest	--	--	31,722,282	--	--	31,722,282	35,001,212
Fiscal agent fees	--	--	9,403	--	--	9,403	9,708
Bond issuance cost	--	--	--	16,213	--	16,213	14,757
Capital outlays	--	--	--	16,345,054	--	16,345,054	23,711,546
Total expenditures	644,017,405	67,765,501	86,606,685	16,361,267	26,018,488	840,769,346	829,276,682
Excess (deficiency) of revenues over (under) expenditures	1,968,900	--	(432,880)	(7,895,468)	(74,953)	(6,434,401)	(7,054,115)
<b>Other financing sources (uses):</b>							
Proceeds from sale of property and equipment	--	--	--	--	--	--	10,360
Proceeds on issuance of general obligation bonds	--	--	--	--	--	--	4,940,000
Premium on issuance of general obligation bonds	--	--	--	--	--	--	97,062
Proceeds of refunding debt	--	--	--	--	--	--	28,310,000
Proceeds of refunding premium	--	--	--	--	--	--	2,305,196
Payments to refunding escrow	--	--	--	--	--	--	(30,455,857)
Transfers in	--	--	6,095	--	--	6,095	9,031,500
Transfers out	(2,488,830)	--	--	(6,095)	--	(2,494,925)	(9,407,110)
Total other financing sources (uses)	(2,488,830)	--	6,095	(6,095)	--	(2,488,830)	4,831,151
Net change in fund balances	(519,930)	--	(426,785)	(7,901,563)	(74,953)	(8,923,231)	(2,222,964)
Fund balances at beginning of year	130,661,353	--	2,136,337	22,148,806	6,843,817	161,790,313	164,013,277
Fund balances at end of year	\$ 130,141,423	\$ --	\$ 1,709,552	\$ 14,247,243	\$ 6,768,864	\$ 152,867,082	\$ 161,790,313

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES**

	<u>2012</u>	<u>2011</u>
Net change in fund balances - total governmental funds (page 17)	\$ (8,923,231)	\$ (2,222,964)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlays	20,540,371	24,731,692
Current depreciation expense	(36,069,230)	(36,422,485)
Loss on disposal of assets	(5,526,884)	(8,526,886)
Proceeds from the sale of assets	--	(10,360)
Net adjustment for change in fund balance, total government funds to arrive at changes in net assets of governmental activities	(21,055,743)	(20,228,039)
The issuance of long-term debt on bonds provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are unearned and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term and related items.		
Issuance of general obligation bonds	--	(4,940,000)
Premium on issuance of general obligation bonds	--	(97,062)
Issuance of refunding general obligation bonds	--	(28,310,000)
Payment to escrow agent for refunding	--	30,455,857
Premium on issuance of refunding general obligation bonds	--	(2,305,196)
Principal payments on general obligation bonds and refunded bonds	54,875,000	52,475,000
Bond issuance costs	16,213	174,096
Amortization of bond issuance costs	(611,276)	(768,468)
Amortization of general obligation bonds premium	1,808,341	1,111,494
Accrued interest	349,217	1,563,029
Expenses and revenues that do not require the use of current financial resources are reported in the Statement of Activities, but they are not recorded as expenditures or revenues in the governmental funds:		
Accrued compensated absences	(220,447)	(126,076)
Workers' compensation payable	1,069,669	1,375,537
Change in net assets - Internal Service Funds	6,246,805	3,356,893
Total reconciling items	<u>42,477,780</u>	<u>33,737,065</u>
Change in net assets of governmental activities (page 14)	<u>\$ 33,554,549</u>	<u>\$ 31,514,101</u>

See accompanying notes to basic financial statements

June 30, 2012  
With Comparative Totals for  
June 30, 2011

## INTERNAL SERVICE FUNDS

## STATEMENT OF NET ASSETS

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Current Assets:		
Investments	\$ 28,493,636	\$ 24,071,703
Accounts receivable	<u>4,709</u>	<u>6,579</u>
Total current assets	<u>28,498,345</u>	<u>24,078,282</u>
Noncurrent assets:		
Machinery and equipment	27,301,887	8,886,907
Accumulated depreciation	<u>(22,540,292)</u>	<u>(6,787,657)</u>
Total capital assets (net of accumulated depreciation)	<u>4,761,595</u>	<u>2,099,250</u>
Total assets	<u>33,259,940</u>	<u>26,177,532</u>
<b>Liabilities</b>		
Current liabilities		
Medical claims and other contractual obligations payable	<u>8,825,824</u>	<u>7,990,221</u>
<b>Net Assets</b>		
Invested in capital assets	4,761,595	2,099,250
Unrestricted	<u>19,672,521</u>	<u>16,088,061</u>
Total net assets	<u>\$ 24,434,116</u>	<u>\$ 18,187,311</u>

See accompanying notes to basic financial statements

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

## INTERNAL SERVICE FUNDS

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS

	Governmental Activities	
	2012	2011
Operating revenues:		
Charges for services	\$ 484,269	\$ 452,862
Charges for health insurance services	32,740,721	36,756,097
Total operating revenues	<u>33,224,990</u>	<u>37,208,959</u>
Operating expenses:		
Depreciation	1,225,297	452,862
Costs of services	198,391	56,250
Medical plan administration	2,721,110	2,900,149
Medical claims	29,558,815	31,469,121
Total operating expenses	<u>33,703,613</u>	<u>34,878,382</u>
Operating income	<u>(478,623)</u>	<u>2,330,577</u>
Non-operating revenues:		
Loss on sale of capital assets	--	(8,243)
Investment income	551,478	398,109
Total non-operating revenues	<u>551,478</u>	<u>389,866</u>
Total income before capital contributions and transfers	<u>72,855</u>	<u>2,720,443</u>
Capital contributions	3,685,120	260,840
Transfers in - General Fund	2,488,830	375,610
Total capital contributions and transfers	<u>6,173,950</u>	<u>636,450</u>
Changes in net assets	6,246,805	3,356,893
Net assets at beginning of year	<u>18,187,311</u>	<u>14,830,418</u>
Net assets at end of year	<u>\$ 24,434,116</u>	<u>\$ 18,187,311</u>

See accompanying notes to basic financial statements

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

## INTERNAL SERVICE FUNDS

## STATEMENT OF CASH FLOWS

	Governmental Activities	
	2012	2011
Cash flows from operating activities:		
Receipts from interfund activities	\$ 34,277,392	\$ 35,755,815
Payments for interfund services used	(85,891)	(452,862)
Payments for medical claims and other health insurance activity	(32,527,752)	(32,544,767)
Net cash flows provided by operating activities	<u>1,663,749</u>	<u>2,758,186</u>
Cash flows from noncapital financing activities:		
Transfers from other funds	2,488,830	375,610
Advances from - General Fund	--	1,477,965
Net cash provided by non capital and related financing activities	<u>2,488,830</u>	<u>1,853,575</u>
Cash flows from investing activities:		
Acquisition of capital assets	(202,521)	(213,089)
Purchase of investments	(4,501,535)	(4,550,800)
Interest earnings received	551,477	152,128
Net cash used in investing activities	<u>(4,152,579)</u>	<u>(4,611,761)</u>
Net increase in cash	--	--
Cash at beginning of year	--	--
Cash at end of year	<u>\$ --</u>	<u>\$ --</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ (478,623)	\$ 2,330,577
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	1,225,297	452,862
Other revenues	--	(452,862)
Change in assets and liabilities		
Receivables, net	1,870	(3,359)
Accounts and other payables	915,205	430,968
Net cash provided by operating activities	<u>\$ 1,663,749</u>	<u>\$ 2,758,186</u>

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Anchorage School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. Reporting Entity**

The accompanying financial statements include all the activities of the Anchorage School District. Based upon criteria developed by the Governmental Accounting Standards Board, the district is a component unit and integral part of the primary government, the Municipality of Anchorage, and has been included in their Comprehensive Annual Financial Report. The district is fiscally dependent upon the primary government because the Anchorage Assembly approves the municipal tax appropriation and the total budget, and levies and collects taxes for the district. The Anchorage Assembly also approves the borrowing of funds and issuance of bonds for the district.

The district is mandated by state statute to have a June 30 fiscal year, whereas the Municipality is required by Municipal Charter to have a December 31 fiscal year. Audited financial statements for the Municipality of Anchorage, including the district, are available upon request from their principal administrative office. There are no other organizations or agencies whose financial statements should be combined and presented with the district's financial statements.

**B. Basis of Presentation**

The district's basic financial statements consist of government-wide statements, including a statement of net assets, a statement of activities, and the fund financial statements that provide a more detailed level of financial information.

Government-wide financial statements – The statement of net assets and the statement of activities display information about the district as a whole. These statements include the financial activities of the governmental and proprietary funds. The district does not have any activities that are considered business-type activities.

The statement of net assets presents the financial condition of governmental activities of the district at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the district's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the district. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the district.

Fund financial statements – During the year, the district segregates transactions related to certain district functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the district at this more detailed level. The focus of governmental fund financial statements is on major funds. The major funds are presented in separate columns. Non-major funds are aggregated and presented in a single column. The fund financials are accounted for using a flow of current financial resources measurement focus. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

### C. Fund Accounting

The accounts of the district are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The district resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The district has two categories of funds: governmental and proprietary. The various funds are grouped, in the financial statements in this report, into five generic fund types and two broad fund categories as follows:

#### Governmental Funds

The district reports major governmental funds based on quantitative criteria:

**General Fund** – this fund is the general operating fund of the district. It is used to account for all financial resources traditionally associated with school districts except those required to be accounted for in another fund.

**Debt Service Fund** – this fund is used to account for the accumulation of resources for, and payment of, general long-term bonded debt principal, interest and related costs.

**Grants Special Revenue Fund** – this fund is used to account for revenues from sources which include categorical state and federal grants or contracts used to supplement educational programs.

The district reports the following fund as a major governmental fund for special interest criteria:

**Capital Projects Fund** – this fund is used to account for financial resources to be used for major capital outlay relating to the acquisition, construction and remodeling of capital facilities.

The other governmental funds of the district are considered non-major; the district's non-major governmental funds include Special Revenue Funds which are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purpose. Brief descriptions of the district's two non-major special revenue funds are as follows:

**Food Service Fund** – this fund is used to account for the operations of the district’s Student Nutrition program. Financing is provided by user fees and proceeds received under the National School Lunch and Breakfast Programs.

**Student Activities Funds** – these funds include decentralized and centralized accounts. Decentralized student activities accounts are used to account for assets held by the district for the secondary school student body organizations. Decentralized student activities accounts maintain their own treasury to account for cash and investments and for daily operation. Centralized student activities accounts are used to account for assets held by the district for the various school student body organizations. Centralized student activities accounts use the district’s central treasury to account for cash and investments and for daily operation.

#### Proprietary Funds

Internal Service funds may be used to account for the financing of goods or services provided by one department to other departments of the primary government on a cost-reimbursement basis. Internal Service Fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the Internal Service Fund ongoing operations. The district’s Internal Service Funds are also considered non-major and are as follows:

**Equipment Replacement Fund** – this fund is used to account for the management and replacement of the General Fund’s equipment and vehicles.

**Health Insurance Fund** – this fund is used to account for the support services employees’ health insurance plan. This includes six of the nine employee groups within the district.

#### D. Basis of Accounting/Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Financial transactions are recorded on the modified accrual basis of accounting for the various governmental fund types. The modified accrual basis of accounting is defined as that method of accounting in which revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they become both measurable and available to finance expenditures of the current period. "Measurable" means the amount of the transaction can be recognized when collectability is assured or losses can be reasonably estimated; and "available" means collectible within sixty days of fiscal year-end or soon enough thereafter to be used to pay liabilities of the current period.

Application of the "susceptibility to accrual" criteria requires judgment, consideration of the materiality of the item in question, and due regard for the practicality of accrual, as well as consistency in application. Property taxes, charges for services and investment income are susceptible to accrual. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue sources are also considered susceptible to accrual. Some of the significant revenue sources susceptible to accrual are the Alaska Public School Funding Program, Non-Resident Tuition Program, Pupil Transportation Program, and the National School Lunch and Breakfast Programs. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured principal and interest on general long-term obligations and compensated absences, which is recognized when due.

The full-accrual basis of accounting is used for the proprietary fund type – Internal Service Funds; that is, revenues are recognized when they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Accruals and deferrals are used to match expenses to the period in which they generate revenues or otherwise benefit the organization. The principal operating revenue of the district's Internal Service Funds are charges for services. Operating expenses for the Equipment Replacement Fund primarily include depreciation in capital assets. The Health Insurance Fund operating expenses include direct plan costs such as claim payments and administrative costs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Use of Estimates – the preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. This also requires the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. Significant accounting estimates include those for the allowance for doubtful accounts, reserves for claims incurred but not reported for self-insured workers' compensation and health care plans, and reserves for the ultimate cost of the settlement of litigation.

#### E. Assets, Liabilities and Fund Equity

##### Cash and Investments

A central treasury is used to account for all cash and investments, except for the decentralized Student Activities Funds that have investments with independent banking institutions. Investments in the decentralized portion of the Student Activities Funds are not subject to Board Policy and are handled by the principals of each secondary school who have full discretionary authority over the management of investments.

In the central treasury, investments to be held to maturity are reported at cost or amortized cost, while all other investments are reported at fair value. Investment income is allocated to General Fund, Capital Projects Fund, Debt Service Fund, Centralized Student Activity Fund and Internal Service Funds at the end of every month according to each funds' respective investment balance.

The district can invest excess funds held in the central treasury through direct investments allowed by the School Board Policy. The School Board Policy requires direct investments, in excess of any insured amount, to be collateralized at all times with United States Government guaranteed securities having a fair value, plus accrued interest, which equals or exceeds the collateralized amount of the investment. Collateral needs to be held in the district's name by the district's agent, the bank's trust department, or the bank's agent. The district does not have a formal policy relating to interest rate risk but manages the risk by mainly investing in the externally managed Municipal Investment Pool and short-term, highly liquid investments. The district is authorized to secure direct investments including:

1. Obligations of, or obligations insured or guaranteed by, the United States of America or an agency or instrumentality of the United States.
2. Repurchase agreements secured by obligations insured or guaranteed by the United States of America or agencies or instrumentalities of the United States.

The district is also authorized to secure investments through the Municipality of Anchorage either by trading in the open market or participating in the Municipal Investment Pool. The Municipal Investment Pool is not registered with the Securities and Exchange Commission. The fair value of the pool is the same as the value of pool shares. As of June 30, 2012, the district holds equity total of \$109,833,168 about 19.8% of the total investment pool. The Anchorage Municipal Code 6.50.030 functions as the regulation oversight of the investment pool. According to AMC 6.50.030, the Municipality is authorized to purchase investments which meet the following rating and issuer requirements:

1. Obligations issued or guaranteed by the U.S. Government, U.S. agencies or U.S. government-sponsored corporations and agencies.
2. Corporate debt securities that are guaranteed by the U.S. government or the Federal Deposit Insurance Corporation (FDIC) as to principal and interest.
3. Taxable and tax-exempt municipal securities having a long term rating of at least "A-" by a nationally recognized rating agency or a taxable or tax-exempt municipal security having a short term rating of at least "A-1" by S&P, "P-1" by Moody's or "F-1" by Fitch.
4. Debt securities issued and guaranteed by the International Bank for Reconstruction and Development (IBRD) and rated "AAA" by a nationally recognized rating agency.
5. Commercial paper rated at least "A-1" by S&P, "P-1" by Moody's or "F-1" by Fitch.
6. Bank debt obligations, including unsecured certificates of deposit, notes, time deposits and bankers' acceptance (with maturities of not more than 365 days), and deposits with any bank, short-term obligations of which are rated at least "A-1" by S&P, "P-1" by Moody's or "F-1" by Fitch and is either:
  - a. Incorporated under the laws of the United States of America, or any state thereof, and subject to supervision and examination by federal or state banking authorities; or
  - b. Issued through a foreign bank with a branch or agency licensed under the laws of the United States of America, or any state thereof, or under the laws of a country with a Moody's sovereign rating for bank deposits of "Aaa", or an S&P sovereign rating of "AAA", or a Fitch national rating of "AAA", and subject to supervision and examination by federal or state banking authorities.
7. Repurchase agreements secured by obligations of the U.S. government, U.S. agencies or U.S. government-sponsored corporations and agencies.

8. Dollar denominated corporate debt instruments rated “BBB-” or better by S&P’s Rating Service (investment grade) or the equivalent by another nationally recognized rating agency.
9. Dollar denominated corporate debt instruments rated below “BBB-” by S&P’s Rating Service or the equivalent by another nationally recognized rating agency, including emerging market.
10. Dollar denominated debt instruments of foreign governments rated “BBB” or better by S&P’s Rating Service or the equivalent by another nationally recognized rating agency.
11. Asset-backed securities (ABS), other than commercial paper, collateralized by credit cards, automobile loans, leases and other receivables which must have a credit rating of “AA-” or above by S&P’s Rating Service or the equivalent by another nationally recognized rating agency.
12. Mortgage-backed securities (MBS), including generic mortgage-backed pass-through securities issued by GNMA, FHLMC, FNMA, non-agency mortgage-backed securities, collateralized mortgage obligations (CMOs), or commercial mortgage-backed securities (CMBS), which must have a credit rating of “AA-” or above by S&P’s Rating Service or the equivalent by another nationally recognized rating agency.
13. Debt issued by the Tennessee Valley Authority.
14. Money market mutual funds rated “Am” or better by S&P Rating Service, or the equivalent by another nationally recognized rating agency, and consisting of any or all of the securities authorized for investment in this section of the Code.
15. Alaska Municipal League Investment Pool (AMLIP), consistent with all other provisions of this Code.
16. Mutual fund investments so long as the overall nature of the fund is generally consistent with this section of the Code.
17. Interfund loans from a Municipal Cash Pool to a Municipal Fund.

A summary of the demand and time deposits is as follows:

Fund	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC, NCUSIF) or collateralized by securities held by the Municipality or its agents in the Municipality's name:		
Demand deposits:		
Student Activities Special Revenue Fund	\$ 2,219,446	\$ 2,268,774
Time deposits:		
Student Activities Special Revenue Fund	322,651	322,651
Total	<u>2,542,097</u>	<u>2,591,425</u>
Collateralized with securities held by the bank's trust department in the district's name:		
Demand deposits:		
General Fund, Special Revenue Fund, and Capital Projects Fund	(13,485,620)	62,777
Grand total	<u>\$ (10,943,523)</u>	<u>\$ 2,654,202</u>

The district's investments are not subject to custodial credit risk. A summary of the district's investments as of June 30, 2012 is as follows:

	<u>Carrying Amount</u>
District investments:	
Repurchase agreements	\$ 40,382,500
Investments through Municipality:	
Commercial paper	2,710,073
Money market	10,017
Investment discount	970
Certificates of deposit	687,000
Banker's acceptance	157,000
Municipal Investment Pool	109,833,168
Cash with paying agent:	
U.S. government securities	19,921,156
Total district investments	<u>\$ 173,701,884</u>

The following is a schedule of investments by fund including the equity position in the Municipal Investment Pool of the governmental fund type and proprietary fund type at June 30, 2012. All discounted notes issued by the U.S. Government agencies have implied ratings of “A-1+” by S&P, “P-1” by Moody’s or “F1+” by Fitch.

	<u>Date Acquired</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Carrying Amount</u>
<b>General Fund</b>				
KeyBank				
Repurchase agreement	6/30/2011	0.25%	7/1/2011	\$ 40,382,500
Municipal Investment Pool				<u>80,942,322</u>
<b>Total General Fund</b>				<u><u>\$ 121,324,822</u></u>
<b>Capital Projects Fund</b>				
Commercial paper				
Toyota Motor Credit	5/25/2012	0.13%	7/18/2012	\$ 454,911
Toyota Motor Credit	3/1/2012	0.23%	7/27/2012	402,618
Toyota Motor Credit	3/1/2012	0.23%	7/27/2012	2,997
General Electric Float	3/15/2012	0.73%	7/27/2012	1,135,000
Nestle Capital	6/29/2012	0.15%	11/28/2012	711,549
Nestle Capital	6/30/2012	0.15%	11/28/2012	<u>2,998</u>
Total commercial paper				2,710,073
Banker’s acceptance				
Wells Fargo	3/27/2012	5.50%	8/1/2012	133,000
Wells Fargo	3/27/2012	5.50%	8/1/2012	<u>24,000</u>
Total bankers acceptance				157,000
Certificates of deposit				
Hardin Country Bank	5/1/2012	0.15%	7/26/2012	249,000
First Niagra	5/2/2012	0.20%	8/2/2012	249,000
United Community Bank	5/2/2012	0.0015	8/2/2012	<u>88,000</u>
Total certificates of deposit				586,000
Investment discount				970
Municipal Investment Pool				<u>296,143</u>
<b>Total Capital Projects Fund</b>				<u><u>\$ 3,750,186</u></u>

**Internal Service Fund**

## Municipal Investment Pool

Health Insurance Fund	\$ 19,392,268
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Equipment Replacement Fund	9,101,368
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<b>Total Internal Service Funds</b>	<b>\$ 28,493,636</b>
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**Special Revenue Fund**

## Commercial paper

Goldman Sachs	12/21/2011	1.10%	12/23/2013	\$ 101,000
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## Money Market

Municipality of Anchorage	6/28/2012	0.25%	10/15/2012	10,017
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Municipal Investment Pool	101,067
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<b>Total Special Revenue Fund</b>	<b>\$ 212,084</b>
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Cash with Paying Agent

The total amount of cash with paying agent at June 30 is \$19,921,156, which is recorded in the Capital Projects Fund and Debt Service

Due from Other Governments

The amounts due from the Municipality of Anchorage are generally for funds appropriated from local property taxes levied by Municipal Ordinance in support of the district. The amounts recorded in the General Fund and Debt Service Fund at June 30 are \$99,950,770 and \$20,030,890, respectively. In addition there is \$2,925,573 due from the Municipality for State of Alaska Legislative grants which are passed through the Municipality for the district.

The amounts due from the United States Government recorded in the General Fund include \$2,246,923 for Federal Impact Aid. The amounts due from the State of Alaska in the Special Revenue Funds include \$370,290 for 2012 reimbursements under cost reimbursable grants and \$136,408 for the final 2012 amounts earned under the United States School Lunch and Breakfast Programs. The amounts due from the State of Alaska in the Debt Service Fund mainly include \$488,913 for 2012 reimbursements under the Aid for School Construction Program. The amounts due from the United States Government in the Grants Special Revenue Funds includes \$18,885,892 for 2012 reimbursements under cost reimbursable grants.

Property Taxes

The Anchorage Assembly has approved an ordinance, which levied taxes on real and personal properties for calendar year 2012 in support of the district. Property taxes levied by the Municipality

of Anchorage attach a lien on property on the first day of the tax year in which taxes are levied. For 2012, taxes were levied on May 1. Real property taxes are payable in two installments on June 15 and August 15, and personal property taxes in two installments on August 31 and October 31.

The amount of funds appropriated from local property taxes by Municipal ordinance is an established amount based on estimated assessed valuations of real property and estimated personal property. Remittance of funds is based upon an installment schedule mutually agreed upon between the Municipality and the district.

A summary of the amount levied in support of the district is as follows:

#### **Contribution from Real and Personal Property Taxes**

Amount required by the district to fund the second half of the fiscal year 2011-2012 budget:

January 1, 2012 through June 30, 2012	\$237,587,455 x 50%	=	\$118,793,723
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Amount required by the district to fund the second half of the fiscal year 2012-2013 budget:

July 1, 2012 through December 31, 2012	\$239,963,319 x 50%	=	<u>119,981,660</u>
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Total amount required by the district for calendar year 2012	<u>\$238,775,383</u>
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#### **Computation of Mill Rate Required to Fund Calendar Year 2012**

Total amount required by the district for calendar year 2012	\$238,775,383/
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Assessed valuation	<u>\$31,623,793,667</u>
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Mill rate assessment for schools during calendar year 2012	7.55
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The district has accrued the taxes of \$99,550,770 and \$20,030,890 for funding of the first half of the fiscal year 2012-2013 budget as of June 30, 2012 in the General Fund and Debt Service Fund, respectively. The corresponding unearned revenue has been established.

#### Prepaid Items

Prepaid items primarily represent utilities and supplies paid for in advance of the period to which they apply. The district prepays utility costs in order to be able to take advantage of reduced costs and an interest earning agreement with the utility. Supplies are prepaid due to the time required for transportation, as it is necessary to order certain supplies in advance in order to insure that the supplies are available when school begins the following year. The district accounts for prepaid items under the purchase method and is reflected as non-spendable fund balance.

#### Inventories

Inventories of purchased supplies and materials are valued based on the weighted average cost. Commodities that are received from the United States Department of Agriculture (USDA) consist of food to be used in the district's Student Nutrition Program. The commodities are valued at the allocated cost provided by the State of Alaska, which approximates fair value. These commodities

become the property of the district and recorded as inventory when received. The district maintains two methods of inventory - purchase method and consumption method.

Inventories for building and grounds maintenance use are maintained under the purchase method of inventory. The expenditures are recorded in the General Fund upon acquisition. The value of the purchase method of inventory at June 30 is \$1,968,873 and is equally offset as non-spendable fund balance.

Inventories for miscellaneous supplies are maintained under the consumption method of inventory and are recorded as inventory initially and charged as expenditures when used. The value of the consumption method of inventory at June 30 in the General Fund and Food Service Special Revenue Fund is \$953,028 and \$1,052,303, respectively, and are equally offset as non-spendable fund balance. \$286,400 is the value of the USDA food commodities under the consumption method of inventory at June 30. This amount is also reported as unearned revenue at June 30. The total non-spendable fund balance for inventory in the General Fund is \$2,921,971.

#### Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available and updated for additions, retirements and deletions during the year. Donated capital assets are recorded at their estimated fair value on the date donated. The district maintains a capitalization threshold of \$5,000. The district does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives (in years)
Land Improvements	20
Buildings	45
Equipment	5 – 20
Pupil transportation	7

#### Compensated Absences

It is the district's policy to allow employees to accumulate earned but unused vacation pay benefits. Seven of the eight collective bargaining agreements of the district allow for the payment of varying amounts of unused personal leave subject to certain restrictions and maximum accumulations. All other employees are paid for any accumulated personal leave upon request or at termination. The

district records its liability for accrued leave as a designation of the fund balance in the governmental funds for the amounts equal to the value of the accrued leave at June 30. A liability for these amounts is reported in the governmental funds only if they are due and payable, for example, as a result of employee resignations or retirements. All vacation pay is accrued when incurred in the government-wide financial statements at June 30. The liability for the compensated absences includes salary-related payments in accordance with the provisions of GASB Cod. Sec. C60.108.

Sick leave pay is recorded as an expenditure when used. Sick leave may accumulate indefinitely. Upon resignation, outstanding sick leave is generally lost except for its use as an increase in service credit for those employees who are members of the Alaska Teachers' Retirement System.

#### Unearned Revenue

Unearned revenues for property taxes are recorded in the General Fund and Debt Service Fund. These are funds appropriated from local property taxes levied by Municipal Ordinance in support of the district. Additional unearned revenue may be recorded for out-of-district tuition received for the next fiscal year within the General Fund.

Grant proceeds received prior to incurring the related expenditures are generally deferred in the Special Revenue Fund until such expenditures are incurred.

USDA commodities are considered donated commodities and reported as inventory when received. The fair market value of donated commodities used during the year is reported as an expense, with a like amount reported as revenue. All unused donated commodities are reported as unearned revenue. These donated commodities are recorded in the Food Service Special Revenue Fund.

#### Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and refunding gains or losses. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuances costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### Fund Balance Classifications

The fund balance amounts for governmental funds have been reclassified in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement requires amounts previously reported as reserved and unreserved to be reported as non-spendable, restricted, committed, assigned or unassigned.

**Non-spendable** – This classification includes amounts associated with inventory or prepaid items. The cash outlay for these types of items have already been made and therefore the resources represented by this fund balance category cannot be spent again and deemed “not in spendable form”.

**Restricted** – This classification includes amounts that can be spent only on the specific purposes stipulated by law or by the external providers of those resources.

**Committed** – This classification includes amounts that can be used only for the specific purposes determined by a formal action of the district’s highest level of decision making authority. This formal action is the approval of memoranda by the School Board, creating, modifying, or rescinding an action.

**Assigned** – This classification includes amounts constrained by the district’s intent to be used for a specific purpose and do not meet the criteria of being reported as committed or restricted fund balance. Assignments of fund balance can be made by the board or by another individual or person to whom the board gives authority to do so, such as the Superintendent or Chief Financial Officer.

**Unassigned** – This classification is the residual amount of the General Fund not included as non-spendable, restricted, committed or assigned. Any deficit balances in the other governmental fund types are reported as unassigned.

Each fund has been analyzed to classify fund balance in accordance with GASB Statement No. 54. Funds are established by the board and money is authorized to be transferred to the fund for a particular purpose. At this point, balances in these funds are at least committed, and may further be restricted, depending on whether there is an external party or enabling legislation constraint imposed on the amounts.

When an expenditure has been incurred for which restricted, committed, assigned, or unassigned fund balance is available, the district will first reduce the restricted amount then any amounts committed and assigned for that expenditure with residual amounts reducing unassigned fund balance.

The following shows the composition of fund balance of the governmental funds for the fiscal year ended June 30, 2012:

	General Fund	Grants Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Totals
<b>Non-spendable</b>						
Inventory	\$ 2,921,971	\$ --	\$ --	\$ --	\$ 1,052,303	\$ 3,974,274
Prepaid Items	9,836,354	48,001	--	1,953	16,451	9,902,759
Total non-spendable	12,758,325	48,001	--	1,953	1,068,754	13,877,033
<b>Restricted</b>						
Bond rating	23,877,539	--	--	--	--	23,877,539
Federal Impact Aid - 8003(d)	449,596	--	--	--	--	449,596
Total restricted	24,327,135	--	--	--	--	24,327,135
<b>Committed</b>						
Debt service	--	--	1,709,552	--	--	1,709,552
Accrued compensated absences	9,338,198	--	--	60,608	311,572	9,710,378
Services [1]	626,071	--	--	--	--	626,071
Supplies [1]	653,158	--	--	--	--	653,158
Equipment [1]	1,271,283	--	--	--	--	1,271,283
Authorized construction - other	--	--	--	14,184,682	--	14,184,682
Total committed	11,888,710	--	1,709,552	14,245,290	311,572	28,155,124
<b>Assigned</b>						
Federal Impact Aid - 8003(b)	18,030,203	--	--	--	--	18,030,203
Self-insurance	21,859,919	--	--	--	--	21,859,919
Subsequent year's expenditure	6,000,000	--	--	--	--	6,000,000
Services [1]	6,687,270	--	--	--	--	6,687,270
Supplies [1]	2,882,251	--	--	--	--	2,882,251
Equipment [1]	2,030,216	--	--	--	--	2,030,216
Student activities	--	--	--	--	4,526,557	4,526,557
Food services	--	--	--	--	861,981	861,981
Total assigned	57,489,859	--	--	--	5,388,538	62,878,397
<b>Unassigned</b>						
	23,677,394	(48,001)	--	--	--	23,629,393
Total fund balance	\$ 130,141,423	\$ --	\$ 1,709,552	\$ 14,247,243	\$ 6,768,864	\$ 152,867,082

[1] All items in these categories have been encumbered as of June 30, 2012

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt excludes unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the district or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriation.

The district first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flow of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and other non-operating revenues/expenses in proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented to the financial statements.

Generally, the effect of internal activity has been eliminated in the government-wide statement of activities. Allocations of administrative overhead expenses from one function to another, and within one function, are eliminated in the statement of activities so that allocated expenses are reported only by the function to which they were allocated. Interfund services provided and used are not eliminated in the process of consolidation.

All interfund receivables and payables are recorded as advances to and from other funds. The balances are for short-term operations and subsidies and are expected to be settled within the next fiscal year.

The district transferred \$2,488,830 from the General Fund to the Health Insurance Fund, as the district must provide funding to the Health Insurance Fund based on terms included in negotiated bargaining agreements. In addition, the district transferred \$6,095 from the Capital Projects Fund to the Debt Service Fund stemming from unused cost of issuance funds.

A summary of interfund receivables and payables for the year ended June 30, 2012 is as follows:

	<u>Interfund receivable</u>	<u>Interfund payable</u>
Major funds		
General Fund	\$ 35,793,089	\$ 13,576,678
Grants Special Revenue Fund	--	17,070,241
Debt Service Fund	--	18,697,524
Capital Projects Fund	10,484,267	--
Non-major funds	3,092,411	25,324
<b>Total</b>	<u>\$ 49,369,767</u>	<u>\$ 49,369,767</u>

A summary of interfund transfers for the year ended June 30, 2012 is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds		
General Fund	\$ --	\$ 2,488,830
Debt Service Fund	6,095	--
Capital Projects Fund	--	6,095
Non-major funds	2,488,830	--
<b>Total</b>	<u>\$ 2,494,925</u>	<u>\$ 2,494,925</u>

#### F. Reclassification

Certain amounts included in the prior year financial statements have been reclassified to conform to current year classification. The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the district's financial statements for the year ended June 30, 2011, from which the summarized information was derived.

**NOTE 2 – CHANGES IN CAPITAL ASSETS**

The capital assets activity for the fiscal year ended June 30, 2012 is as follows:

	Balance July 1, 2011	Additions/ Transfers	Deductions/ Transfers	Balance June 30, 2012
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 42,357,063	\$ --	\$ --	\$ 42,357,063
Construction in progress	2,313,024	16,345,387	16,812,853	1,845,558
Total capital assets not being depreciated	<u>44,670,087</u>	<u>16,345,387</u>	<u>16,812,853</u>	<u>44,202,621</u>
Capital assets being depreciated:				
Land improvements	52,342,890	3,216,517	--	55,559,407
Buildings and equipment	1,560,294,004	20,821,648	10,147,937	1,570,967,715
Pupil transportation equipment	9,493,410	851,225	--	10,344,635
Total capital assets being depreciated	<u>1,622,130,304</u>	<u>24,889,390</u>	<u>10,147,937</u>	<u>1,636,871,757</u>
Less accumulated depreciation for:				
Land improvements	(36,855,960)	(1,337,571)	--	(38,193,531)
Buildings and equipment	(412,005,979)	(35,658,042)	(4,621,053)	(443,042,968)
Pupil transportation equipment	(8,622,958)	(298,913)	--	(8,921,871)
Total accumulated depreciation	<u>(457,484,897)</u>	<u>(37,294,526)</u>	<u>(4,621,053)</u>	<u>(490,158,370)</u>
Total capital assets, being depreciated, net	<u>1,164,645,407</u>	<u>(12,405,136)</u>	<u>5,526,884</u>	<u>1,146,713,387</u>
Governmental activities capital assets, net	<u>\$ 1,209,315,494</u>	<u>\$ 3,940,251</u>	<u>\$ 22,339,737</u>	<u>\$ 1,190,916,008</u>

The depreciation expense charged to functions of the governmental activities is as follows:

Governmental activities:	Amount
General administration	\$ 517,965
Instruction	35,722,373
Pupil transportation	307,608
Operation and maintenance of plant	492,338
Community services	1,018
Non-departmental	3,862
Food services	249,362
Total depreciation expense, governmental activities	<u>\$ 37,294,526</u>

Construction in progress, less projects completed in 2012 is comprised of the following:

	Project Authorization	Expended to June 30, 2012	Committed
Secondary schools:			
Bartlett High School CTE	\$ 2,407,568	\$ --	\$ 1,756,789
Bartlett High School Construction Academy	1,900,000	--	--
Begich Middle School Applied Tech	725,000	--	--
Central Middle School CTE	424,000	19,329	153,398
Chugiak High School CTE	1,360,000	32,640	--
Chugiak High School Roof	2,000,000	--	--
Clark Middle School Replacement	1,232,987	--	67,364
Dimond High School CTE	445,644	1,920	290,058
Eagle River High School Track Field Bleachers	130,000	4,929	2,664
East High School CTE	2,793,355	--	1,872,718
East High School Field Turf Improvements	2,196,752	--	41,776
Gruening Middle School Facility Upgrades	699,999	277	--
King Career Center Domestic Water Pipe	250,000	110,313	96,572
King Career Center CTE	4,499,999	126,932	--
Mirror Lake Middle School Applied Tech	900,000	--	--
Mears Middle School Lab	450,000	10,800	--
Romig Middle School Artificial Turf	1,900,000	--	--
Save High School Roof Replacement	522,631	--	21,100
Service High School Renovations	30,438,131	1,035	--
Service High School Track Improvements	840,000	--	677,314
South High School Field Improvements	2,200,000	--	--
West High School CTE	14,615,000	--	--
West High School Artificial Turf	3,100,000	--	--
West High School Stadium	1,600,000	--	--
Wendler Middle School Construction Academy	925,000	--	--
Other secondary schools	20,446,043	434,594	1,572,667
	<u>99,002,109</u>	<u>742,769</u>	<u>6,552,420</u>
Elementary schools:			
Aurora Elementary School Roof Upgrade	1,002,643	--	923,683
Campbell Elementary Playground	250,000	8,543	178,037
Chester Valley Elementary School Addition	627,566	--	37,400
College Gate Elementary School HVAC	1,500,000	--	--
Eagle River Elementary School Lighting	1,100,000	--	--
Girdwood Elementary School Roof	534,432	--	--
Girdwood Elementary School Design	2,400,000	--	--
Huffman Elementary School Lighting	900,000	--	--
Inlet View Elementary School Roof	272,566	--	2,639
Kennedy Elementary School IT Move	1,210,903	--	1,112,656
Ocean View Elementary School Interactive Whiteb	115,281	--	12,825
O'Malley Elementary School Roof Upgrade	1,500,000	--	--
Ptarmigan Elementary School Tech Upgrades	179,971	4,840	5,590
Rabbit Creek Elementary School Roof Upgrade	1,400,000	--	--
Sand Lake Elementary School Addition	1,201,215	--	134,942
Turnagain Elementary School Roof	1,400,000	--	--
Ursa Major Elementary Facility Upgrades	380,000	2,313	176,338
Other elementary schools	23,162,397	400,230	1,001,508
	<u>39,136,974</u>	<u>415,926</u>	<u>3,585,618</u>

## Construction in progress (continued):

## Other capital projects:

Districtwide Asbestos	329,337	168,051	658
Districtwide Electrical	1,115,193	9,848	90,210
Districtwide Facility Assessments	218,312	--	334,944
Districtwide Emergency Preparation	725,381	60,211	51,592
Districtwide Security Systems	1,181,192	23,030	121,158
Districtwide Mechanical Upgrades	1,022,769	47,814	--
Districtwide Roofs	26,267	--	--
Other capital projects	12,563,969	377,909	41,315
	<u>17,182,420</u>	<u>686,863</u>	<u>639,877</u>
	<u>\$ 155,321,503</u>	<u>\$ 1,845,558</u>	<u>\$ 10,777,915</u>

**NOTE 3 – CHANGES IN LONG-TERM OBLIGATIONS**

## A. General Obligation Bonds

The district does not have authority to issue debt independently. Therefore, all long-term debt is issued with the full faith and credit of the Municipality of Anchorage using general obligation bonds. These bonds provide funds for the acquisition and construction of major capital facilities for the district. There are a number of restrictions contained in the various bond indentures and the district is in compliance with all significant restrictions.

The following is a summary of long-term debt transactions of the district for the fiscal year ended June 30, 2012 (in thousands):

	Balance July 1, 2011	Additions	Reductions	Balance June 30, 2012
General obligation bonds	\$ 694,995	\$ --	\$ 54,875	\$ 640,120
Unamortized premium/discount on bonds	15,733	--	1,808	13,925
Unamortized cost of issuance on bonds	--	3,588	389	3,199
Unamortized loss and cost of issuance	2,696	--	222	2,474
	<u>\$ 713,424</u>	<u>\$ 3,588</u>	<u>\$ 57,294</u>	<u>\$ 659,718</u>

## Defeasance of Debt

The district has defeased certain general obligation bonds by placing the proceeds of new bonds and other available funds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, trust account assets and liabilities for defeased bonds are not included in the district's financial statements. At June 30, 2012 the amount of general obligation bonds considered defeased is \$214,675,000.

## B. Bonds Payable

Bonds payable at June 30, 2012 are comprised of the following individual issues (in thousands):

General Obligation Bonds	Amount	Due within One year
\$60,000,000 1995 series A school construction serial bonds due in annual installments of \$4,710,000 to \$5,030,000 through October 2015; interest at 5.0 percent to 6.0 percent	\$ 9,740	\$ --
\$20,735,000 1998 series A school construction refunding bonds due in annual installments of \$4,650,000 to \$5,120,000 through July 2014; interest at 5.0 percent	14,650	4,650
\$131,800,000 2002 series B school construction serial bonds due in annual installments of \$6,010,000 to \$6,350,000 through July 2013; interest at 5.5 percent	12,360	6,010
\$70,345,000 2002 school construction refunding bonds due in annual installments of \$4,700,000 to \$8,690,000 through July 2015; interest at 5.5 percent	24,820	6,450
\$126,770,000 2003 series B school construction serial bonds due in annual installments of \$5,610,000 to \$6,080,000 through September 2014; interest at 4.0 percent to 4.25 percent	17,525	5,610
\$80,735,000 2004 series B school construction refunding bonds due in annual installments of \$3,000,000 to \$27,390,000 through December 2017; interest at 3.75 percent to 5.25 percent	80,250	3,485
\$86,240,000 2004 series D school construction serial bonds due in annual installments of \$3,590,000 to \$4,170,000 through December 2015; interest at 5.0 percent	15,500	3,590
\$63,850,000 2005 series A school construction serial bonds due in annual installments of \$2,720,000 to \$3,050,000 through March 2016; interest at 3.75 percent to 5.0 percent	11,525	2,720
\$29,155,000 2005 series B school construction refunding bonds due in annual installments of \$45,000 to \$8,140,000 through December 2020; interest at 3.6 percent to 5.0 percent	28,840	45
\$14,790,000 2005 series E school construction refunding bonds due in annual installments of \$3,035,000 to \$4,110,000 through December 2018; interest at 5.0 percent	14,790	3,035
\$48,495,000 2006 series A school construction serial bonds due in annual installments of \$1,920,000 to \$3,640,000 through October 2026; interest at 4.0 percent to 5.0 percent	39,935	1,920
\$28,885,000 2006 series B school construction refunding bonds due in annual installments of \$3,405,000 to \$6,185,000 through October 2020; interest at 5.0 percent	15,480	3,405
\$51,705,000 2006 series C school construction refunding bonds due in annual installments of \$65,000 to \$9,770,000 through July 2021; interest at 4.0 percent to 5.0 percent	50,855	190
\$171,155,000 2007 series B school construction refunding bonds due in annual installments of \$60,000 to \$29,530,000 through September 2024; interest at 4.0 percent to 5.0 percent	169,850	60

## Bonds payable (continued):

\$63,790,000 2007 series D school construction serial bonds due in annual installments of \$2,345,000 to \$4,885,000 through August 2027; interest at 4.25 percent to 5.0 percent	55,300	2,345
\$29,840,000 2008 series B school construction serial bonds due in annual installments of \$1,060,000 to \$2,285,000 through August 2028; interest at 4.0 percent to 5.25 percent	26,895	1,060
\$20,025,000 2010 series B school construction serial bonds due in annual installments of \$815,000 to \$1,345,000 through April 2030; interest at 2.0 percent to 5.91 percent	18,555	815
\$4,940,000 2011 series B school construction serial bonds due in annual installments of \$450,000 to \$550,000 through August 2021; interest at 2.0 percent to 3.0 percent	4,940	450
\$28,310,000 2011 series C school construction refunding bonds due in annual installments of \$1,285,000 to \$10,050,000 through August 2020; interest at 3.0 percent to 5.0 percent	28,310	9,585
	<u>\$ 640,120</u>	<u>\$ 55,425</u>

The annual requirements to amortize all general obligation debt outstanding for the year ended June 30, 2012, including interest payments in the amount of \$195,226,959 are as follows (in thousands):

	P r i n c i p a l	I n t e r e s t	T o t a l
2013	\$ 55,425	\$ 29,755	\$ 85,180
2014	56,500	27,234	83,734
2015	58,280	24,533	82,813
2016	55,785	21,795	77,580
2017	53,120	19,012	72,132
2018-2022	234,390	58,262	292,652
2023-2027	113,390	13,814	127,204
2028-2031	13,230	822	14,052
	<u>\$ 640,120</u>	<u>\$ 195,227</u>	<u>\$ 835,347</u>

## C. Bonds Authorized But Unissued

For the year ended June 30, 2012, the Municipality has the following authorized but unissued general obligation bonds for schools (in thousands):

<u>Purpose</u>	<u>Election Date</u>	<u>Interest Limitation</u>	<u>Authorized Amount</u>	<u>Amount Issued</u>	<u>Remaining Authorization</u>
Construction/renovation/ replacement/major maintenance	April 03, 2007	none	\$ 85,000	\$ 80,045	\$ 4,955
Construction/renovation/ replacement/major maintenance	April 01, 2008	none	43,710	34,820	8,890
Construction/renovation/ replacement/major maintenance	April 01, 2011	none	17,000	5,000	12,000
Construction/renovation/ replacement/major maintenance	April 03, 2012	none	59,077	--	59,077
			<u>\$ 204,787</u>	<u>\$ 119,865</u>	<u>\$ 84,922</u>

## D. Refunded Bonds

There were no refunded bond issues for the fiscal year ended June 30, 2012.

## E. Compensated Absences

General Fund, Grants Special Revenue Fund, Food Service Special Revenue Fund and Capital Projects Fund will liquidate the liability of compensated absences. The balance of compensated absences for the fiscal year ended June 30, 2012 is as follows:

<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
\$ 10,191,285	\$ 3,769,626	\$ 3,549,179	\$ 10,411,732	\$ 3,616,461

## F. Workers' Compensation Payable

General Fund, Grants Special Revenue Fund, Food Service Special Revenue Fund and Capital Projects Fund will liquidate the liability of workers' compensation. The balance of workers' compensation for the fiscal year ended June 30, 2012 is as follows:

<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
\$ 16,979,488	\$ 4,339,598	\$ 5,409,267	\$ 15,909,819	\$ 2,651,636

**NOTE 4 – RETIREMENT PLANS**

As of June 30, 2012, substantially all employees of the district are either members of the Alaska Public Employees' Retirement System (PERS) or the Alaska Teachers' Retirement System (TRS). Both plans are either defined benefit or defined contribution pension plans, dependent on the date of membership. The TRS is a cost-sharing multiple employer plan which covers teachers and other eligible participants. The PERS was originally established as an agent multiple employer plan, but was converted by legislation to a cost-sharing plan, effective July 1, 2008. PERS covers eligible state and local government employees, other than teachers. Both plans were established and are administered by the State of Alaska to provide pension, postemployment healthcare, death, and disability benefits. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. In addition to PERS, the Alaska Teamster-Employer Pension Trust Fund also covers bus drivers and attendants. The Alaska Teamster-Employer Pension Trust Fund Plan is a multi-employer cost-sharing defined benefit plan created and administered by Teamster Local 959.

PERS and TRS issue publicly available financial reports every year that include financial statements and required supplementary information. The report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P. O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. Please also see <http://www.state.ak.us/dr/b/>.

The Alaska Teamster-Employer Pension Trust Fund prepares an annual financial report and can be obtained by writing to the plan administrator at 520 East 34<sup>th</sup> Avenue, Anchorage, Alaska 99503.

**A. State Retirement Systems****Public Employees' Retirement System (PERS)**Plan Description and Provisions

The Alaska Public Employees' Retirement System was created by state statute and political subdivision; participation is optional. PERS is a tiered retirement system. Employees hired before July 1, 2006 participate in Tiers I-III, a defined benefit cost sharing plan that acts as a common investment and administrative agent for political subdivisions within the State of Alaska. Employees hired on or after July 1, 2006 participate in Tier IV, a defined contribution plan.

Pension Benefits

Benefits vest after five years of credited service. Employees hired prior to July 1, 1986 with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For employees hired after June 30, 1986 the normal and early retirement ages are 60 and 55, respectively. The normal annual pension benefit for PERS Tiers I-III is based on years of service and average compensation. The pension benefit is equal to 2 percent of the member's highest three-year average monthly compensation for the first ten years of service, 2-1/4 percent for the second ten years of service, and 2-1/2 percent for the third ten years of service. All service earned prior to July 1, 1986 is calculated using the 2 percent multiplier. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

Pension benefits for PERS Tiers I-III are adjusted each year based upon increases in the Consumer Price Index (CPI) for the prior year. Post retirement pension adjustments are applied automatically to

all retirees who were hired before July 1, 1986, who are at least of age 60, who are on disability, or who have been receiving benefits for at least five years. Starting at age 65, or at any age for those employed before July 1, 1986, a retired employee who remains in Alaska is eligible for an additional allowance equal to 10 percent of the base benefit or \$50 a month, whichever is greater.

For PERS Tier IV, employees can invest in a variety of mutual funds selected by the Alaska Retirement Management Board or rollover the plan balance to other qualified plans. Distribution of vested plan balance is allowed after an employee has been terminated for at least 60 days.

#### Postemployment Health Care Benefits

For PERS Tiers I-III, when pension benefits begin, major medical benefits are provided without cost to all employees first hired before July 1, 1986 and to employees who are disabled or age 60 or older, regardless of their initial hire dates. Employees first hired after June 30, 1986, but before July 1, 1996, and who have five years of credited service may receive major medical benefits prior to age 60 by paying premiums. Employees first hired after June 30, 1996, but before July 1, 2006, who have at least ten years of credited service, may receive major medical benefits prior to age 60 by paying premiums. Postemployment healthcare benefits are provided by the payment of insurance premiums from the Plan. Beginning July 1, 1997, the Plan became self-insured under a professionally administered program.

Employees hired after July 1, 2006, who have at least ten years of credited services, are eligible for medical benefits after retirement. If they are not eligible for Medicare, they must pay full premium. After eligible for Medicare, the retiree will be responsible for premium at a reduced percentage depending on the years of services. Retirees may use health reimbursement arrangement (HRA) account to pay premium. After the HRA is exhausted, retirees need to pay the premium by themselves.

#### PERS Conversion to Cost Sharing

In April 2008 the Alaska Legislature passed Senate Bill (SB) 125 which converted the existing Public Employees' Retirement System (PERS) from an agent-multiple employer plan to a cost-sharing plan with an effective date of July 1, 2008. Under the cost-sharing arrangement, the State of Alaska Division of Retirement and Benefits will no longer track individual employer assets and liabilities. Rather, all plan costs and past service liabilities will be shared among all participating employers. The cost-sharing plan requires a uniform employer contribution rate of 22% of active member wages, subject to a wage floor. In addition, the legislation provides for state contributions in the event that the annually calculated and board adopted rate, which includes a provision to pay down the past-service liability, exceeds 22%. Any such additional contributions will be recognized by each employer as an on-behalf payment.

In addition, in fiscal year 2008, the State of Alaska passed legislation (SB 123) which requires that the employer contribution be calculated on all PERS eligible wages, including wages attributable to the defined contribution plan described later in these footnotes.

## Teachers Retirement System (TRS)

### Plan Description and Provisions

The Alaska Teachers' Retirement System is created and administered by the State of Alaska to provide benefits for teachers of the State of Alaska. Benefit and contribution provisions are established by Alaska law and may be amended only by the Alaska State Legislature. All the district's certificated employees are participants in TRS. Similar to PERS, TRS is also a tiered retirement system. Employees hired before July 1, 2006 participate in Tiers I-II, a multi-employer cost-sharing defined benefit public retirement plan. Employees hired on or after July 1, 2006 participate in Tiers III, a defined contribution retirement plan. The payroll for employees covered by TRS for the year ended June 30, 2012 was \$259,466,485 which compares to the district's total payroll of \$373,885,941.

Membership in TRS is compulsory for each certificated elementary or secondary teacher or other certificated personnel who are employed on a full-time basis or part-time basis in positions that require teaching or administrative certificates as a condition of employment.

### Pension Benefits

For TRS Tiers I-II, employees with eight years or more of credited service are vested in the retirement system. Pension benefits are accrued annually at 2 percent for all years of service prior to July 1, 1990 or the first 20 years of service, and 2.5 percent for all the years after. Annual pension benefit is based the accrued service credits and the average of three highest contract salaries. Employees hired before July 1,

1990 may retire normally at age 55 with early retirement at age 50. Employees hired between July 1, 1990 and July 1, 2006 may retire normally at age 60 with early retirement at age 55. Employees with 20 or more years of credited service may retire at any age and receive a normal benefit.

Pension benefits for TRS Tiers I-II are adjusted each year based upon increases in the Consumer Price Index (CPI) for the prior year. Post retirement pension adjustments are applied automatically to retirees who are at least of age 60, who are on disability, or who have been receiving benefits for at least eight years. Starting at age 65, or at any age for those employed before July 1, 1990, a retired employee who remains in Alaska is eligible for an additional allowance equal to 10 percent of the base benefit or \$50 a month, whichever is greater.

For TRS Tier III, employees are fully vested after five years of credited service. Employees can invest in a variety of mutual funds selected by the Alaska Retirement Management Board or rollover the plan balance to other qualified plans. Distribution of vested plan balance is allowed after an employee has been terminated for at least 60 days.

### Postemployment Health Care Benefits

For TRS Tiers I-II, when pension benefits begin, major medical benefits are provided without cost to all employees first hired before July 1, 1990, who are disabled or age 60 or older regardless of their initial hiring dates, or who have at least 25 years of credited service. Other retirees must pay the full premium to have the medical coverage.

TRS Tier III employees, who have at least ten years of credited services, are eligible for medical benefits after retirement. If they are not eligible for Medicare, they must pay full premium. After eligible for Medicare, the retiree will be responsible for premium at a reduced percentage depending

on the years of services. Retirees may use health reimbursement arrangement (HRA) account to pay premium. After the HRA is exhausted, retirees need to pay the premium by themselves.

#### Funding Policy

Regular employees are required to contribute 6.75% of their annual covered salary (3.21% for pension and 3.54% for healthcare) for PERS and 8.65% (5.40% for pension and 3.25% for healthcare) for TRS. The funding policy provides for periodic employer contributions based on actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate sufficient assets to pay both pension and postemployment healthcare benefits when due.

For both plans the employer contribution rate is statutorily capped at 22% and 12.56% for PERS and TRS respectively, although state legislation currently provides that the State of Alaska will contribute any amount over the statutory limit such that the total contribution equals the Alaska Retirement Management Board adopted rates. The board adopted rate will generally be consistent with the actuarially determined rate, but not the same as the Governmental Accounting Standards Board (GASB) Statement 45 accounting rate.

The district's contribution rates for the year ended June 30, 2012 were determined as part of the June 30, 2008 actuarial valuation and are as follows:

	Contractual Rate		ARM Board Adopted Rate		GASB 45 Rate*
<b>PERS</b>					
Pension	10.48 %		14.65 %		13.72 %
Postemployment healthcare	11.52		16.11		49.98
<b>Total contribution rate</b>	<u>22.00 %</u>		<u>30.76 %</u>		<u>63.70 %</u>
	Contractual Rate		ARM Board Adopted Rate		GASB 45 Rate*
<b>TRS</b>					
Pension	7.84 %		26.61 %		28.61 %
Postemployment healthcare	4.72		16.00		52.42
<b>Total contribution rate</b>	<u>12.56 %</u>		<u>42.61 %</u>		<u>81.03 %</u>

\*This rate uses a 4.7% OPEB discount rate for PERS and a 4.5% discount rate for TRS. Both rates also disregard future Medicare Part D payments.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the district and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial values of assets.

Projected benefits for financial reporting purposes do not incorporate any potential effects of legal or contractual funding limitations.

#### Annual Pension and Postemployment Healthcare Cost – PERS

The district is required to contribute 22% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 8.76% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the district has recorded the State-on-behalf payment in the amount of \$11,499,839 as revenue and expenditure in these financial statements. However, because the district is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here. The district's annual pension and other postemployment benefit (OPEB) costs for the years ending June 30, 2012, 2011, and 2010, respectively, were equal to the contractually agreed upon rate for each year.

Year ended June 30	Annual Pension Cost	Annual OPEB Cost	Total Benefit Cost (TBC)	District Contributions	Percent of TBC Contributed
2012	\$ 10,106,897	\$ 11,112,706	\$ 21,219,603	\$ 21,219,603	100
2011	7,524,644	13,556,450	21,081,094	21,081,094	100
2010	7,605,472	12,911,042	20,516,514	20,516,514	100

#### Annual Pension and Postemployment Healthcare Cost - TRS

The district is required to contribute 12.56% of covered payroll, subject to a wage floor. In addition, the State of Alaska contributed approximately 30.05% of covered payroll to the Plan. In accordance with the provisions of GASB Statement Number 24, the district has recorded the State-on-behalf payment in the amount of \$80,149,485 as revenue and expenditure in these financial statements. However, because the district is not statutorily obligated for these payments, this amount is excluded from pension and OPEB cost as described here. The district's annual pension and other postemployment benefit (OPEB) costs for the years ending June 30, 2012, 2011, and 2010, respectively, were equal to the contractually agreed upon rate for each year.

Year ended June 30	Annual Pension Cost	Annual OPEB Cost	Total Benefit Cost (TBC)	District Contributions	Percent of TBC Contributed
2012	\$ 20,311,619	\$ 12,212,991	\$ 32,524,610	\$ 32,524,610	100
2011	16,856,880	15,131,369	31,988,249	31,988,249	100
2010	16,524,238	14,635,931	31,160,169	31,160,169	100

Defined Contribution Pension Plan

The State of Alaska Legislature approved Senate Bill 141 to create the Public Employees' Retirement System (PERS) Tier IV and Teachers' Retirement System (TRS) Tier III Defined Contribution Retirement Plan for employees hired after July 1, 2006 or for employees converting from the PERS Tier I, II or III or TRS Tier I and II defined benefit plans. The plan is administered by the State of Alaska, Department of Administration, and benefit and contribution provisions are established by state law and may be amended only by the state legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the plan are individual pension accounts, retiree medical insurance plan and a separate HRA account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. Employees are required to contribute 8.0% of their annual covered salary and the district is required to make the following contributions:

	PERS Tier IV		TRS Tier III	
Individual account				
Health reimbursement arrangement*	5.00	%	7.00	%
Retiree medical	3.00		3.00	
Occupational death and disability benefits	0.51		--	
	<u>8.51</u>	%	<u>10.00</u>	%

\*Health Reimbursement Arrangement – AS 39.30.370 requires that the employer contribute “an amount equal to three percent of the employer’s average annual employee compensation.” For actual remittance, this amount is calculated as a flat rate for each full time or part-time employee per pay period.

The district and employee contributions to PERS including the HRA contribution for the year ended June 30, 2012 were \$14,810,564 and \$4,224,481 respectively. The district and employee contributions to TRS for the year ended June 30, 2012 were \$24,657,459 and \$16,981,459, respectively.

Investment - PERS, TRS and Teamster Pension

The PERS, TRS and Teamster Pension Plans do not own any notes, bonds or other instruments of the district.

## B. Alaska Teamster – Employer Pension Trust Fund

The Alaska Teamster-Employer Pension Trust Fund is a cost-sharing multi-employer defined benefit plan for bus drivers and attendants. The district contributes two dollars (\$2.00) for each hour of compensation earned by each permanent bus driver and attendant with more than 6 years of continuous regular experience with the district, and one dollar (\$1.00) for each hour of compensation earned by each permanent bus driver and attendant with 6 or fewer years of continuous regular experience with the district. The district contributed \$250,452 in 2012 \$224,444 in 2011, and \$218,867 in 2010 to this union administered plan. The actual contributions amount to 100 percent of the required contributions. The payroll for employees covered by Alaska Teamster-Employer Pension

Trust Fund for the year ended June 30, 2012 was \$3,305,657, which compares to the district's total of \$373,885,941. Employees are not required to make contributions towards the trust fund.

#### **NOTE 5 – POSTEMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 4, the district provides basic postemployment health care benefits, in accordance with state statutes, to all employee groups who retired through the State of Alaska retirement plans. The district also provides supplemental post-employment health care benefits, in accordance with the employment contract settlement agreement, to all employee groups who retired and elected to participate in the plan as of September 1974 through June 30, 1977. The number of retirees covered under this plan is 58 as of June 30, 2012. The cost of the retiree supplemental health benefits is recognized as expenditure when incurred. The total amount expended for the year ended June 30, 2012 is \$101,380.

#### **NOTE 6 – RISK MANAGEMENT**

The district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; illness of and injuries to employees; unemployment; and natural disasters. The district utilizes a self-insurance program primarily maintained in the General Fund to account for and finance its uninsured risks of loss.

The district self-insures to the extent of \$1,000,000 per occurrence for school bus, auto, and general liability, \$750,000 per occurrence on workers' compensation, and \$100,000 per occurrence on property losses with coverage in excess thereof provided by private carriers. The district is self-insured for earthquake or flood damage. The district has maintained the same insurance coverage and reflected no reduction of insurance coverage in the prior year by major categories of risk. In addition, there are no settlements that exceeded insurance coverage for each of the prior three fiscal years.

As of June 30, 2009, the district's healthcare program is a self-funded plan in which the district is required to make contributions to fund the plan based on negotiated collective bargaining agreements. The activity of this plan is recorded in the Internal Service Health Insurance Fund.

The district has established estimated liabilities for claims incurred but not reported and a liability for estimated future payments on reported claims based on information provided by the claims servicing agent.

The district has reflected as a reserve for self-insurance a portion of the fund balance in the General Fund to provide for reserves for workers' compensation and other liability claims and incurred but not reported claims. The reserve for self-insurance in the General Fund also provides for emergency funds to cover the self-insured retention in the event of multiple losses. The portion has been set at \$21,859,919. The balance in this account does not represent a contingent liability, but rather signifies the availability of funds should such a casualty occur.

Unemployment compensation expenditure is based on actual claims filed with the State of Alaska and reimbursed by the district.

Claims payable represents estimates of claims to be paid based upon past experience modified for current trends and information. The ultimate amount of losses incurred through June 30, 2012 is dependent upon future developments. The district has no settlements that exceeded the amount of insurance coverage.

Changes in the funds' claims liability amounts in 2012, 2011, and 2010 are as follows:

		Liability Balance July 1	Current Year Claims and Changes in Estimates	Claims Payment	Liability Balance June 30
2012	Health	\$ 8,361,004	\$ 30,362,530	\$ 29,558,815	\$ 9,164,719
	Unemployment	117,633	436,983	496,080	58,536
	Workers' Comp	16,979,488	4,417,660	5,487,329	15,909,819
		<u>\$ 25,458,125</u>	<u>\$ 35,217,173</u>	<u>\$ 35,542,224</u>	<u>\$ 25,133,074</u>
2011	Health	\$ 9,948,577	\$ 29,881,548	\$ 31,469,121	\$ 8,361,004
	Unemployment	128,344	456,560	467,271	117,633
	Workers' Comp	18,355,025	3,347,279	4,722,816	16,979,488
		<u>\$ 28,431,946</u>	<u>\$ 33,685,387</u>	<u>\$ 36,659,208</u>	<u>\$ 25,458,125</u>
2010	Health	\$ 5,623,423	\$ 31,740,679	\$ 27,415,525	\$ 9,948,577
	Unemployment	70,462	525,153	467,271	128,344
	Workers' Comp	15,231,138	7,597,475	4,473,588	18,355,025
		<u>\$ 20,925,023</u>	<u>\$ 39,863,307</u>	<u>\$ 32,356,384</u>	<u>\$ 28,431,946</u>

#### NOTE 7 – COMMITMENTS

Commitments under lease agreements for the various administration buildings provide for minimum annual rental payments of \$2,706,692. Rent expenditures for the year ended June 30, 2012 were \$5,989,692.

#### NOTE 8 – CONTINGENT LIABILITIES

##### Grants

The district participates in a variety of state and federal assistance and revenue sharing programs. These programs are subject to program compliance review by the grantors or their representatives. The audits of some of these programs before and including the year ended June 30, 2012 have not been concluded. Accordingly, the district's compliance with applicable grantor revenue sharing programs will be established at some future date. Any disallowed claims, including amounts already collected, would become a liability of the General Fund or other applicable fund. In management's opinion, disallowed claims, if any, will be immaterial.

Property Tax Limitation

On October 4, 1983, the Anchorage voters approved a charter amendment, which sets a limitation on the amount of taxes the municipality can levy. The amendment limits taxes, with certain exceptions, to the amount levied in the previous year, increased by inflation (Anchorage CPI – 5-year average) and population (5-year average) growth). In the opinion of management, the municipality and the district are in compliance with the intent of the amendment.

Litigation

In the normal course of activities, the district is involved in various other claims and litigation. In the opinion of management and the district's attorneys, the disposition of the claims and litigation are not presently expected to have a material adverse effect on the district's financial statements.

**NOTE 9 – RELATED PARTY TRANSACTIONS**

The Municipality of Anchorage is responsible for assessing and collecting property taxes and remitting the amount approved by the Anchorage Assembly to the district. In addition, there are various services that are performed by the municipality on behalf of the district.

The following is a summary of related party transactions with the municipality:

Property taxes collected		
General Fund	\$	196,307,312
Debt Service Fund		41,280,133
Grant revenues received from the Municipality of Anchorage		
State and Federal Grants Special Revenue Fund	\$	102,681
Charges for services:		
Operations of swimming pools	\$	646,744
Property tax collection		252,000
School resource officers		2,649,427
Joint property and liability insurance:		
Purchase of a single property and liability policy, which covers both the municipality and district	\$	1,685,647

The Anchorage School District, under Alaska law, cannot legally hold title to real property nor incur long-term debt. However, the Municipality of Anchorage has delegated the district, the construction management of school projects. In order to reflect all the capital assets used for school purposes and the related obligations serviced by the district, real property and the associated obligations have been reported in the accompanying financial statements.

# Required Supplementary Information



For the Year Ended June 30, 2012

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL**

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
<b>Revenues:</b>						
Revenues from local sources:						
Appropriation from Municipality of Anchorage	\$ 196,307,312	\$ --	\$ 196,307,312	\$ 196,307,312	\$ 196,307,312	\$ --
Reimbursement for school facilities rental	734,693	--	734,693	690,000	690,000	44,693
Nonresident tuition	6,713	--	6,713	50,000	50,000	(43,287)
Investment income	2,144,897	--	2,144,897	2,800,000	2,800,000	(655,103)
E-Rate	1,838,543	--	1,838,543	1,600,000	1,600,000	238,543
Other revenues	1,697,197	5,200,000	6,897,197	7,264,310	7,264,310	(367,113)
<b>Total revenues from local sources</b>	<b>202,729,355</b>	<b>5,200,000</b>	<b>207,929,355</b>	<b>208,711,622</b>	<b>208,711,622</b>	<b>(782,267)</b>
Revenues from state sources:						
Public school funding program	311,645,866	--	311,645,866	311,134,270	311,134,270	511,596
School improvement grant	6,096,782	--	6,096,782	6,100,000	6,100,000	(3,218)
Transportation	20,861,949	--	20,861,949	20,390,000	20,390,000	471,949
Retirement systems employer relief	83,650,249	--	83,650,249	88,148,208	88,148,208	(4,497,959)
On-Base tuition	408,484	--	408,484	408,484	408,484	--
<b>Total revenues from state sources</b>	<b>422,663,330</b>	<b>--</b>	<b>422,663,330</b>	<b>426,180,962</b>	<b>426,180,962</b>	<b>(3,517,632)</b>
Revenues from federal sources:						
Reserve Officers Training Corps	800,710	--	800,710	800,000	800,000	710
Federal Impact Aid	19,650,088	--	19,650,088	20,000,000	20,000,000	(349,912)
Medicaid reimbursement	142,822	--	142,822	--	--	142,822
<b>Total revenues from federal sources</b>	<b>20,593,620</b>	<b>--</b>	<b>20,593,620</b>	<b>20,800,000</b>	<b>20,800,000</b>	<b>(206,380)</b>
<b>Total revenues</b>	<b>645,986,305</b>	<b>5,200,000</b>	<b>651,186,305</b>	<b>655,692,584</b>	<b>655,692,584</b>	<b>(4,506,279)</b>
<b>Expenditures:</b>						
Current:						
General administration	18,477,848	(126,443)	18,351,405	18,661,803	19,384,132	1,032,727
Instruction	565,917,129	(307,154)	565,609,975	580,184,163	578,240,865	12,630,890
Pupil transportation	22,430,878	(839,484)	21,591,394	21,583,928	21,855,511	264,117
Operation and maintenance of plant	30,203,145	(359,875)	29,843,270	30,094,267	30,821,546	978,276
Community services	3,994,445	196,249	4,190,694	4,146,809	4,158,362	(32,332)
Non-departmental	2,993,960	25,222	3,019,182	1,021,614	(767,832)	(3,787,014)
<b>Total expenditures</b>	<b>644,017,405</b>	<b>(1,411,485)</b>	<b>642,605,920</b>	<b>655,692,584</b>	<b>653,692,584</b>	<b>11,086,664</b>
<b>Excess of revenues over expenditures</b>	<b>1,968,900</b>	<b>6,611,485</b>	<b>8,580,385</b>	<b>--</b>	<b>2,000,000</b>	<b>6,580,385</b>

See accompanying notes to required supplementary information  
(Continued)

For the Year Ended June 30, 2012

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)**

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
Other financing sources (uses):						
Transfers out - Health Insurance Fund	\$ (2,488,830)	\$ --	\$ (2,488,830)	\$ --	\$ --	\$ (2,488,830)
Total other financing sources and (uses)	<u>(2,488,830)</u>	<u>--</u>	<u>(2,488,830)</u>	<u>--</u>	<u>--</u>	<u>(2,488,830)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(519,930)</u>	<u>\$ 6,611,485</u>	<u>\$ 6,091,555</u>	<u>\$ --</u>	<u>\$ 2,000,000</u>	<u>\$ 4,091,555</u>
Fund balance at beginning of year	<u>130,661,353</u>					
Fund balance at end of year	<u>\$ 130,141,423</u>					

BASIS OF BUDGETING - The General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget (Non-GAAP Basis) and Actual has been prepared on a legally prescribed basis of budgeting which differs from accounting principles generally accepted in the United States of America (GAAP). The purpose of the basis of budgeting is to demonstrate compliance with the legal requirements of the local, state, and federal programs. The difference between the two methods is set forth below:

Revenues reported on the basis of GAAP		\$ 645,986,305
Expenditures reported on the basis of GAAP		<u>644,017,405</u>
Add current year encumbrances	\$ 6,899,360	
Deduct expenditures on prior year's encumbrances	<u>(8,310,845)</u>	
		<u>(1,411,485)</u>
Revenues reported on the basis of budgeting		
Expenditures and encumbrances reported on the basis of budgeting		<u>651,186,305</u> <u>642,605,920</u>
Excess of revenues over expenditures on the basis of budgeting		<u>\$ 8,580,385</u>

See accompanying notes to required supplementary information

For the Year Ended June 30, 2012

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
<b>Revenues:</b>					
<b>Revenues from local grants:</b>					
Alaska Railroad Summer Youth Program	\$ 18,918	\$ --	\$ 18,918	\$ 19,000	\$ (82)
Clark Community Health Center	23,739	--	23,739	25,000	(1,261)
Community Partners Diversity Project	--	900	900	900	--
Contingency	--	--	--	368,754	(368,754)
Donations From Local Agencies	336,979	215	337,194	444,296	(107,102)
MOA Recycling	102,681	--	102,681	47,000	55,681
NoVo Foundation Social and Emotional Learning	205,192	67	205,259	160,000	45,259
Reading is Fundamental	8,663	--	8,663	9,269	(606)
State Farm - Raise Your Voice	17,571	--	17,571	--	17,571
<b>Total revenues from local grants</b>	<b>713,743</b>	<b>1,182</b>	<b>714,925</b>	<b>1,074,219</b>	<b>(359,294)</b>
<b>Revenues from state grants:</b>					
<b>Designated Legislative Grants</b>					
Senate Bill 46	996,895	208,219	1,205,114	1,214,900	(9,786)
Senate Bill 53	7,578	--	7,578	--	7,578
Senate Bill 221	19,985	198	20,183	--	20,183
Senate Bill 230	254,300	(16,571)	237,729	--	237,729
Senate Bill 231	457	--	457	--	457
<b>Total Designated Legislative Grants</b>	<b>1,279,215</b>	<b>191,846</b>	<b>1,471,061</b>	<b>1,214,900</b>	<b>256,161</b>
Alaska Science and Technology Program	33	--	33	--	33
<b>Contract Schools - Memorandum of Agreement - Alaska State School for Deaf</b>					
Alaska Studies	4,356	--	4,356	5,000	(644)
Alternative Schools Health and Wellness	83,759	--	83,759	96,497	(12,738)
Anchorage Construction Academy	586,248	--	586,248	600,000	(13,752)
Comp. Behavioral Health	380,457	--	380,457	392,620	(12,163)
Cultural Collaboration Project	10,099	--	10,099	12,503	(2,404)
Elementary Running Initiative	10,000	--	10,000	10,000	--
Farm to School	1,000	--	1,000	1,000	--
McLaughlin Equipment and Supplies Funds	284	--	284	--	284
Pre-school Kindergarten Program	157,280	180	157,460	167,684	(10,224)
Providence Heights	143,523	--	143,523	145,000	(1,477)
Retirement Systems Employer Relief	7,251,514	--	7,251,514	7,653,167	(401,653)
Youth in Detention	371,390	--	371,390	368,635	2,755
<b>Total revenues from state grants</b>	<b>10,558,156</b>	<b>192,026</b>	<b>10,750,182</b>	<b>10,986,006</b>	<b>(235,824)</b>
<b>Revenues from federal grants:</b>					
<b>Title I -No Child Left Behind Act</b>					
Delinquent and At-Risk Youth Program	165,523	--	165,523	184,169	(18,646)
District-wide	10,199,981	108,910	10,308,891	11,971,236	(1,662,345)
Highly Qualified Program	2,479	--	2,479	5,000	(2,521)
McLaughlin Youth Center	122,306	--	122,306	122,355	(49)
Parent Involvement Program	86,722	207	86,929	238,026	(151,097)
Professional Development	1,489,571	78,898	1,568,469	2,306,029	(737,560)
School Improvement Program	93,010	--	93,010	307,683	(214,673)
Supplemental Education Services Program	1,341,888	3	1,341,891	1,760,000	(418,109)
<b>Total Title I - No Child Left Behind</b>	<b>13,501,480</b>	<b>188,018</b>	<b>13,689,498</b>	<b>16,894,498</b>	<b>(3,205,000)</b>
<b>Title I -Migrant Education</b>					
Book Program	5,945	--	5,945	5,968	(23)
District-wide	1,117,247	--	1,117,247	1,117,396	(149)
Parent Involvement	2,241	--	2,241	5,000	(2,759)
Summer Program	817,785	75,324	893,109	1,332,136	(439,027)
<b>Total Title I -Migrant Education</b>	<b>1,943,218</b>	<b>75,324</b>	<b>2,018,542</b>	<b>2,460,500</b>	<b>(441,958)</b>

See accompanying notes to required supplementary information  
(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Access to Education for Homeless Children Program	\$ 73,676	2	\$ 73,678	\$ 73,682	\$ (4)
Alaska Family Directory Website	28,222	--	28,222	32,000	(3,778)
Alaska ICE	117,420	--	117,420	174,360	(56,940)
Alaska Mentorship Project	300,725	--	300,725	300,726	(1)
Alaska Network for Understanding History	187,254	16,559	203,813	259,535	(55,722)
Alaska Parent Information & Resource Center	29,141	--	29,141	--	29,141
Alaska State School for Deaf Program	63,873	2	63,875	82,998	(19,123)
Artist in Schools	2,200	4,044	6,244	6,244	--
Carl Perkins Vocational Education Basic	1,060,233	47	1,060,280	1,261,129	(200,849)
Community Centers Learning Program	1,965,580	--	1,965,580	2,096,514	(130,934)
Education Jobs Fund	7,638,213	--	7,638,213	7,639,562	(1,349)
Excellence in Economic Education Program	21,147	--	21,147	--	21,147
Foreign Language Assistance Program	296,690	9,733	306,423	289,539	16,884
Learn and Serve Begich - Community Services	7,422	(958)	6,464	3,463	3,001
Military Impacted Students	828,276	(34,760)	793,516	--	793,516
Pre-School Handicapped	466,766	--	466,766	565,076	(98,310)
Presidential Award Program	291	--	291	--	291
Project Impact	381,798	2,089	383,887	504,414	(120,527)
Project Ki'l	655,759	81,842	737,601	690,870	46,731
Project MORE	311,876	22,973	334,849	516,821	(181,972)
Project Puqigtut	678,808	8,169	686,977	703,782	(16,805)
Reading is Fundamental	27,715	3,634	31,349	33,293	(1,944)
Refugee Support Services	61,164	--	61,164	45,000	16,164
Safe Routes to the School	9,960	3,177	13,137	--	13,137
Salmon in the Classroom	235,138	--	235,138	--	235,138
Second Order Prevention Project	472,215	(98,952)	373,263	314,791	58,472
StarTalk - Chinese Language Culture Summer Camp	121,502	609	122,111	90,958	31,153
Teaching American History Program	114,706	(3,536)	111,170	--	111,170
Teaching With Primary Sources Program	23,075	--	23,075	20,000	3,075
Title II-A - Professional Development Program	4,010,988	2	4,010,990	4,326,989	(316,089)
Title II-D - Enhancing Education Through Technology	171,424	--	171,424	172,824	(1,400)
Title III - English Language Acquisition	449,627	--	449,627	535,010	(85,383)
Title VI-B - Education of All Handicapped Children Act	12,626,816	42,748	12,669,564	15,496,567	(2,827,003)
Title VII - Indian, Native Hawaiian, and Alaska Native Education	2,836,844	(6,592)	2,830,252	2,737,505	92,747
USDA Fruit and Vegetables	387,823	--	387,823	655,456	(267,633)
We can	2,337	454	2,791	3,405	(614)
Work Investment Act School Youth Program	46,408	--	46,408	48,776	(2,368)
American Recovery and Reinvestment Act					
ARRA - Biomedical	36,720	--	36,720	36,720	--
State Fiscal Stabilization Fund	2,797,136	(1,257,383)	1,539,753	--	1,539,753
Title I - No Child Left Behind	71,706	(3,537)	68,169	--	68,169
Title II-D - Enhancing Education Through Technology	1,816	--	1,816	--	1,816
Title VI-B - Education of All Handicapped Children Act	1,428,504	(120,989)	1,307,515	--	1,307,515
Total American Recovery and Reinvestment Act	4,335,882	(1,381,909)	2,953,973	36,720	2,917,253
Total revenues from federal grants	56,493,602	(1,067,281)	55,426,321	59,073,007	(3,646,686)
Total revenues	67,765,501	(874,073)	66,891,428	71,133,232	(4,241,804)

See accompanying notes to required supplementary information  
(Continued)

STATE AND FEDERAL GRANTS  
**SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)**

For the Year Ended June 30, 2012

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Expenditures:					
Current:					
Instruction:					
Local grants	\$ 713,743	\$ 1,182	\$ 714,925	\$ 1,074,219	\$ 359,294
State grants	10,558,156	192,026	10,750,182	10,986,006	235,824
Federal grants	<u>56,493,602</u>	<u>(1,067,281)</u>	<u>55,426,321</u>	<u>59,073,007</u>	<u>3,646,686</u>
Total expenditures	<u>67,765,501</u>	<u>(874,073)</u>	<u>66,891,428</u>	<u>71,133,232</u>	<u>4,241,804</u>
Excess of revenues over expenditures	--	--	--	--	--
Fund balance at beginning of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance at end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

BASIS OF BUDGETING - State and Federal Grants Special Revenue Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual has been prepared on a legally prescribed basis of budgeting which differs from accounting principles generally accepted in the United States of America (GAAP). The purpose of the basis of budgeting is to demonstrate compliance with the legal requirements of the local, state, and federal programs. The difference between the two methods is set forth below:

Revenues reported on the basis of GAAP	\$ 67,765,501
Add revenues from current year encumbrances	\$ 930,531
Deduct revenues on prior year encumbrances	<u>(1,804,604)</u>
	<u>(874,073)</u>
Revenues reported on the basis of budgeting	<u>66,891,428</u>
Expenditures reported on the basis GAAP	\$ 67,765,501
Add current year encumbrances	\$ 930,531
Deduct expenditures on prior year encumbrances	<u>(1,804,604)</u>
	<u>(874,073)</u>
Expenditures and encumbrances reported on the basis of budgeting	<u>66,891,428</u>
Excess of revenue over expenditures on the basis of budgeting	<u>\$ --</u>

See accompanying notes to required supplementary information

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**BUDGETARY DATA**

The district follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Superintendent submits to the School Board, at such time as the Board directs, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the board to obtain the comments of residents of the Municipality of Anchorage.
3. The proposed budget is approved and revised by the board and submitted to the Anchorage Assembly on but not later than or prior to the first Monday in March of each year.
4. The Assembly shall approve the upper spending authorization of the budget for the district, and appropriate and establish by ordinance the necessary municipal tax appropriation within thirty (30) days after receipt. If the Assembly fails to make the necessary appropriation within the time stated, the budget as submitted to the Assembly becomes the budget and appropriation for the fiscal year of the district without further Assembly action as stated in the Municipal Charter, Article VI, Section 6.05.
5. The board shall conduct at least one public hearing following the Assembly action on the budget if the amount approved by the Assembly is different than the amount submitted.

The legal level on which expenditures may not exceed the aggregate total budget of the combined budgets is the total of the following funds: General Fund, State and Federal Grants Special Revenue Fund, Food Service Special Revenue Fund, and Debt Service Fund.

Budgetary control by the district is maintained by fund, organization and object in the General Fund and Food Service Special Revenue Fund only. Budgetary control in the Grants Special Revenue Fund is authorized and maintained by the granting agencies. Under the Grants Special Revenue Fund, the management of the district may request budget revisions and transfers within a grant subject to the approval of the granting agencies. In addition, under the Grants Special Revenue Fund, the district may revise a grant within the state code line item budget without the approval of the granting agencies. The Board may amend the upper limit of the aggregate total budget, by budget revision subject to the approval of the Assembly.

On March 29, 2012, the Assembly approved Assembly Ordinance AO 2011-23 determining and approving the district's combined budget of \$811,910,568 with \$237,587,445 in local tax appropriation for the following funds: General Fund, Grants Special Revenue Fund, Food Service Special Revenue Fund and Debt Service Fund.

On July 26, 2011 the School Board approved the revised financial plan with ASD Memorandum No. 354 (2010-2011) to account for increases in funding totaling \$18,222,000. The Assembly approved the revised financial plan increasing the upper limit from \$811,910,568 to \$830,732,568 with Assembly Resolution AR No. 2011-192 on August 16, 2011.

The encumbrance system of accounting is used wherein encumbrances outstanding at year-end are not reported as expenditures in the financial statements, but are reported as reservations of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over. District policy requires recording of an encumbrance as a charge against appropriation in the accounting period in which a purchase requisition or purchase order is issued, rather than in the accounting period when goods or services are received as required by generally accepted accounting principles.

Appropriations for capital improvement projects carry over at year-end; all other appropriations lapse at year-end to the extent that they have not been expended or encumbered.

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# Combining and Individual Fund Statements and Schedules



## General Fund

To account for resources traditionally associated with school districts which are not required to be accounted for in another fund.



June 30, 2012  
With Comparative Totals for  
June 30, 2011

**BALANCE SHEET**

<b>Assets</b>	2012	2011
Cash and investments	\$ 107,839,202	\$ 87,547,410
Accounts receivable (net of any allowances for uncollectibles)	934,169	1,105,405
Due from other funds:		
State and Federal Grants Special Revenue Fund	17,070,241	28,470,482
Student Activity Special Revenue Fund	25,324	53,981
Debt Service Fund	18,697,524	30,149,591
Due from other governments:		
Municipality of Anchorage	99,950,770	98,153,656
United States Government	2,246,923	2,246,923
Prepaid items	9,836,354	8,553,154
Inventory, at weighted average cost	2,921,971	2,259,796
Total assets	\$ 259,522,478	\$ 258,540,398
<b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable	\$ 2,294,406	\$ 2,338,129
Medical claims payable	338,894	450,383
Due to other funds:		
Food Service Special Revenue Fund	1,279,231	2,018,786
Student Activity Special Revenue Fund	1,813,180	1,633,079
Capital Projects Fund	10,484,267	11,466,028
Accrued salaries and related items:		
Wages and salaries payable	2,697,840	1,045,624
Payroll taxes, other accrued and withheld items	10,464,788	10,773,360
Unearned revenue	100,008,449	98,153,656
Total liabilities	129,381,055	127,879,045
Fund balance:		
Non-spendable	12,758,325	10,812,950
Restricted	24,327,135	19,902,748
Committed	11,888,710	13,879,315
Assigned	57,489,859	61,267,642
Unassigned	23,677,394	24,798,698
Total fund balance	130,141,423	130,661,353
Total liabilities and fund balance	\$ 259,522,478	\$ 258,540,398

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

**SCHEDULE OF REVENUES,  
 EXPENDITURES, AND CHANGES IN FUND  
 BALANCE - GAAP BASIS**

	2012	2011
Revenues:		
Revenues from local sources:		
Appropriation from Municipality of Anchorage	\$ 196,307,312	\$ 193,215,858
Reimbursement for school facilities rental	734,693	770,435
Non-resident tuition	6,713	56,262
Investment income	2,144,897	1,930,596
E-Rate	1,838,543	1,631,940
Other revenues	1,697,197	2,090,126
Total revenues from local sources	<u>202,729,355</u>	<u>199,695,217</u>
Revenues from state sources:		
Public school funding program	311,645,866	310,300,774
School improvement grant	6,096,782	--
Transportation	20,861,949	19,611,320
Retirement systems employer relief	83,650,249	66,945,085
On-Base tuition	408,484	408,484
Total revenues from state sources	<u>422,663,330</u>	<u>397,265,663</u>
Revenues from federal sources:		
Reserve Officers Training Corps	800,710	764,192
Federal Impact Aid	19,650,088	23,985,834
Medicaid reimbursement	142,822	220,490
Total revenues from federal sources	<u>20,593,620</u>	<u>24,970,516</u>
Total revenues	<u>645,986,305</u>	<u>621,931,396</u>
Expenditures:		
Current:		
General administration	18,477,848	16,788,549
Instruction	565,917,129	536,257,016
Pupil transportation	22,430,878	20,239,375
Operation and maintenance of plant	30,203,145	30,785,534
Community services	3,994,445	1,033,794
Non-departmental	2,993,960	4,384,847
Total expenditures	<u>644,017,405</u>	<u>609,489,115</u>
Excess of revenues over expenditures	1,968,900	12,442,281
Other financing sources (uses):		
Proceeds from sale of property and equipment	--	10,360
Transfers out - Health Insurance Fund	(2,488,830)	(375,610)
Transfers out - Capital Projects Fund	--	(9,031,500)
Total other financing sources and (uses)	<u>(2,488,830)</u>	<u>(9,396,750)</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	(519,930)	3,045,531
Fund balance at beginning of year	130,661,353	127,615,822
Fund balance at end of year	<u>\$ 130,141,423</u>	<u>\$ 130,661,353</u>

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

## SCHEDULE OF EXPENDITURES GAAP BASIS

	<u>2012</u>	<u>2011</u>
Current:		
General administration:		
Anchorage School Board	\$ 627,945	\$ 523,913
Superintendent	2,104,142	1,933,500
Instruction	2,632,739	2,561,450
Support services	5,148,741	4,553,127
Planning, communications and development	1,010,806	1,047,195
Business management	3,793,109	3,121,423
Employee relations	<u>3,160,366</u>	<u>3,047,941</u>
Total general administration	<u>18,477,848</u>	<u>16,788,549</u>
Instruction:		
Instructional support:		
Curriculum and staff development	11,834,103	10,898,037
Instructional media	3,170,990	3,045,752
Assessment and evaluation	1,219,525	1,026,030
Technology/management information systems	<u>16,846,714</u>	<u>12,617,744</u>
Total instructional support	33,071,332	27,587,563
Elementary education	186,118,266	177,668,848
Charter schools	19,262,512	18,178,849
Middle school education	66,464,042	63,340,671
High school education	119,306,158	117,320,995
Special education services:		
Special services	33,655,413	31,557,075
Special education	<u>86,025,339</u>	<u>79,784,830</u>
Total special education services	119,680,752	111,341,905
English language learners	14,564,047	13,596,282
Gifted education	6,869,316	6,656,256
Native education	<u>580,704</u>	<u>565,647</u>
Total instruction	<u>565,917,129</u>	<u>536,257,016</u>
Pupil transportation	22,430,878	20,239,375
Operation and maintenance of plant:		
Custodial services	3,989,563	3,360,493
Facilities	24,928,148	25,968,175
Vehicle maintenance	<u>1,285,434</u>	<u>1,456,866</u>
Total operation and maintenance of plant	<u>30,203,145</u>	<u>30,785,534</u>

(Continued)

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

## SCHEDULE OF EXPENDITURES GAAP BASIS (Continued)

	<u>2012</u>	<u>2011</u>
Community services	\$ 3,994,445	\$ 1,033,794
Non-departmental:		
Employee benefits:		
Association benefits	255,028	222,499
Employee assistance	80,527	65,134
Medical insurance - retirees	--	1,010,310
Other medical	10,820	--
Sick leave bank	198,617	248,480
Total employee benefits	<u>544,992</u>	<u>1,546,423</u>
Insurance	1,543,108	1,617,629
Rental land and buildings	2,697,092	3,021,799
Utilities	230,802	335,414
Other non-departmental	<u>(2,022,034)</u>	<u>(2,136,418)</u>
Total non-departmental	<u>2,993,960</u>	<u>4,384,847</u>
Total expenditures	<u><u>\$ 644,017,405</u></u>	<u><u>\$ 609,489,115</u></u>

For the Year Ended June 30, 2012

**SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL**

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
Current:						
General administration:						
Anchorage School Board:						
Personnel services	\$ 264,864	\$ --	\$ 264,864	\$ 225,126	\$ 265,973	\$ 1,109
Employee benefits	96,414	--	96,414	99,946	103,427	7,013
Purchased services	260,257	56,109	316,366	358,550	439,905	123,539
Supplies and materials	6,410	(1,785)	4,625	3,400	4,219	(406)
Total Anchorage School Board	627,945	54,324	682,269	687,022	813,524	131,255
Superintendent:						
Personnel services	277,884	--	277,884	278,270	283,270	5,386
Employee benefits	145,857	--	145,857	153,445	154,973	9,116
Purchased services	1,672,488	(3,000)	1,669,488	1,517,200	1,686,008	16,520
Supplies and materials	7,913	(515)	7,398	6,575	7,997	599
Total superintendent	2,104,142	(3,515)	2,100,627	1,955,490	2,132,248	31,621
Instruction:						
Personnel services	1,413,272	--	1,413,272	1,510,025	1,528,396	115,124
Employee benefits	890,327	--	890,327	998,612	1,000,218	109,891
Purchased services	205,035	(11,624)	193,411	110,500	198,741	5,330
Supplies and materials	124,105	20,195	144,300	17,007	152,085	7,785
Total instruction	2,632,739	8,571	2,641,310	2,636,144	2,879,440	238,130
Support services:						
Personnel services	3,013,278	--	3,013,278	3,089,813	3,116,907	103,629
Employee benefits	1,944,811	--	1,944,811	2,087,819	2,136,754	191,943
Purchased services	114,826	(54,061)	60,765	67,024	75,264	14,499
Supplies and materials	65,375	(18,996)	46,379	45,872	51,872	5,493
Capital outlay	10,451	--	10,451	15,451	15,451	5,000
Total support services	5,148,741	(73,057)	5,075,684	5,305,979	5,396,248	320,564
Planning, communications and development:						
Personnel services	496,890	--	496,890	523,348	526,348	29,458
Employee benefits	330,617	--	330,617	352,963	353,875	23,258
Purchased services	140,142	(26,663)	113,479	126,510	125,931	12,452
Supplies and materials	40,986	(9,810)	31,176	40,420	40,999	9,823
Capital outlay	2,171	--	2,171	2,171	2,171	--
Total planning, communications and development	1,010,806	(36,473)	974,333	1,045,412	1,049,324	74,991
Business management:						
Personnel services	2,172,043	--	2,172,043	2,172,321	2,172,281	238
Employee benefits	1,381,231	--	1,381,231	1,442,719	1,441,759	60,528
Purchased services	217,896	(140,946)	76,950	13,093	93,738	16,788
Supplies and materials	21,939	(3,961)	17,978	21,524	21,671	3,693
Total business management	3,793,109	(144,907)	3,648,202	3,649,657	3,729,449	81,247
Employee relations:						
Personnel services	1,888,516	--	1,888,516	1,952,942	1,960,442	71,926
Employee benefits	1,149,706	--	1,149,706	1,228,007	1,229,121	79,415
Purchased services	104,314	71,981	176,295	185,900	179,112	2,817
Supplies and materials	17,830	(3,367)	14,463	15,250	15,224	761
Total employee relations	3,160,366	68,614	3,228,980	3,382,099	3,383,899	154,919
Total general administration	18,477,848	(126,443)	18,351,405	18,661,803	19,384,132	1,032,727

(Continued)

For the Year Ended June 30, 2012

**SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)**

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
Instruction:						
Instructional support:						
Curriculum and staff development:						
Personnel services	\$ 6,924,453	\$ --	\$ 6,924,453	6,590,310	\$ 7,110,004	\$ 185,551
Employee benefits	4,003,071	--	4,003,071	4,229,384	4,343,389	340,318
Purchased services	245,890	98,229	344,119	2,900,878	436,752	92,633
Supplies and materials	572,592	734,402	1,306,994	558,098	1,380,129	73,135
Capital outlay	88,097	(522)	87,575	46,136	53,631	(33,944)
Total curriculum and staff development	11,834,103	832,109	12,666,212	14,324,806	13,323,905	657,693
Instructional media:						
Personnel services	1,464,262	--	1,464,262	1,445,828	1,454,323	(9,939)
Employee benefits	960,312	--	960,312	992,319	995,265	34,953
Purchased services	287,191	26,867	314,058	308,377	317,464	3,406
Supplies and materials	420,490	20,901	441,391	485,242	469,290	27,899
Capital outlay	38,735	(18,315)	20,420	11,675	25,275	4,855
Total instructional media	3,170,990	29,453	3,200,443	3,243,441	3,261,617	61,174
Assessment and evaluation:						
Personnel services	725,121	--	725,121	708,951	708,951	(16,170)
Employee benefits	419,597	--	419,597	435,045	435,045	15,448
Purchased services	30,718	(65)	30,653	53,800	55,300	24,647
Supplies and materials	44,089	(9,409)	34,680	39,543	37,108	2,428
Total assessment and evaluation	1,219,525	(9,474)	1,210,051	1,237,339	1,236,404	26,353
Technology/management information systems:						
Personnel services	5,832,006	--	5,832,006	6,020,267	6,130,090	298,084
Employee benefits	3,681,162	--	3,681,162	4,022,517	4,029,398	348,236
Purchased services	2,875,422	(1,028,546)	1,846,876	2,323,095	2,124,231	277,355
Supplies and materials	4,106,979	(890,398)	3,216,581	3,182,147	3,278,006	61,425
Capital outlay	351,145	(11,092)	340,053	230,436	310,329	(29,724)
Total technology/management information systems	16,846,714	(1,930,036)	14,916,678	15,778,462	15,872,054	955,376
Total instructional support	33,071,332	(1,077,948)	31,993,384	34,584,048	33,693,980	1,700,596
Elementary education:						
Personnel services	104,804,906	--	104,804,906	107,042,188	105,323,213	518,307
Employee benefits	70,699,812	--	70,699,812	74,149,015	73,353,020	2,653,208
Purchased services	8,021,098	709	8,021,807	8,764,250	8,136,667	114,860
Supplies and materials	2,554,097	(55,568)	2,498,529	2,683,210	2,704,461	205,932
Capital outlay	38,353	(33,383)	4,970	4,970	4,970	--
Total elementary education	186,118,266	(88,242)	186,030,024	192,643,633	189,522,331	3,492,307
Charter schools:						
Personnel services	8,739,199	--	8,739,199	8,628,556	8,729,989	(9,210)
Employee benefits	5,831,516	--	5,831,516	5,596,751	5,963,670	132,154
Purchased services	4,000,298	(364,998)	3,635,300	3,763,609	3,638,226	2,926
Supplies and materials	619,365	627,862	1,247,227	1,080,118	1,256,593	9,366
Other	72,134	--	72,134	85,362	72,136	2
Total charter schools	19,262,512	262,864	19,525,376	19,154,396	19,660,614	135,238
Middle school education:						
Personnel services	36,840,850	--	36,840,850	37,785,978	37,442,859	602,009
Employee benefits	25,097,689	--	25,097,689	26,536,381	26,403,997	1,306,308
Purchased services	3,249,456	(9,155)	3,240,301	3,496,168	3,291,023	50,722
Supplies and materials	1,267,339	(236,163)	1,031,176	988,167	1,060,693	29,517
Capital outlay	8,708	--	8,708	8,708	8,708	--
Total middle school education	66,464,042	(245,318)	66,218,724	68,815,402	68,207,280	1,988,556

(Continued)

For the Year Ended June 30, 2012

**SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)**

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
High school education:						
Personnel services	\$ 64,799,277	\$ --	\$ 64,799,277	\$ 63,925,409	\$ 64,748,743	\$ (50,534)
Employee benefits	42,998,113	--	42,998,113	43,781,685	44,046,125	1,048,012
Purchased services	8,505,370	231,417	8,736,787	9,486,675	8,987,813	251,026
Supplies and materials	2,813,098	570,572	3,383,670	2,370,262	3,559,288	175,618
Capital outlay	51,636	42,232	93,868	39,274	71,774	(22,094)
Other	138,664	--	138,664	135,376	138,664	--
Total high school education	119,306,158	844,221	120,150,379	119,738,681	121,552,407	1,402,028
Special education services:						
Special services:						
Personnel services	19,379,430	--	19,379,430	19,281,206	19,318,662	(60,768)
Employee benefits	13,546,861	--	13,546,861	14,036,368	14,047,709	500,848
Purchased services	548,681	1,487	550,168	653,239	603,262	53,094
Supplies and materials	178,458	32,611	211,069	208,959	218,605	7,536
Capital outlay	1,983	--	1,983	1,983	1,983	--
Total special services	33,655,413	34,098	33,689,511	34,181,755	34,190,221	500,710
Special education:						
Personnel services	47,987,224	--	47,987,224	48,791,431	48,706,270	719,046
Employee benefits	36,633,146	--	36,633,146	38,477,096	38,659,753	2,026,607
Purchased services	1,074,296	7,337	1,081,633	893,739	1,152,770	71,137
Supplies and materials	330,673	(78,145)	252,528	417,961	343,144	90,616
Total special education	86,025,339	(70,808)	85,954,531	88,580,227	88,861,937	2,907,406
Total special education services	119,680,752	(36,710)	119,644,042	122,761,982	123,052,158	3,408,116
English language learners:						
Personnel services	7,986,868	--	7,986,868	8,184,212	8,190,654	203,786
Employee benefits	6,506,807	--	6,506,807	6,758,702	6,800,408	293,601
Purchased services	34,901	--	34,901	46,750	48,403	13,502
Supplies and materials	35,471	(11,219)	24,252	26,631	24,381	129
Total english language learners	14,564,047	(11,219)	14,552,828	15,016,295	15,063,846	511,018
Gifted education:						
Personnel services	4,039,224	--	4,039,224	3,931,159	3,950,733	(88,491)
Employee benefits	2,758,910	--	2,758,910	2,772,078	2,781,297	22,387
Purchased services	22,232	--	22,232	18,652	24,267	2,035
Supplies and materials	48,950	45,198	94,148	112,309	96,424	2,276
Total gifted education	6,869,316	45,198	6,914,514	6,834,198	6,852,721	(61,793)
Native education:						
Personnel services	287,272	--	287,272	316,337	316,337	29,065
Employee benefits	293,101	--	293,101	318,791	318,791	25,690
Purchased services	331	--	331	400	400	69
Total native education	580,704	--	580,704	635,528	635,528	54,824
Total instruction	565,917,129	(307,154)	565,609,975	580,184,163	578,240,865	12,630,890
Pupil transportation:						
Personnel services	4,720,654	--	4,720,654	4,533,016	4,529,629	(191,025)
Employee benefits	4,078,705	--	4,078,705	3,841,006	4,028,717	(49,988)
Purchased services	11,642,926	(12,628)	11,630,298	12,112,397	12,126,890	496,592
Supplies and materials	1,077,637	24,369	1,102,006	1,036,963	1,109,729	7,723
Capital outlay	865,771	(851,225)	14,546	14,546	14,546	--
Other	45,185	--	45,185	46,000	46,000	815
Total pupil transportation	22,430,878	(839,484)	21,591,394	21,583,928	21,855,511	264,117

(Continued)

For the Year Ended June 30, 2012

**SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)**

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
Operation and maintenance of plant:						
Custodial services:						
Personnel services	\$ 1,831,826	\$ --	\$ 1,831,826	\$ 1,914,093	\$ 1,935,734	\$ 103,908
Employee benefits	1,163,038	--	1,163,038	1,252,685	1,253,973	90,935
Purchased services	166,037	19,062	185,099	253,466	197,002	11,903
Supplies and materials	811,941	(66,852)	745,089	707,650	745,514	425
Capital outlay	16,721	--	16,721	16,721	16,721	--
Total custodial services	3,989,563	(47,790)	3,941,773	4,144,615	4,148,944	207,171
Facilities:						
Personnel services	10,520,278	--	10,520,278	10,541,534	10,739,384	219,106
Employee benefits	7,284,642	--	7,284,642	7,211,013	7,722,980	438,338
Purchased services	4,695,249	(531,520)	4,163,729	4,197,599	4,171,018	7,289
Supplies and materials	2,233,786	172,543	2,406,329	2,349,297	2,392,766	(13,563)
Capital outlay	194,193	(29,092)	165,101	196,898	191,843	26,742
Total facilities	24,928,148	(388,069)	24,540,079	24,496,341	25,217,991	677,912
Vehicle maintenance:						
Personnel services	464,194	--	464,194	503,395	503,395	39,201
Employee benefits	307,546	--	307,546	353,183	353,183	45,637
Purchased services	72,184	8,048	80,232	87,023	86,132	5,900
Supplies and materials	417,390	67,936	485,326	493,190	495,381	10,055
Capital outlay	24,120	--	24,120	16,520	16,520	(7,600)
Total vehicle maintenance	1,285,434	75,984	1,361,418	1,453,311	1,454,611	93,193
Total operation and maintenance of plant	30,203,145	(359,875)	29,843,270	30,094,267	30,821,546	978,276
Community services:						
Personnel services	621,124	--	621,124	585,463	592,963	(28,161)
Employee benefits	391,430	--	391,430	380,271	382,915	(8,515)
Purchased services	22,653	(12,867)	9,786	8,720	14,124	4,338
Supplies and materials	56,793	(35,884)	20,909	26,910	20,915	6
Capital outlay	1,018	--	1,018	1,018	1,018	--
Other	2,901,427	245,000	3,146,427	3,144,427	3,146,427	--
Total community services	3,994,445	196,249	4,190,694	4,146,809	4,158,362	(32,332)
Non-departmental:						
Personnel services	330,051	--	330,051	(1,024,739)	(1,761,343)	(2,091,394)
Employee benefits	236,142	9,990	246,132	(1,058,312)	(1,058,312)	(1,304,444)
Purchased services	794,776	15,215	809,991	1,442,006	370,579	(439,412)
Supplies and materials	9,862	--	9,862	--	9,862	--
Capital outlay	6,759	--	6,759	6,759	6,759	--
Other	1,616,370	17	1,616,387	1,655,900	1,664,623	48,236
Total non-departmental	2,993,960	25,222	3,019,182	1,021,614	(767,832)	(3,787,014)
Total current	\$ 644,017,405	\$ (1,411,485)	\$ 642,605,920	\$ 655,692,584	\$ 653,692,584	\$ 11,086,664

SCHEDULE OF EXPENDITURES  
BY FUNCTION, ACTIVITY, AND OBJECT  
GAAP BASIS

For the Year Ended June 30, 2012

	Personnel Services	Employee Benefits	Purchased Services	Supplies and Materials	Capital Outlay	Other	Total
<b>Current:</b>							
<b>General administration:</b>							
Anchorage School Board	\$ 264,864	\$ 96,414	\$ 260,257	\$ 6,410	\$ --	\$ --	\$ 627,945
Superintendent	277,884	145,857	1,672,488	7,913	--	--	2,104,142
Instruction	1,413,272	890,327	205,035	124,105	--	--	2,632,739
Support services	3,013,278	1,944,811	114,826	65,375	10,451	--	5,148,741
Planning, communications and development	496,890	330,617	140,142	40,986	2,171	--	1,010,806
Business management	2,172,043	1,381,231	217,896	21,939	--	--	3,793,109
Employee relations	1,888,516	1,149,706	104,314	17,830	--	--	3,160,366
Total general administration	9,526,747	5,938,963	2,714,958	284,558	12,622	--	18,477,848
<b>Instruction:</b>							
<b>Instructional support:</b>							
Curriculum and staff development	6,924,453	4,003,071	245,890	572,592	88,097	--	11,834,103
Instructional media	1,464,262	960,312	287,191	420,490	38,735	--	3,170,990
Assessment and evaluation	725,121	419,597	30,718	44,089	--	--	1,219,525
Technology/management information systems	5,832,006	3,681,162	2,875,422	4,106,979	351,145	--	16,846,714
Total instructional support	14,945,842	9,064,142	3,439,221	5,144,150	477,977	--	33,071,332
Elementary education	104,804,906	70,699,812	8,021,098	2,554,097	38,353	--	186,118,266
Charter schools	8,739,199	5,831,516	4,000,298	619,365	--	72,134	19,262,512
Middle school education	36,840,850	25,097,689	3,249,456	1,267,339	8,708	--	66,464,042
High school education	64,799,277	42,998,113	8,505,370	2,813,098	51,636	138,664	119,306,158
Special education services:							
Special services	19,379,430	13,546,861	548,681	178,458	1,983	--	33,655,413
Special education	47,987,224	36,633,146	1,074,296	330,673	--	--	86,025,339
Total special education services	67,366,654	50,180,007	1,622,977	509,131	1,983	--	119,680,752
English language learners	7,986,868	6,506,807	34,901	35,471	--	--	14,564,047
Gifted education	4,039,224	2,758,910	22,232	48,950	--	--	6,869,316
Native education	287,272	293,101	331	--	--	--	580,704
Total instruction	309,810,092	213,430,097	28,895,884	12,991,601	578,657	210,798	565,917,129
Pupil transportation	4,720,654	4,078,705	11,642,926	1,077,637	865,771	45,185	22,430,878
<b>Operation and maintenance of plant:</b>							
Custodial services	1,831,826	1,163,038	166,037	811,941	16,721	--	3,989,563
Facilities	10,520,278	7,284,642	4,695,249	2,233,786	194,193	--	24,928,148
Vehicle maintenance	464,194	307,546	72,184	417,390	24,120	--	1,285,434
Total operation and maintenance of plant	12,816,298	8,755,226	4,933,470	3,463,117	235,034	--	30,203,145
Community services	621,124	391,430	22,653	56,793	1,018	2,901,427	3,994,445
<b>Non-departmental:</b>							
<b>Employee benefits:</b>							
Association benefits	143,652	111,374	--	--	--	--	255,026
Employee assistance	--	80,527	--	--	--	--	80,527
Medical insurance - retirees	--	10,820	--	--	--	--	10,820
Sick leave bank	183,021	15,596	--	--	--	--	198,617
Total employee benefits	326,673	218,317	--	--	--	--	544,990
Insurance	--	--	--	--	--	1,543,108	1,543,108
Rental land and buildings	--	--	2,697,092	--	--	--	2,697,092
Utilities	--	--	230,802	--	--	--	230,802
Other non-departmental	3,378	17,825	(2,133,118)	9,862	6,759	73,262	(2,022,032)
Total non-departmental	330,051	236,142	794,776	9,862	6,759	1,616,370	2,993,960
Total current	\$ 337,824,966	\$ 232,830,563	\$ 49,004,667	\$ 17,883,568	\$ 1,699,861	\$ 4,773,780	\$ 644,017,405

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# Special Revenue Funds

## Grants Fund

To account for revenues from sources which include categorical state and federal grants or contracts used to supplement the educational programs.

## Food Service Fund

To account for the operations of the school district's Student Nutrition Program. Financing is provided by user fees and proceeds received under the National School Lunch and Breakfast Programs.

## Student Activities Fund

To account for the operation of organizations affiliated with elementary and secondary school student activities.

June 30, 2012  
With Comparative Totals for  
June 30, 2011

## BALANCE SHEET

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Accounts receivable	\$ 300,679	\$ 716,797
Due from other governments:		
Municipality of Anchorage	438,657	293,577
State of Alaska	370,290	196,865
United States Government	18,885,892	29,805,736
Prepaid items	<u>48,001</u>	<u>13,463</u>
Total assets	<u><u>\$ 20,043,519</u></u>	<u><u>\$ 31,026,438</u></u>
<b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable	\$ 574,507	\$ 1,326,523
Due to General Fund	17,070,241	28,470,482
Accrued salaries and related items:		
Wages and salaries payable	556,241	195,786
Payroll taxes, other accrued and withheld items	1,216,095	490,459
Unearned revenue:		
Unearned revenue - local grants	531,781	460,564
Unearned revenue - state grants	85,376	6,635
Unearned revenue - federal grants	<u>9,278</u>	<u>75,989</u>
Total liabilities	<u>20,043,519</u>	<u>31,026,438</u>
Fund balance:		
Non-spendable	48,001	13,463
Unassigned	<u>(48,001)</u>	<u>(13,463)</u>
Total fund balance	<u>--</u>	<u>--</u>
Total liabilities and fund balance	<u><u>\$ 20,043,519</u></u>	<u><u>\$ 31,026,438</u></u>

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GAAP BASIS**

	2012	2011
Revenues:		
Revenues from local grants:		
Alaska Railroad Summer Youth Program	\$ 18,918	\$ 14,721
Barbara Bush Literacy	--	5,799
Clark Community Health Center	23,739	34,392
Community Partners Diversity	--	3,800
Donations from Local Agencies	336,979	864,932
MOA Recycling	102,681	87,720
NoVo Foundation Social and Emotional Learning	205,192	37,102
Reading is Fundamental	8,663	10,844
State Farm - Raise Your Voice	17,571	37,786
Total revenues from local grants	<u>713,743</u>	<u>1,097,096</u>
Revenues from state grants:		
Designated Legislative Grants		
Senate Bill 46	996,895	(45)
Senate Bill 53	7,578	26,268
Senate Bill 221	19,985	53,870
Senate Bill 230	254,300	878,195
Senate Bill 231	457	26,340
Total Designated Legislative Grants	<u>1,279,215</u>	<u>984,628</u>
Alaska Network on Domestic Violence	--	2,000
Alaska Science and Technology Program	33	--
Alaska State School for Deaf	278,998	303,847
Alaska Studies	4,356	--
Alternative Schools Health and Wellness	83,759	--
Anchorage Construction Academy	586,248	--
Comprehensive Behavioral Health	380,457	--
Creating Successful Futures	--	694
Cultural Collaboration Project	10,099	10,381
Elementary Running Initiative	10,000	--
Farm to School	1,000	--
Health Career Pathways	--	8,558
McLaughlin Equipment and Supplies Funds	284	8,020
Pre-School Kindergarten Program	157,280	170,648
Providence Heights	143,523	136,160
Retirement Systems Employer Relief	7,251,514	4,900,694
Youth in Detention	371,390	362,235
Total revenues from state grants	<u>10,558,156</u>	<u>6,887,865</u>
Revenues from federal grants:		
Title I - No Child Left Behind Act		
Delinquent and At-Risk Youth Program	165,523	199,641
District-wide	10,199,981	8,295,723
Highly Qualified Program	2,479	6,592
McLaughlin Youth Center	122,306	138,164
Parent Involvement Program	86,722	48,500
Professional Development	1,489,571	557,184
School Improvement Program	93,010	241,408
Supplemental Education Services	1,341,888	1,277,686
Total Title I - No Child Left Behind Act	<u>13,501,480</u>	<u>10,764,898</u>

(Continued)

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2010

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GAAP BASIS (Continued)**

	2012	2011
Title I - Migrant Education		
Book Program	\$ 5,945	\$ 5,385
District-wide	1,117,247	1,086,427
Parent Involvement Program	2,241	2,799
Summer Program	817,785	616,546
Total Title I - Migrant Education	1,943,218	1,711,157
Access to Education for Homeless Children Program	73,676	58,891
Alaska Educational Innovations Network Program	--	10,326
Alaska Family Directory Website	28,222	25,674
Alaska ICE	117,420	--
Alaska Mentorship Project	300,725	283,285
Alaska Network for Understanding History	187,254	--
Alaska Parent Information and Resource Center	29,141	144,451
Alaska State School for the Deaf	63,873	72,335
Alaska/Russian Climate	--	32,128
Alternative Schools Health and Wellness	--	43,432
Artist in School	2,200	8,317
Carl Perkins Vocational Education	1,060,233	974,439
Charter Schools	--	8,568
Community Action Prevention and Intervention	--	192,383
Community Centers Learning Program	1,965,580	1,969,874
Education Jobs Fund	7,638,213	--
Excellence in Economic Education Program	21,147	3,227
Foreign Language Assistance Program	296,690	236,210
Learn and Serve - Begich Community Services	7,422	11,266
Military Impacted Students	828,276	355,360
National Writing Project	--	11,073
Pre-School Handicapped	466,766	492,671
Presidential Award Program	291	--
Project Impact	381,798	351,504
Project Ki'l	655,759	336,569
Project MORE	311,876	--
Project Puqigtut	678,808	651,830
Reading is Fundamental	27,715	31,855
Refugee Support Services	61,164	35,323
Safe Routes to Schools	9,960	33,321
Salmon Project	235,138	--
School Health Program	--	29,522
Second Order Prevention Project	472,215	553,439
StarTalk - Language Culture Summer Camp	121,502	44,204
Teaching American History Program	114,706	430,728
Teaching With Primary sources Program	23,075	8,961
Title II A - Professional Development Program	4,010,898	3,913,011
Title II D - Enhancing Education Through Technology	171,424	64,149
Title III - English Language Acquisition	449,627	422,556
Title VI B - Education of All Handicapped Children	12,626,816	11,595,025
Title VII - Indian, Native Hawaiian, and Alaska Native Education	2,836,844	2,603,285
Universal Design Learning	--	455
USDA - Fresh Fruit and Vegetable Program	387,823	360,027
We Can	2,337	--
Work Investment Act School Youth Program	46,408	42,787

(Continued)

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2010

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GAAP BASIS (Continued)**

	<u>2012</u>	<u>2011</u>
American Recovery and Reinvestment Act		
Biomedical	\$ 36,720	\$ --
McKinney Vento	--	69,202
State Fiscal Stabilization Fund	2,797,136	22,798,964
Title I - No Child Left Behind Act	71,706	6,802,507
Title II D - Enhancing Education Through Technology	1,816	184,827
Title VI B - Education of All Handicapped Children Act	1,428,504	6,392,968
Workforce Investment Act - Youth Program	--	10,147
Total American Recovery and Reinvestment Act	<u>4,335,882</u>	<u>36,258,615</u>
Total revenues from federal grants	<u>56,493,602</u>	<u>75,177,131</u>
Total revenues	<u>67,765,501</u>	<u>83,162,092</u>
Expenditures:		
Current:		
Instruction:		
Local grants	713,743	1,097,096
State grants	10,558,156	6,887,865
Federal grants	<u>56,493,602</u>	<u>75,177,131</u>
Total expenditures	<u>67,765,501</u>	<u>83,162,092</u>
Excess of revenues over expenditures	--	--
Fund balance at beginning of year	<u>--</u>	<u>--</u>
Fund balance at end of year	<u>\$ --</u>	<u>\$ --</u>

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

## SCHEDULE OF EXPENDITURES - GAAP BASIS

	2012	2011
Current:		
Instruction:		
Local grants:		
Alaska Railroad Summer Youth Program	\$ 18,918	\$ 14,721
Barbara Bush Literacy	--	5,799
Clark Community Health Center	23,739	34,392
Community Partners Diversity	--	3,800
Donations From Local Agencies	336,979	864,932
MOA Recycling	102,681	87,720
NoVo Foundation Social and Emotional Learning	205,192	37,102
Reading is Fundamental	8,663	10,844
State Farm - Raise Your Voice	17,571	37,786
Total local grants	<u>713,743</u>	<u>1,097,096</u>
State grants:		
Designated Legislative Grants		
Senate Bill 46	996,895	(45)
Senate Bill 53	7,578	26,268
Senate Bill 221	19,985	53,870
Senate Bill 230	254,300	878,195
Senate Bill 231	457	26,340
Total Designated Legislative Grants	<u>1,279,215</u>	<u>984,628</u>
Alaska Network on Domestic Violence	--	2,000
Alaska Science and Technology Program	33	--
Alaska State School for the Deaf	278,998	303,847
Alaska Studies	4,356	--
Alternative Schools Health and Wellness	83,759	--
Anchorage Construction Academy	586,248	--
Comprehensive Behavioral Health	380,457	--
Creating Successful Futures	--	694
Cultural Collaboration Project	10,099	10,381
Elementary Running Initiative	10,000	--
Farm to School	1,000	--
Health Career Pathways	--	8,558
McLaughlin Equipment and Supplies Funds	284	8,020
Pre-School Kindergarten Program	157,280	170,648
Providence Heights	143,523	136,160
Retirement Systems Employer Relief	7,251,514	4,900,694
Youth in Detention	371,390	362,235
Total state grants	<u>10,558,156</u>	<u>6,887,865</u>
Federal grants:		
Title I - No Child Left Behind Act		
Delinquent and At-Risk Youth Program	165,523	199,641
District-wide	10,199,981	8,295,723
Highly Qualified Program	2,479	6,592
McLaughlin Youth Center	122,306	138,164
Parent Involvement Program	86,722	48,500
Professional Development	1,489,571	557,184
School Improvement Program	93,010	241,408
Supplemental Education Services	1,341,888	1,277,686
Total Title I - No Child Left Behind Act	<u>13,501,480</u>	<u>10,764,898</u>
Title I - Migrant Education		
Book Program	5,945	5,385
District-wide	1,117,247	1,086,427
Parent Involvement Program	2,241	2,799
Summer Program	817,785	616,546
Total Title I - Migrant Education	<u>1,943,218</u>	<u>1,711,157</u>

(Continued)

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2010

## SCHEDULE OF EXPENDITURES - GAAP BASIS (Continued)

	2012	2011
Access to Education for Homeless Children Program	\$ 73,676	\$ 58,891
Alaska Educational Innovations Network Program	--	10,326
Alaska Family Directory Website	28,222	25,674
Alaska ICE	117,420	--
Alaska Mentorship Project	300,725	283,285
Alaska Network for Understanding History	187,254	--
Alaska Parent Information and Resource Center	29,141	144,451
Alaska State School for the Deaf	63,873	72,335
Alaskan/Russian Climate	--	32,128
Alternative Schools Health and Wellness	--	43,432
Artist in School	2,200	8,317
Carl Perkins Vocational Education	1,060,233	974,439
Charter Schools	--	8,568
Community Action Prevention and Intervention Program	--	192,383
Community Centers Learning Program	1,965,580	1,969,874
Education Jobs Fund	7,638,213	--
Excellence in Economic Education Program	21,147	3,227
Foreign Language Assistance Program	296,690	236,210
Learn and Serve - Begich Community Services	7,422	11,266
Military Impacted Students	828,276	355,360
National Writing Project	--	11,073
Pre-School Handicapped	466,766	492,671
Presidential Award Program	291	--
Project Impact	381,798	351,504
Project Ki'l	655,759	336,569
Project MORE	311,876	--
Project Puqigtut	678,808	651,830
Reading is Fundamental	27,715	31,855
Refugee Support Services	61,164	35,323
Safe Routes to Schools	9,960	33,321
Salmon Project	235,138	--
School Health Program	--	29,522
Second Order Prevention Project	472,215	553,439
StarTalk - Language Culture Summer Camp	121,502	44,204
Teaching American History Program	114,706	430,728
Teaching With Primary Sources Program	23,075	8,961
Title II A - Professional Development Program	4,010,898	3,913,011
Title II D - Enhancing Education Through Technology	171,424	64,149
Title III - English Language Acquisition	449,627	422,556
Title VI B - Education of All Handicapped Children Act	12,626,816	11,595,025
Title VII - Indian, Native Hawaiian, and Alaska Native Education	2,836,844	2,603,285
Universal Design Learning	--	455
USDA - Fresh Fruit and Vegetable Program	387,823	360,027
We Can	2,337	--
Work Investment Act School Youth Program	46,408	42,787
American Recovery and Reinvestment Act		
Biomedical	36,720	--
McKinney Vento	--	69,202
State Fiscal Stabilization Fund	2,797,136	22,798,964
Title I - No Child Left Behind Act	71,706	6,802,507
Title II D - Enhancing Education Through Technology	1,816	184,827
Title VI B - Education of All Handicapped Children Act	1,428,504	6,392,968
Workforce Investment Act - Youth Program	--	10,147
Total American Recovery and Reinvestment Act	<u>4,335,882</u>	<u>36,258,615</u>
Total federal grants	<u>56,493,602</u>	<u>75,177,131</u>
Total current expenditures	<u>\$ 67,765,501</u>	<u>\$ 83,162,092</u>

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Current:					
Instruction:					
Local grants:					
Alaska Railroad Summer Youth Program					
Personnel services	\$ 14,289	\$ --	\$ 14,289	\$ 14,379	\$ 90
Employee benefits	2,108	--	2,108	2,051	(57)
Purchased services	300	--	300	300	--
Supplies and materials	2,221	--	2,221	2,270	49
Total Alaska Railroad Summer Youth	18,918	--	18,918	19,000	82
Clark Community Health Center					
Personnel services	21,875	--	21,875	23,038	1,163
Employee benefits	1,864	--	1,864	1,962	98
Total Clark Community Health Center	23,739	--	23,739	25,000	1,261
Community Partners Diversity					
Purchased services	--	900	900	900	--
Donations From Local Agencies					
Personnel services	79,172	--	79,172	97,198	18,026
Employee benefits	37,377	--	37,377	40,572	3,195
Purchased services	105,261	--	105,261	85,735	(19,526)
Supplies and materials	100,169	215	100,384	114,148	13,764
Capital outlay	15,000	--	15,000	106,643	91,643
Total Donations From Local Agencies	336,979	215	337,194	444,296	107,102
MOA Recycling					
Personnel services	58,487	--	58,487	30,299	(28,188)
Employee benefits	33,552	--	33,552	16,656	(16,896)
Purchased services	449	--	449	45	(404)
Supplies and materials	10,193	--	10,193	--	(10,193)
Total MOA Recycling	102,681	--	102,681	47,000	(55,681)
NoVo Foundation Social and Emotional Learning					
Personnel services	122,106	--	122,106	93,371	(28,735)
Employee benefits	37,679	--	37,679	46,379	8,700
Purchased services	28,866	--	28,866	--	(28,866)
Supplies and materials	16,541	67	16,608	20,250	3,642
Total NoVo Foundation and Emotional Learning	205,192	67	205,259	160,000	(45,259)
Reading is Fundamental					
Supplies and materials	8,663	--	8,663	9,269	606
State Farm - Raise Your Voice Program					
Purchased services	12,375	--	12,375	--	(12,375)
Supplies and materials	5,196	--	5,196	--	(5,196)
Total State Farm - Raise Your Voice	17,571	--	17,571	--	(17,571)
Contingency	--	--	--	368,754	368,754
Total local grants	713,743	1,182	714,925	1,074,219	359,294
State grants:					
Designated Legislative Grants:					
Senate Bill 46					
Personnel services	1,985	--	1,985	46,545	44,560
Employee benefits	170	--	170	6,502	6,332
Purchased services	22,598	8,290	30,888	1,161,853	1,130,965
Supplies and materials	972,142	199,929	1,172,071	--	(1,172,071)
Total Senate Bill 46	996,895	208,219	1,205,114	1,214,900	9,786

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Senate Bill 53					
Personnel services	\$ 528	\$ --	\$ 528	\$ --	\$ (528)
Employee benefits	47	--	47	--	(47)
Supplies and materials	7,003	--	7,003	--	(7,003)
Total Senate Bill 53	7,578	--	7,578	--	(7,578)
Senate Bill 221					
Personnel services	1,022	--	1,022	--	(1,022)
Employee benefits	361	--	361	--	(361)
Purchased services	1,255	--	1,255	--	(1,255)
Supplies and materials	17,347	198	17,545	--	(17,545)
Total Senate Bill 221	19,985	198	20,183	--	(20,183)
Senate Bill 230					
Purchased services	9,023	(7,633)	1,390	--	(1,390)
Supplies and materials	236,829	(8,938)	227,891	--	(227,891)
Capital outlay	8,448	--	8,448	--	(8,448)
Total Senate Bill 230	254,300	(16,571)	237,729	--	(237,729)
Senate Bill 231					
Supplies and materials	457	--	457	--	(457)
Total Designated Legislative Grants	1,279,215	191,846	1,471,061	1,214,900	(256,161)
Alaska Science and Technology Program					
Supplies and materials	33	--	33	--	(33)
Alaska State School for the Deaf					
Personnel services	170,098	--	170,098	188,570	18,472
Employee benefits	47,331	--	47,331	47,690	359
Purchased services	41,113	--	41,113	60,359	19,246
Supplies and materials	20,456	--	20,456	22,381	1,925
Total Alaska State School for the Deaf	278,998	--	278,998	319,000	40,002
Alaska Studies					
Personnel services	800	--	800	800	--
Employee benefits	119	--	119	119	--
Purchased services	2,500	--	2,500	2,700	200
Supplies and materials	937	--	937	1,381	444
Total Alaska Studies	4,356	--	4,356	5,000	644
Alternative Schools Health and Wellness					
Personnel services	27,705	--	27,705	33,791	6,086
Employee benefits	4,903	--	4,903	6,012	1,109
Purchased services	18,575	--	18,575	23,446	4,871
Supplies and materials	32,576	--	32,576	33,248	672
Total Alternative Schools Health and Wellness	83,759	--	83,759	96,497	12,738
Anchorage Construction Academy					
Personnel services	288,678	--	288,678	292,600	3,922
Employee benefits	40,305	--	40,305	41,933	1,628
Purchased services	24,486	--	24,486	28,673	4,187
Supplies and materials	232,779	--	232,779	236,794	4,015
Total Anchorage Construction Academy	586,248	--	586,248	600,000	13,752
Comp. Behavioral Health					
Personnel services	235,495	--	235,495	242,731	7,236
Employee benefits	97,384	--	97,384	99,600	2,216
Purchased services	38,109	--	38,109	40,789	2,680
Supplies and materials	9,469	--	9,469	9,500	31
Total Comp. Behavioral Health	380,457	--	380,457	392,620	12,163

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Cultural Collaboration Project					
Personnel services	\$ 3,031	\$ --	\$ 3,031	\$ 3,037	\$ 6
Employee benefits	310	--	310	312	2
Purchased services	5,759	--	5,759	7,568	1,809
Supplies and materials	999	--	999	1,586	587
Total Cultural Collaboration Project	10,099	--	10,099	12,503	2,404
Elementary Running Initiative					
Purchased services	1,072	--	1,072	1,072	--
Supplies and materials	8,928	--	8,928	8,928	--
Total Elementary Running Initiative	10,000	--	10,000	10,000	--
Farm to School					
Supplies and materials	1,000	--	1,000	1,000	--
McLaughlin Equipment and Supplies Funds					
Supplies and materials	284	--	284	--	(284)
Pre-School Kindergarten Program					
Personnel services	105,270	--	105,270	106,763	1,493
Employee benefits	46,788	--	46,788	47,170	382
Purchased services	1,097	--	1,097	6,889	5,792
Supplies and materials	4,125	180	4,305	6,862	2,557
Total Pre-School Kindergarten Program	157,280	180	157,460	167,684	10,224
Providence Heights					
Personnel services	104,208	--	104,208	105,507	1,299
Employee benefits	34,274	--	34,274	34,400	126
Purchased services	5,041	--	5,041	5,093	52
Total Providence Heights	143,523	--	143,523	145,000	1,477
Retirement Systems Employer Relief					
Employee benefits	7,251,514	--	7,251,514	7,653,167	401,653
Youth in Detention					
Personnel services	260,272	--	260,272	258,193	(2,079)
Employee benefits	98,074	--	98,074	97,495	(579)
Purchased services	13,044	--	13,044	12,947	(97)
Total Youth in Detention	371,390	--	371,390	368,635	(2,755)
Total state grants	10,558,156	192,026	10,750,182	10,986,006	235,824
Federal grants:					
Title I - No Child Left Behind Act					
Delinquent and At-Risk Youth Program					
Personnel services	110,771	--	110,771	122,517	11,746
Employee benefits	46,622	--	46,622	52,467	5,845
Purchased services	8,130	--	8,130	8,968	838
Supplies and materials	--	--	--	217	217
Total Delinquent and At-Risk Youth Program	165,523	--	165,523	184,169	18,646
District-wide					
Personnel services	5,752,390	(4)	5,752,386	6,256,213	503,827
Employee benefits	2,431,409	--	2,431,409	2,538,239	106,830
Purchased services	669,692	1,250	670,942	986,082	315,140
Supplies and materials	1,346,490	107,664	1,454,154	2,190,702	736,548
Total District-wide	10,199,981	108,910	10,308,891	11,971,236	1,662,345
Highly Qualified Program					
Personnel services	2,080	--	2,080	4,100	2,020
Employee benefits	309	--	309	610	301
Purchased services	90	--	90	290	200
Total Highly Qualified Program	2,479	--	2,479	5,000	2,521

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
McLaughlin Youth Center					
Personnel services	\$ 77,987	\$ --	\$ 77,987	\$ 77,988	\$ 1
Employee benefits	39,773	--	39,773	39,812	39
Purchased services	4,296	--	4,296	4,297	1
Supplies and materials	250	--	250	258	8
Total McLaughlin Youth Center	122,306	--	122,306	122,355	49
Parent Involvement Program					
Personnel services	12,902	--	12,902	42,107	29,205
Employee benefits	2,254	--	2,254	7,165	4,911
Purchased services	5,791	--	5,791	23,200	17,409
Supplies and materials	65,775	207	65,982	165,554	99,572
Total Parent Involvement Program	86,722	207	86,929	238,026	151,097
Professional Development					
Personnel services	627,287	--	627,287	826,287	199,000
Employee benefits	175,750	--	175,750	200,881	25,131
Purchased services	670,457	78,898	749,355	1,242,000	492,645
Supplies and materials	16,077	--	16,077	36,861	20,784
Total Professional Development	1,489,571	78,898	1,568,469	2,306,029	737,560
School Improvement Program					
Personnel services	50,467	--	50,467	166,014	115,547
Employee benefits	6,672	--	6,672	21,818	15,146
Purchased services	10,382	--	10,382	23,048	12,666
Supplies and materials	25,489	--	25,489	96,803	71,314
Total School Improvement Program	93,010	--	93,010	307,683	214,673
Supplemental Education Services Program					
Personnel services	402,700	--	402,700	557,563	154,863
Employee benefits	61,470	--	61,470	88,319	26,849
Purchased services	851,687	3	851,690	1,065,818	214,128
Supplies and materials	26,031	--	26,031	48,300	22,269
Total Supplemental Education Services Program	1,341,888	3	1,341,891	1,760,000	418,109
Total Title I - No Child Left Behind Act	13,501,480	188,018	13,689,498	16,894,498	3,205,000
Title I - Migrant Education					
Book Program					
Supplies and materials	5,945	--	5,945	5,968	23
District-wide					
Personnel services	602,475	--	602,475	602,476	1
Employee benefits	316,756	--	316,756	316,756	--
Purchased services	105,950	--	105,950	106,099	149
Supplies and materials	92,066	--	92,066	92,065	(1)
Total District-wide	1,117,247	--	1,117,247	1,117,396	149
Parent Involvement Program					
Purchased services	2,241	--	2,241	5,000	2,759
Summer Program					
Personnel services	404,246	(3)	404,243	480,020	75,777
Employee benefits	95,031	--	95,031	127,230	32,199
Purchased services	172,281	43,350	215,631	244,310	28,679
Supplies and materials	146,227	31,977	178,204	225,000	46,796
Capital outlay	--	--	--	255,576	255,576
Total Summer Program	817,785	75,324	893,109	1,332,136	439,027
Total Title I - Migrant Education	1,943,218	75,324	2,018,542	2,460,500	441,958

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Access to Education for Homeless Children Program					
Personnel services	\$ 9,352	\$ 1	\$ 9,353	\$ 9,353	\$ --
Employee benefits	894	--	894	894	--
Purchased services	58,561	1	58,562	58,566	4
Supplies and materials	4,869	--	4,869	4,869	--
Total Access to Education for Homeless Children Program	73,676	2	73,678	73,682	4
Alaska Family Directory Website					
Personnel services	13,346	--	13,346	15,520	2,174
Employee benefits	4,102	--	4,102	4,573	471
Purchased services	2,981	--	2,981	3,424	443
Supplies and materials	7,793	--	7,793	8,483	690
Total Alaska Family Directory Website	28,222	--	28,222	32,000	3,778
Alaska ICE					
Personnel services	48,331	--	48,331	66,250	17,919
Employee benefits	9,669	--	9,669	16,538	6,869
Purchased services	55,373	--	55,373	64,382	9,009
Supplies and materials	4,047	--	4,047	27,190	23,143
Total Alaska ICE	117,420	--	117,420	174,360	56,940
Alaska Mentorship Project					
Personnel services	221,733	--	221,733	221,734	1
Employee benefits	78,992	--	78,992	78,992	--
Total Alaska Mentorship Project	300,725	--	300,725	300,726	1
Alaska Network for Understanding History					
Personnel services	110,848	--	110,848	175,458	64,610
Employee benefits	49,118	--	49,118	56,892	7,774
Purchased services	21,380	16,420	37,800	--	(37,800)
Supplies & materials	5,908	139	6,047	27,185	21,138
Total Alaska Network for Understanding History	187,254	16,559	203,813	259,535	55,722
Alaska Parent Information and Resource Center					
Personnel services	18,589	--	18,589	--	(18,589)
Employee benefits	10,303	--	10,303	--	(10,303)
Purchased services	35	--	35	--	(35)
Supplies and materials	214	--	214	--	(214)
Total Alaska Parent Information and Resource Center	29,141	--	29,141	--	(29,141)
Alaska State School for the Deaf					
Personnel services	9,488	--	9,488	19,340	9,852
Employee benefits	3,053	--	3,053	6,503	3,450
Purchased services	47,208	2	47,210	50,560	3,350
Supplies and materials	4,124	--	4,124	6,595	2,471
Total Alaska State School for Deaf	63,873	2	63,875	82,998	19,123
Artist in Schools					
Purchased services	2,200	4,044	6,244	6,244	--
Carl Perkins Vocational Education					
Personnel services	237,962	--	237,962	311,522	73,560
Employee benefits	25,137	--	25,137	29,378	4,241
Purchased services	128,102	(1)	128,101	189,444	61,343
Supplies and materials	663,632	48	663,680	725,385	61,705
Capital outlay	5,400	--	5,400	5,400	--
Total Carl Perkins Vocational Education	1,060,233	47	1,060,280	1,261,129	200,849

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Community Centers Learning Program					
Personnel services	1,261,476	--	1,261,476	1,308,912	47,436
Employee benefits	524,862	--	524,862	542,704	17,842
Purchased services	136,177	--	136,177	171,887	35,710
Supplies and materials	43,065	--	43,065	73,011	29,946
Total Community Centers Learning Program	1,965,580	--	1,965,580	2,096,514	130,934
Education Jobs Fund					
Personnel services	5,502,343	--	5,502,343	5,503,692	1,349
Employee benefits	2,135,870	--	2,135,870	2,135,870	--
Total Education Jobs Fund	7,638,213	--	7,638,213	7,639,562	1,349
Excellence in Economic Education Program					
Personnel services	12,175	--	12,175	--	(12,175)
Employee benefits	1,800	--	1,800	--	(1,800)
Purchased services	861	--	861	--	(861)
Supplies and materials	6,311	--	6,311	--	(6,311)
Total Excellence in Economic Education Program	21,147	--	21,147	--	(21,147)
Foreign Language Assistance Program					
Personnel services	181,021	--	181,021	152,989	(28,032)
Employee benefits	48,246	--	48,246	46,923	(1,323)
Purchased services	52,855	9,763	62,618	65,685	3,067
Supplies and materials	14,568	(30)	14,538	23,942	9,404
Total Foreign Language Assistance Program	296,690	9,733	306,423	289,539	(16,884)
Learn and Serve Begich - Community Services					
Personnel services	140	--	140	140	--
Employee benefits	12	--	12	12	--
Supplies and materials	7,270	(958)	6,312	3,311	(3,001)
Total Learn and Serve Begich - Community Services	7,422	(958)	6,464	3,463	(3,001)
Military Impacted Students					
Personnel services	286,169	--	286,169	--	(286,169)
Employee benefits	104,792	--	104,792	--	(104,792)
Purchased services	266,646	(5,672)	260,974	--	(260,974)
Supplies and materials	170,669	(29,088)	141,581	--	(141,581)
Total Military Impacted Students	828,276	(34,760)	793,516	--	(793,516)
Pre-School Handicapped					
Personnel services	291,353	--	291,353	341,975	50,622
Employee benefits	152,501	--	152,501	190,075	37,574
Purchased services	16,394	--	16,394	19,846	3,452
Supplies and materials	6,518	--	6,518	13,180	6,662
Total Pre-School Handicapped	466,766	--	466,766	565,076	98,310
Presidential Award Program					
Purchased services	291	--	291	--	(291)
Project Impact					
Personnel services	237,563	--	237,563	246,591	9,028
Employee benefits	98,253	--	98,253	101,116	2,863
Purchased services	42,122	2,089	44,211	152,104	107,893
Supplies and materials	3,860	--	3,860	4,603	743
Total Project Impact	381,798	2,089	383,887	504,414	120,527

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Project Ki'l					
Personnel services	\$ 327,425	\$ --	\$ 327,425	\$ 318,265	\$ (9,160)
Employee benefits	119,483	--	119,483	106,037	(13,446)
Purchased services	166,337	59,719	226,056	180,648	(45,408)
Supplies and materials	34,048	22,123	56,171	70,920	14,749
Capital outlay	8,466	--	8,466	15,000	6,534
Total Project Ki'l	655,759	81,842	737,601	690,870	(46,731)
Project MORE					
Personnel services	188,075	--	188,075	304,360	116,285
Employee benefits	40,371	--	40,371	61,011	20,640
Purchased services	104	--	104	104	--
Supplies and materials	83,326	22,973	106,299	151,346	45,047
Total Project MORE	311,876	22,973	334,849	516,821	181,972
Project Puqigtut					
Personnel services	354,822	--	354,822	375,270	20,448
Employee benefits	127,414	--	127,414	124,921	(2,493)
Purchased services	146,414	5,593	152,007	154,376	2,369
Supplies and materials	50,158	2,576	52,734	49,215	(3,519)
Total Project Puqigtut	678,808	8,169	686,977	703,782	16,805
Reading is Fundamental					
Supplies and materials	27,715	3,634	31,349	33,293	1,944
Refugee Support Services					
Personnel services	48,076	--	48,076	34,741	(13,335)
Employee benefits	6,986	--	6,986	5,159	(1,827)
Purchased services	3,693	--	3,693	5,000	1,307
Supplies & materials	2,409	--	2,409	100	(2,309)
Total Reguee Support Services	61,164	--	61,164	45,000	(16,164)
Safe Routes to School					
Personnel services	4,094	--	4,094	--	(4,094)
Employee benefits	686	--	686	--	(686)
Supplies and materials	5,180	3,177	8,357	--	(8,357)
Total Safe Routes to School	9,960	3,177	13,137	--	(13,137)
Salmon Project					
Personnel services	6,219	--	6,219	--	(6,219)
Employee benefits	924	--	924	--	(924)
Purchased services	12,676	--	12,676	--	(12,676)
Supplies and materials	215,319	--	215,319	--	(215,319)
Total Salmon Project	235,138	--	235,138	--	(235,138)
Second Order Prevention Project					
Personnel services	191,019	--	191,019	157,820	(33,199)
Employee benefits	33,001	--	33,001	23,680	(9,321)
Purchased services	189,619	(96,379)	93,240	92,562	(678)
Supplies and materials	58,576	(2,573)	56,003	40,729	(15,274)
Total Second Order Prevention Project	472,215	(98,952)	373,263	314,791	(58,472)
StarTalk - Language Culture Summer Camp					
Personnel services	54,535	--	54,535	49,295	(5,240)
Employee benefits	8,308	--	8,308	7,655	(653)
Purchased services	22,801	1,200	24,001	16,258	(7,743)
Supplies and materials	35,858	(591)	35,267	17,750	(17,517)
Total StarTalk - Language Culture Summer Camp	121,502	609	122,111	90,958	(31,153)

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
Teaching American History Program					
Personnel services	\$ 32,804	\$ --	\$ 32,804	\$ --	\$ (32,804)
Employee benefits	7,280	--	7,280	--	(7,280)
Purchased services	73,408	(2,458)	70,950	--	(70,950)
Supplies and materials	1,214	(1,078)	136	--	(136)
Total Teaching American History Program	114,706	(3,536)	111,170	--	(111,170)
Teaching With Primary Sources Program					
Personnel services	16,059	--	16,059	12,800	(3,259)
Employee benefits	2,471	--	2,471	1,682	(789)
Purchased services	3,314	--	3,314	3,900	586
Supplies and materials	1,231	--	1,231	1,618	387
Total Teaching With Primary Sources Program	23,075	--	23,075	20,000	(3,075)
Title II-A - Professional Development Program					
Personnel services	2,699,243	1	2,699,244	2,899,577	200,333
Employee benefits	1,166,754	1	1,166,755	1,229,353	62,598
Purchased services	144,717	--	144,717	196,208	51,491
Supplies and materials	184	--	184	1,851	1,667
Total Title II-A - Professional Development Program	4,010,898	2	4,010,900	4,326,989	316,089
Title II-D - Enhancing Education Through Technology					
Personnel services	28,339	--	28,339	28,339	--
Employee benefits	3,824	--	3,824	3,825	1
Purchased services	17,009	--	17,009	17,058	49
Supplies and materials	122,252	--	122,252	123,602	1,350
Total Title II-D - Enhancing Education Through Technology	171,424	--	171,424	172,824	1,400
Title III - English Language Acquisition					
Personnel services	293,230	--	293,230	331,429	38,199
Employee benefits	95,433	--	95,433	109,515	14,082
Purchased services	28,130	--	28,130	47,891	19,761
Supplies and materials	32,834	--	32,834	46,175	13,341
Total Title III - English Language Acquisition	449,627	--	449,627	535,010	85,383
Title VI-B - Education of All Handicapped Children Act					
Personnel services	7,056,090	--	7,056,090	7,237,623	181,533
Employee benefits	3,913,073	--	3,913,073	4,173,853	260,780
Purchased services	1,131,972	37,788	1,169,760	3,391,912	2,222,152
Supplies and materials	477,362	4,960	482,322	628,500	146,178
Capital outlay	48,319	--	48,319	64,679	16,360
Total Title VI-B - Education of All Handicapped Children Act	12,626,816	42,748	12,669,564	15,496,567	2,827,003
Title VII - Indian, Native Hawaiian, and Alaska Native Education					
Personnel services	1,524,339	--	1,524,339	1,427,942	(96,397)
Employee benefits	1,058,462	--	1,058,462	1,032,234	(26,228)
Purchased services	201,184	(885)	200,299	210,023	9,724
Supplies and materials	52,859	(5,707)	47,152	67,306	20,154
Total Title VII - Indian, Native Hawaiian, and Alaska Native Education	2,836,844	(6,592)	2,830,252	2,737,505	(92,747)

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES,  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Original and Final Budget	Variance Positive (Negative)
USDA - Fresh Fruit and Vegetable Program					
Supplies and materials	\$ 387,823	\$ --	\$ 387,823	\$ 655,456	\$ 267,633
We Can					
Purchased services	450	--	450	450	--
Supplies and materials	1,887	454	2,341	2,955	614
Total We can	2,337	454	2,791	3,405	614
Work Investment Act School Youth Program					
Personnel services	39,301	--	39,301	40,500	1,199
Employee benefits	4,513	--	4,513	4,719	206
Purchased services	1,630	--	1,630	1,713	83
Supplies and materials	964	--	964	1,844	880
Total Work Investment Act School Youth Program	46,408	--	46,408	48,776	2,368
American Recovery and Reinvestment Act					
Biomedical					
Supplies and materials	36,720	--	36,720	36,720	--
State Fiscal Stabilization Fund					
Personnel services	135,861	(13,234)	122,627	--	(122,627)
Employee benefits	22,556	--	22,556	--	(22,556)
Purchased services	1,924,108	(1,063,652)	860,456	--	(860,456)
Supplies and materials	427,394	(16,752)	410,642	--	(410,642)
Capital outlay	287,217	(163,745)	123,472	--	(123,472)
Total Fiscal Stabilization Fund	2,797,136	(1,257,383)	1,539,753	--	(1,539,753)
Title I -No Child Left Behind Act					
Personnel services	38,943	--	38,943	--	(38,943)
Employee benefits	8,235	--	8,235	--	(8,235)
Purchased services	17,183	(1,300)	15,883	--	(15,883)
Supplies and materials	7,345	(2,237)	5,108	--	(5,108)
Title I -No Child Left Behind Act	71,706	(3,537)	68,169	--	(68,169)
Title II-D - Enhancing Education Through Technology					
Personnel services	1,214	--	1,214	--	(1,214)
Employee benefits	20	--	20	--	(20)
Purchased services	53	--	53	--	(53)
Supplies and materials	529	--	529	--	(529)
Title II-D - Enhancing Education Through Technology	1,816	--	1,816	--	(1,816)
Title VI-B - Education of All Handicapped Children Act					
Personnel services	233,850	--	233,850	--	(233,850)
Employee benefits	36,173	--	36,173	--	(36,173)
Purchased services	581,044	(63,227)	517,817	--	(517,817)
Supplies and materials	541,921	(57,762)	484,159	--	(484,159)
Capital outlay	35,516	--	35,516	--	(35,516)
Title VI-B - Education of All Handicapped Children Act	1,428,504	(120,989)	1,307,515	--	(1,307,515)
Total American Recovery and Reinvestment	4,335,882	(1,381,909)	2,953,973	36,720	(2,917,253)
Total federal grants	56,493,602	(1,067,281)	55,426,321	59,073,007	3,646,686
Total current expenditures	\$ 67,765,501	\$ (874,073)	\$ 66,891,428	\$ 71,133,232	\$ 4,241,804

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES BY FUNCTION,  
ACTIVITY, AND OBJECT - GAAP BASIS

	Personnel Services	Employee Benefits	Purchased Services	Supplies and Materials	Capital Outlay	Total
Current:						
Instruction:						
Local grants:						
Alaska Railroad Summer Youth	\$ 14,289	\$ 2,108	\$ 300	\$ 2,221	\$ --	\$ 18,918
Clark Community Health Center	21,875	1,864	--	--	--	23,739
Donations from Local Agencies	79,172	37,377	105,261	100,169	15,000	336,979
MOA Recycling	58,487	33,552	449	10,193	--	102,681
NoVo Foundation Social	122,106	37,679	28,866	16,541	--	205,192
Reading is Fundamental	--	--	--	8,663	--	8,663
State Farm - Raise Your Voice	--	--	12,375	5,196	--	17,571
Total local grants	295,929	112,580	147,251	142,983	15,000	713,743
State grants:						
Designated Legislative Grants						
Senate Bill 46	1,985	170	22,598	972,142	--	996,895
Senate Bill 53	528	47	--	7,003	--	7,578
Senate Bill 221	1,022	361	1,255	17,347	--	19,985
Senate Bill 230	--	--	9,023	236,829	8,448	254,300
Senate Bill 231	--	--	--	457	--	457
Total Designated Legislative Grants	3,535	578	32,876	1,233,778	8,448	1,279,215
Alaska Science and Technology	--	--	--	33	--	33
Alaska State School for the Deaf	170,098	47,331	41,113	20,456	--	278,998
Alaska Studies	800	119	2,500	937	--	4,356
Alternative Schools Health and Wellness	27,705	4,903	18,575	32,576	--	83,759
Anchorage Construction Academy	288,678	40,305	24,486	232,779	--	586,248
Comprehensive Behavioral Health	235,495	97,384	38,109	9,469	--	380,457
Cultural Collaboration Project	3,031	310	5,759	999	--	10,099
Elementary Running Initiative	--	--	1,072	8,928	--	10,000
Farm to School	--	--	--	1,000	--	1,000
McLaughlin Equipment and Supplies Fund	--	--	--	284	--	284
Pre-School Kindergarten Program	105,270	46,788	1,097	4,125	--	157,280
Providence Heights	104,208	34,274	5,041	--	--	143,523
Retirement Systems Employer Relief	--	7,251,514	--	--	--	7,251,514
Youth in Detention	260,272	98,074	13,044	--	--	371,390
Total state grants	1,199,092	7,621,580	183,672	1,545,364	8,448	10,558,156
Federal grants:						
Title I - No Child Left Behind Act						
Delinquent and At-Risk Youth Program	110,771	46,622	8,130	--	--	165,523
District-wide	5,752,390	2,431,409	669,692	1,346,490	--	10,199,981
Highly Qualified Program	2,080	309	90	--	--	2,479
McLaughlin Youth Center	77,987	39,773	4,296	250	--	122,306
Parent Involvement Program	12,902	2,254	5,791	65,775	--	86,722
Professional Development	627,287	175,750	670,457	16,077	--	1,489,571
School Improvement Program	50,467	6,672	10,382	25,489	--	93,010
Supplemental Education Services Program	402,700	61,470	851,687	26,031	--	1,341,888
Total Title I - No Child Left Behind Act	7,036,584	2,764,259	2,220,525	1,480,112	--	13,501,480
Title I - Migrant Education						
Book Program	--	--	--	5,945	--	5,945
District-wide	602,475	316,756	105,950	92,066	--	1,117,247
Parent Involvement Program	--	--	2,241	--	--	2,241
Summer Program	404,246	95,031	172,281	146,227	--	817,785
Total Title I -Migrant Education	1,006,721	411,787	280,472	244,238	--	1,943,218

(Continued)

For the Year Ended June 30, 2012

SCHEDULE OF EXPENDITURES BY FUNCTION,  
ACTIVITY, AND OBJECT - GAAP BASIS (Continued)

	Personnel Services	Employee Benefits	Purchased Services	Supplies and Materials	Capital Outlay	Total
Access to Education for						
Homeless Children Program	\$ 9,352	\$ 894	\$ 58,561	\$ 4,869	\$ --	\$ 73,676
Alaska Family Directory Website	13,346	4,102	2,981	7,793	--	28,222
Alaska ICE	48,331	9,669	55,373	4,047	--	117,420
Alaska Mentorship Project	221,733	78,992	--	--	--	300,725
Alaska Network for Understanding History	110,848	49,118	21,380	5,908	--	187,254
Alaska Parent Information and Resource Center	18,589	10,303	35	214	--	29,141
Alaska State School for the Deaf	9,488	3,053	47,208	4,124	--	63,873
Artist in Schools	--	--	2,200	--	--	2,200
Carl Perkins Vocational Education Basic	237,962	25,137	128,102	663,632	5,400	1,060,233
Community Centers Learning Program	1,261,476	524,862	136,177	43,065	--	1,965,580
Education Jobs Fund	5,502,343	2,135,870	--	--	--	7,638,213
Excellence in Economic Education Program	12,175	1,800	861	6,311	--	21,147
Foreign Language Assistance Program	181,021	48,246	52,855	14,568	--	296,690
Learn & Serve Begich Community Service:	140	12	--	7,270	--	7,422
Military Impacted Students	286,169	104,792	266,646	170,669	--	828,276
Pre-School Handicapped	291,353	152,501	16,394	6,518	--	466,766
President Award Program	--	--	291	--	--	291
Project Impact	237,564	98,252	42,122	3,860	--	381,798
Project Ki'l	327,425	119,483	166,337	34,048	8,466	655,759
Project MORE	188,075	40,371	104	83,326	--	311,876
Project Puqigtut	354,822	127,414	146,414	50,158	--	678,808
Reading is Fundamental	--	--	--	27,715	--	27,715
Refugee Support Services	48,076	6,986	3,693	2,409	--	61,164
Safe Routes to School	4,094	686	--	5,180	--	9,960
Salmon Project	6,219	924	12,676	215,319	--	235,138
Second Order Prevention Project	191,019	33,001	189,619	58,576	--	472,215
StarTalk - Language Culture Summer Camp	54,535	8,308	22,801	35,858	--	121,502
Teaching American History Program	32,804	7,280	73,408	1,214	--	114,706
Teaching With Primary Sources Program	16,059	2,471	3,314	1,231	--	23,075
Title II-A - Professional Development Program	2,699,243	1,166,754	144,717	184	--	4,010,898
Title II-D - Enhancing Education Through Technology	28,339	3,824	17,009	122,252	--	171,424
Title III - English Language Acquisition	293,230	95,433	28,130	32,834	--	449,627
Title VI B - Education of All Handicapped Children Act	7,056,090	3,913,072	1,131,973	477,362	48,319	12,626,816
Title VII - Indian, Native Hawaiian, and Alaska Native Ed.	1,524,339	1,058,462	201,184	52,859	--	2,836,844
USDA - Fresh Fruit and Vegetable Program	--	--	--	387,823	--	387,823
We Can	--	--	450	1,887	--	2,337
Work Investment Act School Program	39,301	4,513	1,630	964	--	46,408
American Recovery and Reinvestment Act						
Biomedical	--	--	--	36,720	--	36,720
State Fiscal Stabilization Fund	135,861	22,556	1,924,108	427,394	287,217	2,797,136
Title I - No Child Left Behind	38,943	8,235	17,183	7,345	--	71,706
Title II D - Enhancing Education Through Technology	1,214	20	53	529	--	1,816
Title VI B - Education of All Handicapped Children Act	233,850	36,173	581,044	577,437	--	1,428,504
Total American Recovery and Reinvestment Act	409,868	66,984	2,522,388	1,049,425	287,217	4,335,882
Total federal grants	29,758,733	13,079,615	7,998,030	5,307,822	349,402	56,493,602
Total current expenditures	\$ 31,253,754	\$ 20,813,775	\$ 8,328,953	\$ 6,996,169	\$ 372,850	\$ 67,765,501

## COMBINING BALANCE SHEET

	Food Service	Student Activities	Totals	
			2012	2011
<b>Assets</b>				
Cash and investments	\$ --	\$ 2,754,181	\$ 2,754,181	\$ 2,607,368
Accounts receivable	61,270	15,698	76,968	83,309
Interest receivable	--	596	596	2,819
Due from General Fund	1,279,231	1,813,180	3,092,411	3,651,865
Due from State of Alaska	136,408	--	136,408	163,267
Prepaid items	2,827	13,624	16,451	819
U.S.D.A. food commodities, at U.S.D.A. allocated value	286,400	--	286,400	210,360
Inventory, at weighted average cost	1,052,303	--	1,052,303	732,892
Total assets	<u>\$ 2,818,439</u>	<u>\$ 4,597,279</u>	<u>\$ 7,415,718</u>	<u>\$ 7,452,699</u>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 48,750	\$ 31,774	\$ 80,524	\$ 85,192
Due to General Fund	--	25,324	25,324	53,981
Accrued salaries and related items:				
Wages and salaries payable	33,751	--	33,751	35,165
Payroll taxes, other accrued and withheld items	17,761	--	17,761	39,485
Unearned revenue	489,494	--	489,494	395,059
Total liabilities	<u>589,756</u>	<u>57,098</u>	<u>646,854</u>	<u>608,882</u>
Fund balance:				
Reserved:				
Non-spendable	1,055,130	13,624	1,068,754	733,711
Committed	311,572	--	311,572	335,926
Assigned	861,981	4,526,557	5,388,538	5,774,180
Total fund balances	<u>2,228,683</u>	<u>4,540,181</u>	<u>6,768,864</u>	<u>6,843,817</u>
Total liabilities and fund balances	<u>\$ 2,818,439</u>	<u>\$ 4,597,279</u>	<u>\$ 7,415,718</u>	<u>\$ 7,452,699</u>

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

**COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES**

	Food Service	Student Activites	Totals	
			2012	2011
Revenues:				
Revenues from local sources	\$ 3,393,038	\$ 7,775,721	\$ 11,168,759	\$ 11,423,191
Revenues from state sources	628,495	23,654	652,149	429,450
Revenues from federal sources	14,122,627	--	14,122,627	13,376,693
Total revenues	<u>18,144,160</u>	<u>7,799,375</u>	<u>25,943,535</u>	<u>25,229,334</u>
Expenditures:				
Current:				
Instruction	--	7,403,068	7,403,068	7,043,929
Food services	<u>18,615,420</u>	<u>--</u>	<u>18,615,420</u>	<u>18,017,232</u>
Total expenditures	<u>18,615,420</u>	<u>7,403,068</u>	<u>26,018,488</u>	<u>25,061,161</u>
Excess of revenues over (under) expenditures	(471,260)	396,307	(74,953)	168,173
Fund balances at beginning of year	<u>2,699,943</u>	<u>4,143,874</u>	<u>6,843,817</u>	<u>6,675,644</u>
Fund balances at end of year	<u>\$ 2,228,683</u>	<u>\$ 4,540,181</u>	<u>\$ 6,768,864</u>	<u>\$ 6,843,817</u>

June 30, 2012  
With Comparative Totals for  
June 30, 2011

**BALANCE SHEET**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Accounts receivable	\$ 61,270	\$ 75,200
Due from General Fund	1,279,231	2,018,786
Due from State of Alaska	136,408	163,267
Prepaid items	2,827	--
U.S.D.A. food commodities, at U.S.D.A. allocated value	286,400	210,360
Inventory, at weighted average cost	<u>1,052,303</u>	<u>732,892</u>
Total assets	<u>\$ 2,818,439</u>	<u>\$ 3,200,505</u>
<b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable	\$ 48,750	\$ 30,853
Accrued salaries and related items:		
Wages and salaries payable	33,751	35,165
Payroll taxes, other accrued and withheld items	17,761	39,485
Unearned revenue:		
Prepaid meal charges	203,094	184,699
U.S.D.A. food commodities	<u>286,400</u>	<u>210,360</u>
Total liabilities	<u>589,756</u>	<u>500,562</u>
Fund balance:		
Non-spendable	1,055,130	732,892
Committed	311,572	335,926
Assigned	<u>861,981</u>	<u>1,631,125</u>
Total fund balance	<u>2,228,683</u>	<u>2,699,943</u>
Total liabilities and fund balance	<u>\$ 2,818,439</u>	<u>\$ 3,200,505</u>

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

**SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - GAAP BASIS**

	<u>2012</u>	<u>2011</u>
Revenues:		
Revenues from local sources:		
Lunch sales - student	\$ 2,212,106	\$ 2,418,659
Lunch sales - adult	6,306	38,012
Breakfast program	133,988	110,489
Milk program	76,624	76,205
A la carte program	880,255	1,179,230
Special meals	33,967	79,788
Other revenues	49,792	79,603
Total revenues from local sources	<u>3,393,038</u>	<u>3,981,986</u>
Revenues from state sources:		
Retirement system employer relief	<u>628,495</u>	<u>418,312</u>
Revenues from federal sources:		
Type A lunch program - reimbursement	10,623,428	10,237,602
Breakfast program - reimbursement	2,574,191	2,381,639
After school snack program - reimbursement	181,603	226,444
After school dinner program - reimbursement	153,694	--
United States Department of Agriculture commodities	<u>589,711</u>	<u>531,008</u>
Total revenues from federal sources	<u>14,122,627</u>	<u>13,376,693</u>
Total revenues	<u>18,144,160</u>	<u>17,776,991</u>
Expenditures:		
Current:		
Food services:		
General administration	1,449,192	1,651,081
Kitchens and food center	15,439,346	14,899,512
Delivery	1,726,882	1,466,639
Total expenditures	<u>18,615,420</u>	<u>18,017,232</u>
Excess (deficiency) of revenues over expenditures	(471,260)	(240,241)
Fund balance at beginning of year	<u>2,699,943</u>	<u>2,940,184</u>
Fund balance at end of year	<u>\$ 2,228,683</u>	<u>\$ 2,699,943</u>

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2012

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
Revenues:						
Revenues from local sources:						
Lunch sales - student	\$ 2,212,106	\$ --	\$ 2,212,106	\$ 2,581,917	\$ 2,581,917	\$ (369,811)
Lunch sales - adult	6,306	--	6,306	74,083	74,083	(67,777)
Breakfast program	133,988	--	133,988	231,025	231,025	(97,037)
Milk program	76,624	--	76,624	84,000	84,000	(7,376)
A la carte program	880,255	--	880,255	1,472,076	1,472,076	(591,821)
Special meals	33,967	--	33,967	119,826	119,826	(85,859)
Other revenues	49,792	600,000	649,792	600,000	600,000	49,792
Total revenue from local sources	3,393,038	600,000	3,993,038	5,162,927	5,162,927	(1,169,889)
Revenues from state sources:						
Retirement system employer relief	628,495	--	628,495	656,650	656,650	(28,155)
Revenues from federal sources:						
Type A lunch program - reimbursement	10,623,428	--	10,623,428	10,321,931	10,321,931	301,497
Breakfast program - reimbursement	2,574,191	--	2,574,191	2,194,772	2,194,772	379,419
After school snack program - reimbursement	181,603	--	181,603	221,416	221,416	(39,813)
After school dinner program - reimbursement	153,694	--	153,694	--	--	153,694
United States Department of Agriculture commodities	589,711	--	589,711	684,304	684,304	(94,593)
Total revenue from federal sources	14,122,627	--	14,122,627	13,422,423	13,422,423	700,204
Total revenues	18,144,160	600,000	18,744,160	19,242,000	19,242,000	(497,840)
Expenditures:						
Current:						
Food services						
General administration						
Personnel services	457,277	--	457,277	531,104	531,104	73,827
Employee benefits	291,885	--	291,885	336,844	336,844	44,959
Purchased services	685,174	2,033	687,207	828,457	828,457	141,250
Supplies and materials	6,445	3,250	9,695	11,000	11,000	1,305
Capital outlay	8,411	(1,110)	7,301	15,180	15,180	7,879
Total general administration	1,449,192	4,173	1,453,365	1,722,585	1,722,585	269,220
Kitchens and food center						
Personnel services	4,280,242	--	4,280,242	4,636,689	4,636,689	356,447
Employee benefits	3,965,266	--	3,965,266	4,219,327	4,219,327	254,061
Purchased services	406,728	37,901	444,629	674,694	674,694	230,065
Supplies and materials	6,690,928	17,085	6,708,013	5,910,004	5,910,004	(798,009)
Capital outlay	96,182	27,769	123,951	279,548	279,548	155,597
Other	--	--	--	7,000	7,000	7,000
Total kitchens and food center	15,439,346	82,755	15,522,101	15,727,262	15,727,262	205,161

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2012

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
Delivery:						
Personnel services	\$ 835,987	\$ --	\$ 835,987	\$ 884,080	\$ 884,080	\$ 48,093
Employee benefits	628,467	--	628,467	660,424	660,424	31,957
Purchased services	18,606	(180)	18,426	24,215	24,215	5,789
Supplies and materials	128,511	13,738	142,249	100,000	100,000	(42,249)
Capital outlay	115,311	105,249	220,560	126,013	126,013	(94,547)
Total delivery	1,726,882	118,807	1,845,689	1,794,732	1,794,732	(50,957)
Total expenditures	18,615,420	205,735	18,821,155	19,244,579	19,244,579	423,424
Excess (deficiency) of revenues over (under) expenditures	(471,260)	\$ 394,265	\$ (76,995)	\$ --	\$ --	\$ (76,995)
Fund balance at beginning of year	2,699,943					
Fund balance at end of year	<u>\$ 2,228,683</u>					

BASIS OF BUDGETING - The Food Service Special Revenue Fund - Schedule of Revenues, Expenditures, and changes in Fund Balance - Budget (Non-GAAP Basis) and Actual has been prepared on a legally prescribed basis of budgeting which differs from accounting principles generally accepted in the United States of America (GAAP). The purpose of the basis of budgeting is to demonstrate compliance with the legal requirements of the local, state, and federal programs. The difference between the two methods is set forth below:

Revenues reported on the basis of GAAP	\$ 18,144,160
Expenditures reported on the basis of GAAP	18,615,420
Add: current year encumbrances	\$ 208,320
Deduct: expenditures on prior year's encumbrances	(2,585)
	<u>205,735</u>
Revenues on the basis of budgeting	18,744,160
Expenditures and encumbrances reported on the basis of budgeting	<u>18,821,155</u>
Excess of revenues under expenditures on the basis of budgeting	<u>\$ (76,995)</u>

For the Year Ended June 30, 2012

**SCHEDULE OF EXPENDITURES BY FUNCTION,  
ACTIVITY, AND OBJECT - GAAP BASIS**

	<u>Personnel Services</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>	<u>Capital Outlay</u>	<u>Total</u>
Current:						
Food services:						
General administration	\$ 457,277	\$ 291,885	\$ 685,174	\$ 6,445	\$ 8,411	\$ 1,449,192
Kitchens and food center	4,280,242	3,965,266	406,728	6,690,928	96,182	15,439,346
Delivery	<u>835,987</u>	<u>628,467</u>	<u>18,606</u>	<u>128,511</u>	<u>115,311</u>	<u>1,726,882</u>
	<u>\$ 5,573,506</u>	<u>\$ 4,885,618</u>	<u>\$ 1,110,508</u>	<u>\$ 6,825,884</u>	<u>\$ 219,904</u>	<u>\$ 18,615,420</u>

June 30, 2012  
With Comparative Totals for  
June 30, 2011

**BALANCE SHEET - BY ACCOUNT**

	Decentralized Student Activities	Centralized Student Activities	Totals	
			2012	2011
<b>Assets</b>				
Cash and investments	\$ 2,542,097	\$ 212,084	\$ 2,754,181	\$ 2,607,368
Accounts receivable	--	15,698	15,698	8,109
Interest receivable	--	596	596	2,819
Due from General Fund	21,138	1,792,042	1,813,180	1,633,079
Prepaid items	--	13,624	13,624	819
Total assets	<u>\$ 2,563,235</u>	<u>\$ 2,034,044</u>	<u>\$ 4,597,279</u>	<u>\$ 4,252,194</u>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ --	\$ 31,774	\$ 31,774	\$ 54,339
Due to General Fund	<u>25,324</u>	<u>--</u>	<u>25,324</u>	<u>53,981</u>
Total liabilities	<u>25,324</u>	<u>31,774</u>	<u>57,098</u>	<u>108,320</u>
Fund balances:				
Non-spendable	--	13,624	13,624	819
Assigned	<u>2,537,911</u>	<u>1,988,646</u>	<u>4,526,557</u>	<u>4,143,055</u>
Total fund balance	<u>2,537,911</u>	<u>2,002,270</u>	<u>4,540,181</u>	<u>4,143,874</u>
Total liabilities and fund balances	<u>\$ 2,563,235</u>	<u>\$ 2,034,044</u>	<u>\$ 4,597,279</u>	<u>\$ 4,252,194</u>

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BY ACCOUNT**

	Decentralized Student Activities	Centralized Student Activities	Totals	
			2012	2011
Revenues:				
Revenues from local sources:				
Other revenues	<u>\$ 6,469,146</u>	<u>\$ 1,306,575</u>	<u>\$ 7,775,721</u>	<u>\$ 7,441,205</u>
Revenues from state sources:				
Retirement systems employer relief	<u>--</u>	<u>23,654</u>	<u>23,654</u>	<u>11,138</u>
Total revenues	<u>6,469,146</u>	<u>1,330,229</u>	<u>7,799,375</u>	<u>7,452,343</u>
Expenditures:				
Current:				
Instruction:				
Student activities	<u>6,295,287</u>	<u>1,107,781</u>	<u>7,403,068</u>	<u>7,043,929</u>
Excess of revenues over expenditures	173,859	222,448	396,307	408,414
Fund balances at beginning of year	<u>2,364,052</u>	<u>1,779,822</u>	<u>4,143,874</u>	<u>3,735,460</u>
Fund balances at end of year	<u>\$ 2,537,911</u>	<u>\$ 2,002,270</u>	<u>\$ 4,540,181</u>	<u>\$ 4,143,874</u>

June 30, 2012  
With Comparative Totals for  
June 30, 2011

**DECENTRALIZED STUDENT ACTIVITIES  
BALANCE SHEET - BY DEPARTMENT**

	High Schools	Middle Schools	Alternative Schools and Others	Totals	
				2012	2011
<b>Assets</b>					
Cash and investments	\$ 1,762,465	\$ 532,669	\$ 246,963	\$ 2,542,097	\$ 2,399,228
Due from General Fund	<u>2,378</u>	<u>18,760</u>	<u>--</u>	<u>21,138</u>	<u>18,805</u>
Total assets	<u>\$ 1,764,843</u>	<u>\$ 551,429</u>	<u>\$ 246,963</u>	<u>\$ 2,563,235</u>	<u>\$ 2,418,033</u>
<b>Liabilities and Fund Balance</b>					
Liabilities:					
Due to General Fund	<u>\$ 25,324</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 25,324</u>	<u>\$ 53,981</u>
Fund balance:					
Assigned	<u>1,739,519</u>	<u>551,429</u>	<u>246,963</u>	<u>2,537,911</u>	<u>2,364,052</u>
Total liabilities and fund balance	<u>\$ 1,764,843</u>	<u>\$ 551,429</u>	<u>\$ 246,963</u>	<u>\$ 2,563,235</u>	<u>\$ 2,418,033</u>

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

## DECENTRALIZED STUDENT ACTIVITIES

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BY DEPARTMENT

	High Schools	Middle Schools	Alternative Schools and Others	Totals	
				2012	2011
Revenues:					
Revenues from local sources:					
Other revenues	\$ 4,513,545	\$ 1,254,300	\$ 701,301	\$ 6,469,146	\$ 6,182,191
Expenditures:					
Current:					
Instruction:					
Pupil activity	4,322,416	1,279,060	693,811	6,295,287	5,961,331
Excess (deficiency) of revenues over (under) expenditures	191,129	(24,760)	7,490	173,859	220,860
Fund balance at beginning of year	1,548,390	576,189	239,473	2,364,052	2,143,192
Fund balance at end of year	\$ 1,739,519	\$ 551,429	\$ 246,963	\$ 2,537,911	\$ 2,364,052

June 30, 2012  
With Comparative Totals for  
June 30, 2011

**CENTRALIZED STUDENT ACTIVITIES**  
**BALANCE SHEET - BY DEPARTMENT**

	PTA Support	Student Activities	Instructional Replacement Fees	Supplemental Sources	Totals	
					2012	2011
<b>Assets</b>						
Cash and investments	\$ --	\$ --	\$ --	\$ 212,084	\$ 212,084	\$ 208,140
Accounts receivable	--	--	--	15,698	15,698	8,109
Interest receivable	--	--	--	596	596	2,819
Due from General Fund	195,748	385,235	680,236	530,823	1,792,042	1,614,274
Prepaid items	114	2,804	192	10,514	13,624	819
Total assets	<u>\$ 195,862</u>	<u>\$ 388,039</u>	<u>\$ 680,428</u>	<u>\$ 769,715</u>	<u>\$ 2,034,044</u>	<u>\$ 1,834,161</u>
<b>Liabilities and Fund Balance</b>						
Liabilities:						
Accounts payable	\$ 397	\$ 12	\$ 13,516	\$ 17,849	\$ 31,774	\$ 54,339
Fund balance:						
Non-spendable	114	2,804	192	10,514	13,624	819
Assigned	<u>195,351</u>	<u>385,223</u>	<u>666,720</u>	<u>741,352</u>	<u>1,988,646</u>	<u>1,779,003</u>
Total fund balance	<u>195,465</u>	<u>388,027</u>	<u>666,912</u>	<u>751,866</u>	<u>2,002,270</u>	<u>1,779,822</u>
Total liabilities and fund balance	<u>\$ 195,862</u>	<u>\$ 388,039</u>	<u>\$ 680,428</u>	<u>\$ 769,715</u>	<u>\$ 2,034,044</u>	<u>\$ 1,834,161</u>

For the Year Ended June 30, 2012  
With Comparative Totals  
For the Year Ended June 30, 2011

**CENTRALIZED STUDENT ACTIVITIES**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BY DEPARTMENT**

	PTA Support	Student Activities	Instructional Replacement Fees	Supplemental Sources	Totals	
					2012	2011
Revenues:						
Revenues from local sources:						
Other revenues	\$ 102,862	\$ 526,632	\$ 320,459	\$ 356,622	\$ 1,306,575	\$ 1,259,014
Revenues from state sources:						
Retirement systems employer relief	--	--	--	23,654	23,654	11,138
Total revenues	102,862	526,632	320,459	380,276	1,330,229	1,270,152
Expenditures:						
Current:						
Instruction:						
Student activities	138,718	430,486	286,896	251,681	1,107,781	1,082,598
Excess of revenues over expenditures	(35,856)	96,146	33,563	128,595	222,448	187,554
Fund balance at beginning of year	231,321	291,881	633,349	623,271	1,779,822	1,592,268
Fund balance at end of year	\$ 195,465	\$ 388,027	\$ 666,912	\$ 751,866	\$ 2,002,270	\$ 1,779,822

# Debt Service Fund

To account for the payment of principal, interest and related fees on general obligation bonded debt.

June 30, 2012  
With Comparative Totals for  
June 30, 2011

**BALANCE SHEET**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and investments with paying agent	\$ 19,918,163	\$ 31,828,539
Due from other governments:		
Municipality of Anchorage	20,030,890	20,640,067
State of Alaska	<u>488,913</u>	<u>457,389</u>
Total assets	<u>\$ 40,437,966</u>	<u>\$ 52,925,995</u>
<b>Liabilities and Fund Balance</b>		
Liabilities:		
Due to General Fund	\$ 18,697,524	\$ 30,149,591
Unearned revenue - property taxes	<u>20,030,890</u>	<u>20,640,067</u>
Total liabilities	<u>38,728,414</u>	<u>50,789,658</u>
Fund balance:		
Committed	<u>1,709,552</u>	<u>2,136,337</u>
Total fund balance	<u>1,709,552</u>	<u>2,136,337</u>
Total liabilities and fund balance	<u>\$ 40,437,966</u>	<u>\$ 52,925,995</u>

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL**

For the Year Ended June 30, 2012

	Actual	Adjustment to Basis of Budgeting	Actual on Basis of Budgeting	Budgeted Amounts		Variance with Final Budget Positive (Negative)
				Original	Final	
<b>Revenues:</b>						
Revenues from local sources:						
Appropriation from Municipality of Anchorage	\$ 41,280,133	\$ --	\$ 41,280,133	\$ 41,280,133	\$ 41,280,133	\$ --
Investment income	5	--	5	--	--	5
Other local revenues	--	1,000,000	1,000,000	1,000,000	1,000,000	--
Total revenues from local sources	41,280,138	1,000,000	42,280,138	42,280,133	42,280,133	5
Revenues from state sources:						
Aid for school construction	44,616,255	--	44,616,255	44,616,255	44,616,255	--
Revenues from federal sources:						
BABS subsidy	277,412	--	277,412	277,412	277,412	--
Total revenues	86,173,805	1,000,000	87,173,805	87,173,800	87,173,800	5
<b>Expenditures:</b>						
Debt service:						
Principal	54,875,000	--	54,875,000	54,990,000	54,890,000	15,000
Interest	31,722,282	--	31,722,282	32,659,752	31,759,752	37,470
Fiscal agent fees	9,403	--	9,403	15,000	15,000	5,597
Total expenditures	86,606,685	--	86,606,685	87,664,752	86,664,752	58,067
Excess (deficiency) of revenues over (under) expenditures	(432,880)	1,000,000	567,120	(490,952)	509,048	58,072
Other financing sources:						
Transfers in - Capital Projects Fund	6,095	--	6,095	--	--	6,095
Total other financing sources	6,095	--	6,095	--	--	6,095
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(426,785)	\$ 1,000,000	\$ 573,215	\$ (490,952)	\$ 509,048	\$ 64,167
Committed fund balance at beginning of year	2,136,337					
Committed fund balance at end of year	\$ 1,709,552					

## Capital Projects Fund

To account for the acquisition and major repair of school facilities and equipment. Capital Projects are financed by proceeds from general obligation bonds, local, state and federal grants and transfers from other funds.



June 30, 2012  
With Comparative Totals for  
June 30, 2011

**BALANCE SHEET**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and investments	\$ 3,750,186	\$ 10,469,097
Cash with paying agent	2,993	314,681
Accounts receivable	--	3,860
Interest receivable	4,235	19,035
Due from General Fund	10,484,267	11,466,028
Due from other governments:		
Municipality of Anchorage	2,925,573	1,566,644
United States Government	59,883	1,103,049
Prepaid items	1,953	16,409
Total assets	<u>\$ 17,229,090</u>	<u>\$ 24,958,803</u>
<b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable	\$ 12,486	\$ 1,641
Contracts payable	2,901,958	2,639,364
Accrued salaries and related items:		
Wages and salaries payable	29,990	45,189
Payroll taxes, other accrued and withheld items	23,613	123,803
Unearned revenue	13,800	--
Total liabilities	<u>2,981,847</u>	<u>2,809,997</u>
Fund balance:		
Non-spendable	1,953	16,409
Restricted	--	11,549,306
Committed	14,245,290	10,583,091
Total fund balance	<u>14,247,243</u>	<u>22,148,806</u>
Total liabilities and fund balance	<u>\$ 17,229,090</u>	<u>\$ 24,958,803</u>

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

**SCHEDULE OF REVENUES,  
 EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - GAAP BASIS**

	2012	2011
Revenues:		
Revenues from local sources:		
Investment income	\$ 10,237	\$ 48,132
Other revenues	995,442	91,294
Total revenues from local sources	<u>1,005,679</u>	<u>139,426</u>
Revenues from state sources:		
State/Municipal grants	4,464,061	2,421,197
Retirement systems employer relief	95,412	177,487
Total revenues from state sources	<u>4,559,473</u>	<u>2,598,684</u>
Revenues from federal sources:		
Federal Impact Aid	515,984	6,513
Federal capital grants	2,384,663	1,391,802
Total revenues from federal sources	<u>2,900,647</u>	<u>1,398,315</u>
Total revenues	<u>8,465,799</u>	<u>4,136,425</u>
Expenditures:		
Bond issuance cost	16,213	14,757
Capital outlays:		
Secondary schools	8,243,059	11,297,884
Elementary schools	5,693,546	9,482,188
Other capital outlays	2,408,449	2,931,474
Total capital outlays	<u>16,345,054</u>	<u>23,711,546</u>
Total expenditures	<u>16,361,267</u>	<u>23,726,303</u>
Deficiency of revenues under expenditures	(7,895,468)	(19,589,878)
Other financing sources and (uses):		
Proceeds of general obligation bonds	--	4,940,000
Premium on issuance of general obligation bonds	--	97,062
Transfers in from General Fund	--	9,031,500
Transfers out - Debt Service Fund	(6,095)	--
Total other financing sources and (uses)	<u>(6,095)</u>	<u>14,068,562</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	(7,901,563)	(5,521,316)
Fund balance at beginning of year	<u>22,148,806</u>	<u>27,670,122</u>
Fund balance at end of year	<u>\$ 14,247,243</u>	<u>\$ 22,148,806</u>

For the Period Ended June 30, 2012

**SCHEDULE OF EXPENDITURES - PROJECT  
AUTHORIZATION AND ACTUAL (GAAP BASIS)**

	2012						
	Prior Years	Land and Improvements	Buildings and Equipment	Total	Total	Project Authoriza- tion	Variance favorable (unfavorable)
Capital outlays:							
Secondary schools:							
Bartlett Senior High	\$ 8,246	\$ --	\$ 1,252,876	\$ 1,252,876	\$ 1,261,122	\$ 6,226,354	\$ 4,965,232
Chugiak Senior High	88,036	--	725,184	725,184	813,220	4,767,942	3,954,722
Diamond Senior High	17,906	--	199,217	199,217	217,123	1,675,487	1,458,364
Eagle River Senior High	12,286	4,929	60,643	65,572	77,858	396,609	318,751
East Senior High	130,098	203,248	1,261,611	1,464,859	1,594,957	8,029,707	6,434,750
South Anchorage Senior High	15,479	519,248	12,100	531,348	546,827	4,782,894	4,236,067
Service Senior High	107,356	1,176,904	3,364	1,180,268	1,287,624	34,593,427	33,305,803
West Senior High	48,097	--	485,309	485,309	533,406	22,086,309	21,552,903
Central Middle School	24,835	--	377,554	377,554	402,389	2,630,432	2,228,043
Clark Middle School	--	--	393,456	393,456	393,456	1,639,844	1,246,388
Golden View Middle School	78,373	--	62,910	62,910	141,283	539,639	398,356
Ernest Gruening Middle School	3,606	--	14,928	14,928	18,534	1,677,417	1,658,883
U. S. Hanshew Middle School	4,611	--	191,244	191,244	195,855	1,973,149	1,777,294
Jane Mears Middle School	112,281	--	466,104	466,104	578,385	1,676,947	1,098,562
Mirror Lake Middle School	32,827	--	12,292	12,292	45,119	1,468,902	1,423,783
Begich Middle School	43,054	51,866	71,540	123,406	166,460	1,335,579	1,169,119
Romig Middle School	18,000	--	27,161	27,161	45,161	3,051,080	3,005,919
Wendler Middle School	13,958	619	10,148	10,767	24,725	1,481,352	1,456,627
Benny Benson Secondary	--	--	--	--	--	4,056	4,056
Martin Luther King, Jr. Career Center	177,010	--	596,147	596,147	773,157	5,416,528	4,643,371
Save Alternative	183,511	--	1,756	1,756	185,267	922,609	737,342
Steller Alternative	12,041	--	3,419	3,419	15,460	771,109	755,649
Whaley Center	800	--	989	989	1,789	342,639	340,850
Retirement system employer relief	--	--	56,293	56,293	56,293	--	(56,293)
Total secondary schools	<u>1,132,411</u>	<u>1,956,814</u>	<u>6,286,245</u>	<u>8,243,059</u>	<u>9,375,470</u>	<u>107,490,011</u>	<u>98,114,541</u>
Elementary schools:							
Abbott Loop	--	763	--	763	763	404,055	403,292
Airport Heights	--	--	1,063	1,063	1,063	597,255	596,192
Alpenglow	--	--	2,915	2,915	2,915	350,363	347,448
Aquarian Charter	32,853	7,835	40,039	47,874	80,727	566,406	485,679
Aurora	720	10,480	245,230	255,710	256,430	1,690,598	1,434,168
Baxter	306	--	8,510	8,510	8,816	201,767	192,951
Bayshore	52,149	--	25,831	25,831	77,980	751,061	673,081
Bear Valley	6,468	--	17,750	17,750	24,218	572,796	548,578
Birchwood	12,000	--	156,653	156,653	168,653	314,351	145,698
Willard Bowman	--	--	72,430	72,430	72,430	814,778	742,348
Campbell	--	8,543	296,584	305,127	305,127	1,098,191	793,064
Chester Valley	--	--	190,741	190,741	190,741	822,399	631,658
Chinook	2,388	15,648	8,509	24,157	26,545	466,239	439,694
Chugach	--	--	9,200	9,200	9,200	147,655	138,455
Chugiak	--	--	--	--	--	49,269	49,269

(Continued)

For the Period Ended June 30, 2012

**SCHEDULE OF EXPENDITURES - PROJECT  
 AUTHORIZATION AND ACTUAL (GAAP BASIS) (Continued)**

	2012						
	Prior Years	Land and Improvements	Buildings and Equipment	Total	Total	Project Authoriza- tion	Variance favorable (unfavorable)
College Gate	\$ 7,541	\$ --	\$ 34,235	\$ 34,235	\$ 41,776	\$ 1,692,120	\$ 1,650,344
Creekside Park	496	463	--	463	959	651,758	650,799
Denali	--	--	--	--	--	90,425	90,425
Eagle River	--	--	130,837	130,837	130,837	1,264,371	1,133,534
Fairview	--	--	--	--	--	212,249	212,249
Fire Lake	--	--	--	--	--	40,384	40,384
Girdwood	--	--	12,469	12,469	12,469	3,121,714	3,109,245
Government Hill	--	--	--	--	--	236,144	236,144
Homestead	--	--	2,915	2,915	2,915	186,555	183,640
Huffman	15,393	863,820	--	863,820	879,213	1,824,080	944,867
Inlet View	1,124	18,342	1,070	19,412	20,536	758,706	738,170
Kasuun	17,715	--	107,453	107,453	125,168	413,857	288,689
Kennedy	14,990	--	596,125	596,125	611,115	1,822,255	1,211,140
Kincaid	--	--	435	435	435	18,527	18,092
Klatt	2,120	--	20,118	20,118	22,238	460,153	437,915
Lake Hood	--	--	763	763	763	222,661	221,898
Lake Otis	11,057	--	60,524	60,524	71,581	75,103	3,522
Mt. View	30,338	258,321	235,484	493,805	524,143	1,315,349	791,206
Mt. Iliamna	132,669	--	151,918	151,918	284,587	912,552	627,965
Mt. Spurr	4,696	--	44,066	44,066	48,762	209,608	160,846
Muldoon	3,588	1,513	4,691	6,204	9,792	337,035	327,243
North Star	24,007	--	134,085	134,085	158,092	527,458	369,366
Northern Lights	--	--	--	--	--	21,424	21,424
Northwood	1,600	6,800	227,655	234,455	236,055	467,410	231,355
Nunaka Valley	12,512	--	75,318	75,318	87,830	586,631	498,801
Ocean View	728	--	115,614	115,614	116,342	414,558	298,216
O'Malley	3,400	--	(667)	(667)	2,733	1,764,549	1,761,816
Orion	--	--	--	--	--	19,577	19,577
Polaris K-12	1,860	--	3,306	3,306	5,166	795,439	790,273
Ptarmigan	45,113	--	92,519	92,519	137,632	482,814	345,182
Rabbit Creek	--	--	1,305	1,305	1,305	1,795,043	1,793,738
Ravenwood	--	--	--	--	--	365,665	365,665
Rogers Park	--	--	--	--	--	906	906
Russian Jack	800	--	--	--	800	178,399	177,599
Sand Lake	--	763	268,361	269,124	269,124	1,677,159	1,408,035
Scenic Park	5,168	--	120,248	120,248	125,416	660,099	534,683
Spring Hill	--	595	3,611	4,206	4,206	1,061,185	1,056,979
Susitna	2,530	--	3,978	3,978	6,508	1,606,321	1,599,813
Trailside	46,976	--	77,159	77,159	124,135	394,649	270,514
Taku	--	--	20,426	20,426	20,426	89,541	69,115
Tudor	400	--	3,318	3,318	3,718	864,605	860,887
Turnagain	--	--	8,438	8,438	8,438	2,027,918	2,019,480

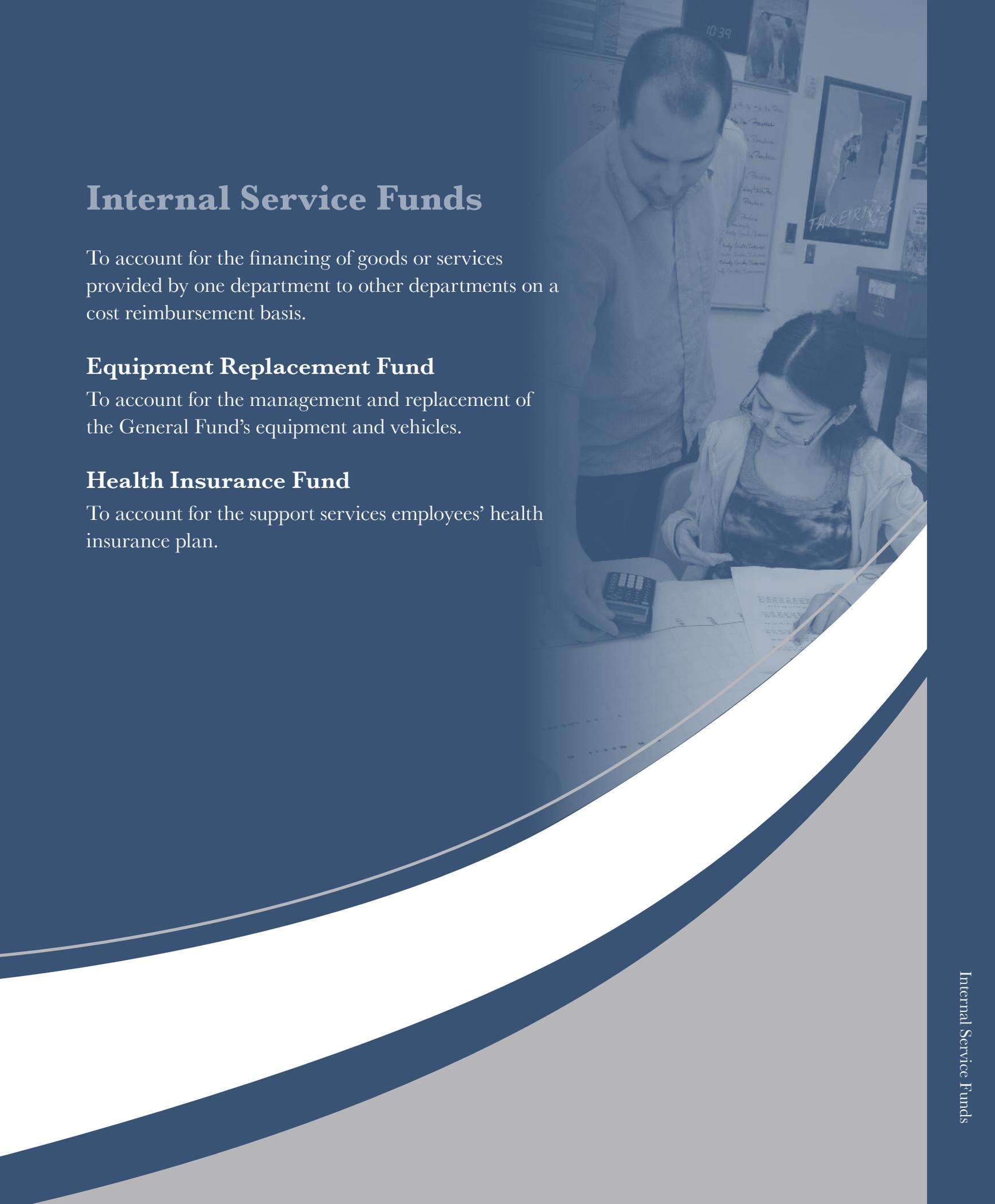
(Continued)

For the Period Ended June 30, 2012

**SCHEDULE OF EXPENDITURES - PROJECT  
 AUTHORIZATION AND ACTUAL (GAAP BASIS) (Continued)**

	2012						
	Prior Years	Land and Improvements	Buildings and Equipment	Total	Total	Project Authoriza- tion	Variance favorable (unfavorable)
Ursa Major	\$ --	\$ --	\$ 14,344	\$ 14,344	\$ 14,344	\$ 517,911	\$ 503,567
Ursa Minor	--	--	9,168	9,168	9,168	18,660	9,492
William Tyson	7,418	763	80,603	81,366	88,784	541,616	452,832
Williwaw	49,603	--	231,851	231,851	281,454	351,663	70,209
Willow Crest	14,696	4,543	112,733	117,276	131,972	640,381	508,409
Wonder Park	66,557	5,082	187,604	192,686	259,243	1,270,050	1,010,807
Gladys Wood	23,176	--	148,671	148,671	171,847	1,146,969	975,122
District-wide HVAC Cleaning	--	--	31,947	31,947	31,947	31,948	1
Retirement system employer relief	--	--	39,119	39,119	39,119	--	(39,119)
Total elementary schools	<u>655,155</u>	<u>1,204,274</u>	<u>4,489,272</u>	<u>5,693,546</u>	<u>6,348,701</u>	<u>45,033,337</u>	<u>38,684,636</u>
Other capital outlays:							
District-wide Asbestos/ Life Safety	54,712	--	113,339	113,339	168,051	329,337	161,286
District-wide Code Compliance	--	--	--	--	--	11,911	11,911
District-wide Emergency Preparation	--	--	60,211	60,211	60,211	725,381	665,170
District-wide Security Systems	9,090	--	322,687	322,687	331,777	1,489,939	1,158,162
District-wide Sprinkler Upgrade	669	--	--	--	669	7,272,749	7,272,080
District-wide Underground Storage Tank Removal	303	--	--	--	303	5,128	4,825
District-wide Computer Equipment/Technology	28,400	--	326,600	326,600	355,000	355,000	--
District-wide Electric/Switch Upgrades	29,790	--	291,852	291,852	321,642	1,317,856	996,214
District-wide Elevator	--	--	--	--	--	2,640	2,640
District-wide Fencing	--	--	--	--	--	12,484	12,484
District-wide Fire Code	--	--	--	--	--	5,783	5,783
District-wide Heating/Ventilation Air Condition Upgrades	--	--	--	--	--	35,764	35,764
District-wide Library Books	--	--	--	--	--	(130)	(130)
District-wide Mechanical	93,037	--	19,782	19,782	112,819	1,087,773	974,954
District-wide Building Renewal	363,175	--	451,600	451,600	814,775	3,981,676	3,166,901
District-wide Roof Replacement	16,525	--	82,577	82,577	99,102	125,369	26,267
District-wide Site Acquisition	--	--	--	--	--	22,482	22,482
Facilities/Maintenance	4,923	--	98,004	98,004	102,927	384,269	281,342
Traffic Safety	13,678	--	641,797	641,797	655,475	998,897	343,422
Pupil Transportation New Buses	--	--	--	--	--	300,152	300,152
Student Nutrition	--	--	--	--	--	1,766	1,766
Warehouse	--	--	--	--	--	15,032	15,032
Total other capital outlays	<u>614,302</u>	<u>--</u>	<u>2,408,449</u>	<u>2,408,449</u>	<u>3,022,751</u>	<u>18,481,258</u>	<u>15,458,507</u>
	<u>\$ 2,401,868</u>	<u>\$ 3,161,088</u>	<u>\$ 13,183,966</u>	<u>\$ 16,345,054</u>	<u>\$ 18,746,922</u>	<u>\$ 171,004,606</u>	<u>\$ 152,257,684</u>

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A man and a woman are in an office setting, looking at documents and a calculator. The man is standing and pointing at a document, while the woman is sitting at a desk and looking at the same document. There is a whiteboard in the background with some writing on it. The overall scene is in a blue-tinted, semi-transparent style.

## Internal Service Funds

To account for the financing of goods or services provided by one department to other departments on a cost reimbursement basis.

### Equipment Replacement Fund

To account for the management and replacement of the General Fund's equipment and vehicles.

### Health Insurance Fund

To account for the support services employees' health insurance plan.

June 30, 2012  
With Comparative Totals for  
June 30, 2011

## INTERNAL SERVICE FUNDS

## COMBINING STATEMENT OF NET ASSETS

	Equipment Replacement	Health Insurance	Total Internal Service Funds	
			2012	2011
<b>Assets</b>				
Current Assets:				
Investments	\$ 9,101,368	\$ 19,392,268	\$ 28,493,636	\$ 24,071,703
Accounts receivable	--	4,709	4,709	6,579
Total current assets	9,101,368	19,396,977	28,498,345	24,078,282
Noncurrent assets:				
Machinery and equipment	27,301,887	--	27,301,887	8,886,907
Accumulated depreciation	(22,540,292)	--	(22,540,292)	(6,787,657)
Total capital assets (net of accumulated depreciation)	4,761,595	--	4,761,595	2,099,250
Total assets	13,862,963	19,396,977	33,259,940	26,177,532
<b>Liabilities</b>				
Current liabilities				
Medical claims and other payables	--	8,825,824	8,825,824	7,990,221
<b>Net Assets</b>				
Invested in capital assets	4,761,595	--	4,761,595	2,099,250
Unrestricted	9,101,368	10,571,153	19,672,521	16,088,061
Total net assets	\$ 13,862,963	\$ 10,571,153	\$ 24,434,116	\$ 18,187,311

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

## INTERNAL SERVICE FUNDS

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS

	Equipment Replacement	Health Insurance	Total Internal Service Funds	
			2012	2011
Operating revenues:				
Charges for services	\$ 484,269	\$ --	\$ 484,269	\$ 452,862
Charges for health insurance services	--	32,740,721	32,740,721	36,756,097
Total operating revenues	<u>484,269</u>	<u>32,740,721</u>	<u>33,224,990</u>	<u>37,208,959</u>
Operating expenses:				
Depreciation	1,225,297	--	1,225,297	452,862
Costs of services	85,891	112,500	198,391	56,250
Medical plan administration	--	2,721,110	2,721,110	2,900,149
Medical claims	--	29,558,815	29,558,815	31,469,121
Total operating expenses	<u>1,311,188</u>	<u>32,392,425</u>	<u>33,703,613</u>	<u>34,878,382</u>
Operating income	<u>(826,919)</u>	<u>348,296</u>	<u>(478,623)</u>	<u>2,330,577</u>
Non-operating revenues:				
Loss on sale of capital assets	--	--	--	(8,243)
Investment income	186,939	364,539	551,478	398,109
Total non-operating revenues	<u>186,939</u>	<u>364,539</u>	<u>551,478</u>	<u>389,866</u>
Total income before capital contributions and transfers	<u>(639,980)</u>	<u>712,835</u>	<u>72,855</u>	<u>2,720,443</u>
Capital contributions and transfers	3,685,120	--	3,685,120	260,840
Transfers in - General Fund	--	2,488,830	2,488,830	375,610
Total capital contributions and transfers	<u>3,685,120</u>	<u>2,488,830</u>	<u>6,173,950</u>	<u>636,450</u>
Changes in net assets	3,045,140	3,201,665	6,246,805	3,356,893
Net assets at beginning of year	<u>10,817,823</u>	<u>7,369,488</u>	<u>18,187,311</u>	<u>14,830,418</u>
Net assets at end of year	<u>\$ 13,862,963</u>	<u>\$ 10,571,153</u>	<u>\$ 24,434,116</u>	<u>\$ 18,187,311</u>

## ANCHORAGE SCHOOL DISTRICT

## PROPRIETARY FUNDS

E-3

For the Year Ended June 30, 2012  
 With Comparative Totals  
 For the Year Ended June 30, 2011

## INTERNAL SERVICE FUNDS

## STATEMENT OF CASH FLOWS

	Equipment Replacement	Health Insurance	Total Internal Service Funds	
			2012	2011
Cash flows from operating activities:				
Receipts from interfund activities	\$ 484,269	\$ 33,793,123	\$ 34,277,392	\$ 35,755,815
Payments for interfund services used	(85,891)	--	(85,891)	(452,862)
Payments for medical claims and other health insurance activity	--	(32,527,752)	(32,527,752)	(32,544,767)
Net cash flows provided by operating activities	<u>398,378</u>	<u>1,265,371</u>	<u>1,663,749</u>	<u>2,758,186</u>
Cash flows from noncapital financing activities:				
Transfer from other funds	--	2,488,830	2,488,830	375,610
Advances to General Fund	--	--	--	1,477,965
Net cash provided by financing activities	<u>--</u>	<u>2,488,830</u>	<u>2,488,830</u>	<u>1,853,575</u>
Cash flows from investing activities:				
Acquisition of capital assets	(202,521)	--	(202,521)	(213,089)
Purchase of investments	(382,796)	(4,118,739)	(4,501,535)	(4,550,800)
Interest earnings received	186,939	364,538	551,477	152,128
Net cash used in investing activities	<u>(398,378)</u>	<u>(3,754,201)</u>	<u>(4,152,579)</u>	<u>(4,611,761)</u>
Net increase in cash	--	--	--	--
Cash at beginning of year	--	--	--	--
Cash at end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Reconciliation of operating income to net cash provided (used) by operating activities				
Operating income	\$ (826,919)	\$ 348,296	\$ (478,623)	\$ 2,330,577
Adjustments to reconcile operating income to net cash provided (used) by operating activities				
Depreciation expense	1,225,297	--	1,225,297	452,884
Other revenues	--	--	--	(452,884)
Change in assets and liabilities				
Receivables, net	--	1,870	1,870	(3,359)
Accounts and other payables	--	915,205	915,205	430,968
Net cash provided by operating activities	<u>\$ 398,378</u>	<u>\$ 1,265,371</u>	<u>\$ 1,663,749</u>	<u>\$ 2,758,186</u>

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# Statistical Section



**FINANCIAL TRENDS**

**These schedules contain trend information to help understand how our financial performance and well-being have changed over time.**

<u>Table</u>		<u>Page</u>
AA	Statement of Net Assets - Last Ten Years.....	115
BB	Statement of Activities and Change in Net Assets - Last Ten Years.....	116
CC	Fund Balance, Governmental Funds - Last Ten Years.....	118
DD	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Last Ten Years.....	120
EE	Government-wide Expenses by Function - Last Ten Years.....	122
FF	Government-wide Revenues by Function - Last Ten Years.....	123
GG	General Expenditures by Function - Last Ten Years .....	124
HH	General Revenues by Source - Last Ten Years .....	125

**REVENUE CAPACITY**

**These schedules contain information to help assess our most significant local revenue source, the property tax.**

II	Assessed and Actual Value of Taxable Property - Last Ten Years .....	126
JJ	Property Tax Rates and Tax Levies Direct and Overlapping Governments Service Funds - Last Ten Years.....	127
KK	Principal Property Tax Payers - Current and Nine Years Ago.....	128
LL	Property Tax Levies and Collections - Last Ten Years .....	129

**DEBT CAPACITY**

**These schedules present information to help assess the affordability of our current levels of outstanding debt and our ability to issue additional debt in the future.**

MM	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita and Per Student - Last Ten Years .....	130
NN	Computation of Direct and Overlapping Debt, and Legal Debt Margin .....	131
OO	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures - Last Ten Years .....	132

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

**These schedules offer demographic and economic indicators to help understand the environment with which our financial activities take place.**

PP	Demographic Statistics - Last Ten Years .....	133
QQ	Principal Employers - Current and Nine Years Ago.....	134
RR	Average General Expenditures Per Pupil - Last Ten Years .....	135
SS	Average Daily Membership as Compared to Assessed Valuation Showing Assessed Valuation Support Per Student - Last Ten Years .....	136
TT	Authorized Positions by Category - General Operations - Last Ten Years .....	137
UU	Teacher Education and Salary Information - Current Year.....	138
VV	Average Daily Membership and Pupil to Classroom Teacher Ratio - Last Ten Years .....	139

**OPERATING INFORMATION**

**These schedules contain service and infrastructure data to help understand how the information in our report relates to the services provided and the activities performed.**

WW	Facility Utilization and School Buildings - Last Ten Years .....	140
XX	Student Nutrition Local Revenues - Last Ten Years.....	141
YY	Miscellaneous Statistics - Last Ten Years.....	142
ZZ	Schedule of Insurance in Force - Current Year .....	143

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For the Last Ten Years

## STATEMENT OF NET ASSETS (1)

Fiscal Year	Net Assets					
	Investment in Capital Assets Net of Related Debt	Restricted for:			Unrestricted	Total Net Assets
		Debt Service	Authorized Construction, Net of Authorized Unissued Bonds			
2002-2003	\$ 347,683,735	\$ 17,791,262	\$ --	\$ 154,977,901	\$ 520,452,898	
2003-2004	325,639,068	10,732,112	945,856	162,920,900	500,237,936	
2004-2005	277,868,091	12,215,951	51,706,706	141,606,088	483,396,836	
2005-2006	401,914,125	5,799,233	11,703,334	78,079,515	497,496,207	
2006-2007	446,204,268	5,141,963	--	64,968,930	516,315,161	
2007-2008	459,600,531	2,709,623	20,687,437	69,279,340	552,276,931	
2008-2009	478,070,820	2,046,009	--	113,209,371	593,326,200	
2009-2010	488,771,145	2,051,689	4,886,817	118,466,786	614,176,437	
2010-2011	506,570,859	--	11,549,306	127,570,373	645,690,538	
2011-2012	538,847,164	--	--	140,397,923	679,245,087	

## Notes:

(1) GASB 54 implementation began in Fiscal Year 2010 - 2011.

For the Last Ten Years

## STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

	2003	2004	2005	2006	2007
<b>Program Expenses</b>					
District-wide activities:					
General administration	\$ 11,965,357	\$ 26,454,531	\$ 22,928,887	\$ 20,418,961	\$ 15,662,670
Instruction	357,948,970	380,596,221	434,474,069	435,822,328	478,651,589
Pupil transportation	15,316,591	16,219,676	16,390,472	17,181,490	18,002,836
Operation and maintenance of plant	18,379,710	19,298,372	21,441,868	23,980,926	28,460,380
Community services	1,949,296	2,193,218	1,602,248	716,982	1,243,907
Non-departmental	2,724,000	3,956,114	3,768,058	2,945,943	--
Food services	11,834,319	12,406,855	13,778,656	14,471,253	15,518,428
Construction and facility acquisition	160,838	--	449,333	625,117	674,062
Interest expense	30,491,745	43,244,987	32,823,838	37,248,152	34,012,953
Total district-wide expenses	<u>450,770,826</u>	<u>504,369,974</u>	<u>547,657,429</u>	<u>553,411,152</u>	<u>592,226,825</u>
<b>Program Revenues</b>					
District-wide activities:					
Charges for services					
General administration	(30,321)	8,445	7,292	8,473	83,209
Instruction	1,075,708	892,418	1,479,913	1,465,127	1,431,789
Pupil transportation	80,779	--	2,801	--	--
Operation and maintenance of plant	169,282	(462)	--	--	--
Community services	455,269	412,466	684,176	684,383	568,108
Non-departmental	(322,903)	28,742	83,125	83,147	--
Food services	5,365,654	5,546,012	5,294,513	5,250,367	4,977,713
Operating grants and contributions					
General administration	--	--	28,500	--	--
Instruction	39,974,345	45,274,462	48,258,380	48,176,314	47,202,793
Pupil transportation	16,874,909	17,019,454	17,048,940	17,317,199	17,082,693
Operation and maintenance of plant	849,212	199,017	666,671	862,668	362,868
Community services	253,478	124,705	23,198	6,866	422,052
Food services	6,762,893	7,228,153	7,670,607	8,579,320	9,246,111
Construction and facility acquisition	--	--	--	--	--
Capital grants and contributions					
Construction and facility acquisition	27,294,178	38,721,389	38,057,560	38,065,413	37,976,770
Total district-wide revenues	<u>98,802,483</u>	<u>115,454,801</u>	<u>119,305,676</u>	<u>120,499,277</u>	<u>119,354,106</u>
<b>Net expense</b>					
District-wide activities	<u>(351,968,343)</u>	<u>(388,915,173)</u>	<u>(428,351,753)</u>	<u>(432,911,875)</u>	<u>(472,872,719)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Unrestricted:					
Appropriation from					
Municipality of Anchorage	142,954,582	144,983,658	163,503,322	177,157,001	191,602,288
Investment income	3,531,249	2,320,920	4,693,350	6,747,140	7,862,943
Public School Funding Program	207,129,272	205,100,316	227,186,292	248,771,460	277,322,639
State Tuition Program	680,658	46,784	--	--	--
Aid for School Construction	--	--	--	--	--
School improvement grant	--	--	--	--	--
Energy relief	--	--	--	--	--
Federal Impact Aid	11,417,018	14,054,338	14,303,124	11,804,273	13,042,523
Proceeds from sale of assets	--	--	--	--	--
Other	2,070,559	2,194,195	1,824,565	2,531,372	1,861,280
Loss on sale of capital assets	(135,077)	--	--	--	--
Special and extraordinary items	--	--	--	--	--
Total general revenues, special and extraordinary items	<u>367,648,261</u>	<u>368,700,211</u>	<u>411,510,653</u>	<u>447,011,246</u>	<u>491,691,673</u>
Change in net assets	15,679,918	(20,214,962)	(16,841,100)	14,099,371	18,818,954
Net assets at beginning of year	504,772,980	520,452,898	500,237,936	483,396,836	497,496,207
Net assets at end of the year	<u>\$ 520,452,898</u>	<u>\$ 500,237,936</u>	<u>\$ 483,396,836</u>	<u>\$ 497,496,207</u>	<u>\$ 516,315,161</u>

For the Last Ten Years

## STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

	2008	2009	2010	2011	2012
<b>Program Expenses</b>					
District-wide activities:					
General administration	\$ 18,572,821	\$ 17,734,805	\$ 22,355,887	\$ 14,804,134	\$ 16,619,942
Instruction	572,761,690	588,836,769	627,204,202	670,615,868	675,765,006
Pupil transportation	20,087,773	19,580,050	20,013,352	20,304,158	21,785,259
Operation and maintenance of plant	29,996,382	30,863,209	31,171,887	34,814,864	34,377,691
Community services	856,785	988,897	987,202	1,042,966	4,110,522
Non-departmental	--	--	--	--	--
Food services	16,054,390	16,855,858	16,914,479	18,666,353	18,820,132
Construction and facility acquisition	241,710	513,472	--	--	--
Interest expense	36,773,707	36,393,199	35,284,867	33,201,590	30,201,617
Total district-wide expenses	<u>695,345,258</u>	<u>711,766,259</u>	<u>753,931,876</u>	<u>793,449,933</u>	<u>801,680,169</u>
<b>Program Revenues</b>					
District-wide activities:					
Charges for services					
General administration	16,770	19,604	19,139	4,531	6,008
Instruction	1,752,350	1,606,288	1,612,977	4,004,871	1,984,242
Pupil transportation	--	--	--	--	--
Operation and maintenance of plant	--	(2,553)	(3,404)	--	--
Community services	849,453	580,448	658,036	770,435	734,693
Non-departmental	--	--	--	--	--
Food services	5,081,541	4,911,270	4,469,455	3,902,383	3,354,879
Operating grants and contributions					
General administration	750,813	925,219	464,438	134,560	227,555
Instruction	139,878,408	126,529,115	132,107,431	161,861,300	165,895,621
Pupil transportation	17,249,338	18,645,611	19,740,997	19,796,188	21,169,073
Operation and maintenance of plant	3,097,712	3,186,546	2,363,241	1,948,927	2,304,852
Community services	101,188	77,725	37,494	9,496	14,961
Food services	10,140,621	11,627,527	12,790,612	13,795,005	14,751,122
Construction and facility acquisition	213,047	297,924	--	--	--
Capital grants and contributions					
Construction and facility acquisition	41,082,316	46,810,987	47,466,227	46,117,714	45,937,003
Total district-wide revenues	<u>220,213,557</u>	<u>215,215,711</u>	<u>221,726,643</u>	<u>252,345,410</u>	<u>256,380,009</u>
<b>Net expenses</b>					
District-wide activities	<u>(475,131,701)</u>	<u>(496,550,548)</u>	<u>(532,205,233)</u>	<u>(541,104,523)</u>	<u>(545,300,160)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Unrestricted:					
Appropriation from					
Municipality of Anchorage	206,359,861	217,971,708	232,947,582	234,759,972	237,587,445
Investment income	8,523,023	3,148,355	5,552,323	2,376,959	1,446,162
Public School Funding Program	264,718,683	281,733,376	295,483,681	310,300,774	311,645,866
State Tuition Program	--	--	--	--	--
Aid for School Construction	--	--	--	--	--
School improvement grant	7,890,604	--	--	--	--
Energy relief	6,656,602	--	--	--	--
Federal Impact Aid	14,150,178	15,333,815	17,952,860	23,992,347	20,166,071
Proceeds from sale of assets	--	12,982	--	--	--
Other	2,794,520	1,817,444	1,119,024	1,188,572	8,009,165
Loss on sale of capital assets	--	--	--	--	--
Special and extraordinary items	--	17,582,137	--	--	--
Total general revenues, special and extraordinary items	<u>511,093,471</u>	<u>537,599,817</u>	<u>553,055,470</u>	<u>572,618,624</u>	<u>578,854,709</u>
Change in net assets	35,961,770	41,049,269	20,850,237	31,514,101	33,554,549
Net assets at beginning of year	516,315,161	552,276,931	593,326,200	614,176,437	645,690,538
Net assets at end of the year	<u>\$ 552,276,931</u>	<u>\$ 593,326,200</u>	<u>\$ 614,176,437</u>	<u>\$ 645,690,538</u>	<u>\$ 679,245,087</u>

For the Last Ten Years

**FUND BALANCE, GOVERNMENTAL FUNDS (1)**

	2003	2004	2005	2006	2007
General Fund					
Fund balances:					
Nonspendable	\$ 3,143,645	\$ 3,539,837	\$ 4,070,362	\$ 3,794,381	\$ 5,420,392
Restricted	325,839	359,667	376,044	306,045	16,769,336
Committed	6,577,773	6,706,442	6,826,898	7,001,948	7,449,350
Assigned	35,108,937	31,272,867	44,954,471	43,222,834	47,691,577
Unassigned	26,664,508	27,989,871	21,878,326	29,350,831	34,468,976
Total General Fund	<u>\$ 71,820,702</u>	<u>\$ 69,868,684</u>	<u>\$ 78,106,101</u>	<u>\$ 83,676,039</u>	<u>\$ 111,799,631</u>
All Other Governmental Funds					
Fund balances:					
Nonspendable	\$ 14,702,809	\$ 575,139	\$ 742,917	\$ 801,056	\$ 1,558,594
Restricted	--	945,856	51,706,706	11,703,334	--
Committed	103,121,735	126,323,029	115,167,706	48,211,254	67,657,802
Assigned	4,153,536	4,883,722	4,751,145	4,451,470	3,244,663
Unassigned	(5,313)	(13,209)	(570)	(33,636)	(29,827)
Total all other government funds	<u>\$ 121,972,767</u>	<u>\$ 132,714,537</u>	<u>\$ 172,367,904</u>	<u>\$ 65,133,478</u>	<u>\$ 72,431,232</u>

## Notes:

(1) Fund balances have been restated to conform to GASB 54 for fiscal year 2010 and prior.

For the Last Ten Years

**FUND BALANCE, GOVERNMENTAL FUNDS (1)**

	2008	2009	2010	2011	2012
General Fund					
Fund balances:					
Nonspendable	\$ 10,192,198	\$ 12,522,607	\$ 11,741,766	\$ 10,812,950	\$ 12,758,325
Restricted	17,883,043	18,967,267	19,833,195	19,902,748	24,327,135
Committed	7,936,952	8,380,055	8,878,554	13,879,315	11,888,710
Assigned	59,224,835	55,861,747	61,234,068	61,267,642	57,489,859
Unassigned	24,442,307	23,509,451	25,928,239	24,798,698	23,677,394
Total General Fund	<u>\$ 119,679,335</u>	<u>\$ 119,241,127</u>	<u>\$ 127,615,822</u>	<u>\$ 130,661,353</u>	<u>\$ 130,141,423</u>
All Other Governmental Funds					
Fund balances:					
Nonspendable	\$ 917,461	\$ 933,685	\$ 780,478	\$ 763,583	\$ 1,118,708
Restricted	20,585,681	--	4,886,817	21,999,677	--
Committed	63,864,798	59,010,765	25,114,506	2,604,983	16,266,414
Assigned	4,495,510	4,741,443	5,636,154	5,774,180	5,388,538
Unassigned	(16,159)	(54,155)	(20,500)	(13,463)	(48,001)
Total all other government funds	<u>\$ 89,847,291</u>	<u>\$ 64,631,738</u>	<u>\$ 36,397,455</u>	<u>\$ 31,128,960</u>	<u>\$ 22,725,659</u>

## Notes:

(1) Fund balances have been restated to conform to GASB 54 for fiscal year 2010 and prior.

For the Last Ten Years

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS (1)**

	2003	2004	2005	2006	2007
<b>Revenues:</b>					
Local sources	\$ 160,774,444	\$ 161,768,902	\$ 183,978,564	\$ 199,358,932	\$ 214,888,704
State sources	255,345,978	263,485,503	284,773,761	305,979,143	335,377,434
Federal sources	49,907,518	58,290,973	61,192,088	61,318,187	60,491,468
<b>Total revenues</b>	<b>466,027,940</b>	<b>483,545,378</b>	<b>529,944,413</b>	<b>566,656,262</b>	<b>610,757,606</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General administration	9,648,338	9,516,769	10,270,182	10,962,994	11,769,210
Instruction	338,395,756	358,265,412	384,216,850	418,150,467	447,887,180
Pupil transportation	15,447,724	15,356,917	15,774,086	16,303,868	17,236,133
Operation and maintenance of plant	20,171,027	19,015,616	21,267,797	22,962,874	24,697,997
Community services	1,839,752	2,068,659	1,514,088	688,032	790,222
Non-departmental	2,724,000	3,956,112	3,763,972	2,940,084	3,480,038
Food services	11,763,298	12,033,209	13,217,128	13,997,995	15,112,931
<b>Debt service:</b>					
Principal	24,750,163	28,745,000	34,760,000	39,035,000	39,870,000
Interest	26,311,060	32,290,960	34,214,001	37,525,701	35,021,935
Fiscal agent fees	9,991	9,322	9,579	13,506	11,578
<b>Bond issuance cost</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>425,618</b>
<b>Capital outlays</b>	<b>114,065,315</b>	<b>121,896,066</b>	<b>120,638,291</b>	<b>105,820,823</b>	<b>45,593,411</b>
<b>Total expenditures</b>	<b>565,126,424</b>	<b>603,154,042</b>	<b>639,645,974</b>	<b>668,401,344</b>	<b>641,896,253</b>
<b>Deficiency of revenues over expenditures</b>	<b>(99,098,484)</b>	<b>(119,608,664)</b>	<b>(109,701,561)</b>	<b>(101,745,082)</b>	<b>(31,138,647)</b>
<b>Other financing sources (uses):</b>					
Proceeds from sale of property and equipment	15,882	23,748	25,405	65,320	42,904
Issuance of general obligation bonds	--	126,770,000	150,090,000	--	48,495,000
Premium on issuance of general obligation bonds	--	1,421,741	7,507,226	--	1,152,350
Issuance of refunding bonds	--	--	109,930,938	14,790,000	251,745,000
Premium on issuance of refunding bonds	--	--	11,178,973	1,561,914	13,906,249
Payment to refunded bond escrow agent	--	--	(121,068,973)	(16,330,730)	(265,651,249)
Transfers in	859,711	777,009	6,081,461	242,978	894,501
Transfers out	(859,711)	(777,009)	(6,081,461)	(242,978)	(1,094,501)
<b>Total other financing sources</b>	<b>15,882</b>	<b>128,215,489</b>	<b>157,663,569</b>	<b>86,504</b>	<b>49,490,254</b>
<b>Net change in fund balances</b>	<b>\$ (99,082,602)</b>	<b>\$ 8,606,825</b>	<b>\$ 47,962,008</b>	<b>\$ (101,658,578)</b>	<b>\$ 18,351,607</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>11.3%</b>	<b>12.7%</b>	<b>13.3%</b>	<b>13.6%</b>	<b>12.6%</b>

## Notes:

(1) Includes General, Special Revenue, Debt Service, and Capital Projects; excludes Internal Service Funds.

For the Last Ten Years

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS (1)**

	2008	2009	2010	2011	2012
<b>Revenues:</b>					
Local sources	\$ 233,669,852	\$ 240,046,875	\$ 256,186,939	\$ 253,899,166	\$ 256,897,674
State sources	434,882,555	428,811,942	428,035,882	452,943,504	483,049,363
Federal sources	62,409,670	66,255,684	90,054,656	115,379,897	94,387,908
<b>Total revenues</b>	<b>730,962,077</b>	<b>735,114,501</b>	<b>774,277,477</b>	<b>822,222,567</b>	<b>834,334,945</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General administration	19,239,207	17,674,860	16,065,662	16,788,549	18,477,848
Instruction	536,523,214	555,944,309	590,336,062	626,655,789	641,085,698
Pupil transportation	18,982,195	19,234,255	20,137,537	20,239,375	22,430,878
Operation and maintenance of plant	26,772,621	27,357,834	27,528,957	30,785,534	30,203,145
Community services	840,031	951,649	976,725	1,033,794	3,994,445
Non-departmental	3,144,562	3,436,400	3,851,645	4,384,847	2,993,960
Food services	15,693,492	16,594,195	16,694,742	18,017,232	18,615,420
<b>Debt service:</b>					
Principal	44,080,000	46,630,000	49,520,000	52,475,000	54,875,000
Interest	35,884,852	37,270,931	36,372,658	35,001,212	31,722,282
Fiscal agent fees	11,605	10,648	11,208	9,708	9,403
<b>Bond issuance cost</b>	<b>119,483</b>	<b>219,481</b>	<b>134,674</b>	<b>174,096</b>	<b>16,213</b>
<b>Capital outlays</b>	<b>52,526,056</b>	<b>61,518,088</b>	<b>52,681,236</b>	<b>23,711,546</b>	<b>16,345,054</b>
<b>Total expenditures</b>	<b>753,817,318</b>	<b>786,842,650</b>	<b>814,311,106</b>	<b>829,276,682</b>	<b>840,769,346</b>
<b>Deficiency of revenues over expenditures</b>	<b>(22,855,241)</b>	<b>(51,728,149)</b>	<b>(40,033,629)</b>	<b>(7,054,115)</b>	<b>(6,434,401)</b>
<b>Other financing sources (uses):</b>					
Proceeds from sale of property and equipment	51,531	11,127	634	10,360	--
Issuance of general obligation bonds	63,790,000	29,840,000	20,025,000	4,940,000	--
Premium on issuance of general obligation bonds	1,335,234	395,335	136,396	97,062	--
Issuance of refunding bonds	--	--	--	28,310,000	--
Premium on issuance of refunding bonds	--	--	--	2,305,196	--
Payment to refunded bond escrow agent	--	--	--	(30,455,857)	--
Transfers in	1,298,003	342,889	13,734	9,031,500	6,095
Transfers out	(1,898,003)	(4,514,963)	(1,723)	(9,407,110)	(2,494,925)
<b>Total other financing sources</b>	<b>64,576,765</b>	<b>26,074,388</b>	<b>20,174,041</b>	<b>4,831,151</b>	<b>(2,488,830)</b>
<b>Net change in fund balances</b>	<b>\$ 41,721,524</b>	<b>\$ (25,653,761)</b>	<b>\$ (19,859,588)</b>	<b>\$ (2,222,964)</b>	<b>\$ (8,923,231)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>11.4%</b>	<b>11.6%</b>	<b>11.3%</b>	<b>10.9%</b>	<b>10.5%</b>

## Notes:

(1) Includes General, Special Revenue, Debt Service, and Capital Projects; excludes Internal Service Funds.

Last Ten Years

**GOVERNMENT-WIDE  
EXPENSES BY FUNCTION (1)**

Fiscal Year	General Administration (1)	Instruction (1)	Pupil Transportation	Operation and Maintenance of Plant	Community Services	Non Departmental	Food Services	Construction and Facility Acquisition	Interest Expense	Total
2002-2003	\$ 11,965,357	\$ 357,948,970	\$ 15,316,591	18,379,710	\$ 1,949,296	\$ 2,724,000	\$ 11,834,319	\$ 160,838	\$ 30,491,745	\$ 450,770,826
2003-2004	26,454,531	380,596,221	16,219,676	19,298,372	2,193,218	3,956,114	12,406,855	--	43,244,987	504,369,974
2004-2005	22,928,887	434,474,069	16,390,472	21,441,868	1,602,248	3,768,058	13,778,656	449,333	32,823,838	547,657,429
2005-2006	20,353,566	436,049,020	17,181,490	26,765,582	716,982	--	14,471,253	625,117	37,248,152	553,411,162
2006-2007	15,662,670	478,651,589	18,002,836	28,460,380	1,243,907	--	15,518,428	674,062	34,012,953	592,226,825
2007-2008	18,572,821	572,761,690	20,087,773	29,996,382	856,785	--	16,054,390	241,710	36,773,707	695,345,258
2008-2009	17,734,805	588,836,769	19,580,050	30,863,209	988,897	--	16,855,858	513,472	36,393,199	711,766,259
2009-2010	22,355,887	627,333,164	20,013,352	31,171,887	987,202	--	16,914,479	--	35,284,867	754,060,838
2010-2011	14,804,134	670,615,868	20,304,158	34,814,864	1,042,966	--	18,666,353	--	33,201,590	793,449,933
2011-2012	16,619,942	675,765,006	21,785,259	34,377,691	4,110,522	--	18,820,132	--	30,201,617	801,680,169

## Notes:

(1) Includes loss on disposal of capital assets as follows:

Fiscal Year	Function	Loss on Disposal of Capital Assets
2002-2003	N/A	\$ --
2003-2004	General Administration	16,648,548
2004-2005	General Administration	11,778,953
2005-2006	General Administration	8,448,099
2006-2007	General Administration	3,342,264
2007-2008	General Administration	5,485,017
2008-2009	General Administration	3,988,190
2009-2010	General Administration	8,652,636
2010-2011	Instruction	8,524,769
2011-2012	Instruction	5,526,884

Last Ten Years

**GOVERNMENT-WIDE  
REVENUES BY TYPE**

Fiscal Year	Program Revenues				Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
2002-2003	\$ 6,793,468	\$ 64,714,837	\$ 27,294,178		\$ 98,802,483
2003-2004	6,887,621	69,845,791	38,721,389		115,454,801
2004-2005	7,551,820	73,696,296	38,057,560		119,305,676
2005-2006	7,491,497	74,942,367	38,065,413		120,499,277
2006-2007	7,060,819	74,316,517	37,976,770		119,354,106
2007-2008	7,700,114	171,431,127	41,082,316		220,213,557
2008-2009	7,115,057	161,289,667	46,810,987		215,215,711
2009-2010	6,756,203	167,633,175	47,466,227		221,855,605
2010-2011	8,682,220	197,545,476	46,117,714		252,345,410
2011-2012	6,079,822	204,363,184	45,937,003		256,380,009

Fiscal Year	General Revenues							Total
	Appropriation from Municipality of Anchorage	Investment Income	Public School Funding Program	State Tuition Program	Federal Impact Aid	Other		
2002-2003	\$ 142,954,582	\$ 3,531,249	\$ 207,129,272	\$ 680,658	\$ 11,417,018	\$ 2,070,559	\$ 367,783,338	
2003-2004	144,983,658	2,320,920	205,100,316	46,784	14,054,338	2,194,195	368,700,211	
2004-2005	163,503,322	4,693,350	227,186,292	--	14,303,124	1,824,565	411,510,653	
2005-2006	177,157,001	6,747,140	248,771,460	--	11,804,273	2,531,372	447,011,246	
2006-2007	191,602,288	7,862,943	273,377,337	--	13,042,523	5,806,582	491,691,673	
2007-2008	206,359,861	8,523,023	264,718,683	--	14,150,178	17,341,726	511,093,471	
2008-2009	217,971,708	3,148,355	281,733,376	--	15,333,815	19,412,563	537,599,817	
2009-2010	232,947,582	5,552,323	295,483,681	--	17,952,860	1,119,024	553,055,470	
2010-2011	234,759,972	2,376,959	310,300,774	--	23,992,347	1,188,572	572,618,624	
2011-2012	237,587,445	1,446,162	311,645,866	--	20,166,071	8,009,165	578,854,709	

For the Last Ten Years | **GENERAL EXPENDITURES  
BY FUNCTION (1)**

Fiscal Year	General Administration	Instruction	Pupil Transportation	Operation and Maintenance of Plant	Community Services	Non Departmental	Food Services	Debt Service	Total (2)
2002-2003	\$ 9,648,338	\$ 338,395,756	\$ 15,447,724	\$ 20,171,027	\$ 1,839,752	\$ 2,724,000	\$ 11,763,298	\$ 51,071,214	\$ 451,061,109
2003-2004	9,516,769	358,265,412	15,356,917	19,015,616	2,068,659	3,956,112	12,033,209	61,045,282	481,257,976
2004-2005	10,270,182	384,216,850	15,774,086	21,267,797	1,514,088	3,763,972	13,217,128	68,983,580	519,007,683
2005-2006	10,962,994	418,150,467	16,303,868	22,962,874	688,032	2,940,084	13,997,995	76,574,207	562,580,521
2006-2007	11,769,210	447,887,180	17,236,133	24,697,997	790,222	3,480,038	15,112,931	74,903,513	595,877,224
2007-2008	19,239,207	536,523,214	18,982,195	26,772,621	840,031	3,144,562	15,693,492	79,976,458	701,171,780
2008-2009	17,674,860	555,944,308	19,234,255	27,357,834	951,649	3,436,400	16,594,195	83,911,579	725,105,080
2009-2010	16,065,662	590,336,062	20,137,537	27,528,957	976,725	3,851,645	16,694,742	85,903,866	761,495,196
2010-2011	16,788,549	626,655,789	20,239,375	30,785,534	1,033,794	4,384,847	18,017,232	87,645,259	805,550,379
2011-2012	18,477,848	641,085,698	22,430,878	30,203,145	3,994,445	2,993,960	18,615,420	86,606,685	824,408,079

## Notes:

- (1) Includes General, Special Revenue, and Debt Service Funds; excludes Capital Projects Fund.  
(2) For comparative analysis transfers have not been included.

For the Last Ten Years

**GENERAL REVENUES BY SOURCE (1)**

<u>Fiscal Year</u>	<u>Local Sources</u>	<u>State Sources</u>	<u>Federal Sources</u>	<u>Total (2)</u>
2002-2003	\$ 158,077,867	\$ 250,993,537	\$ 49,907,518	\$ 458,978,922
2003-2004	159,936,428	254,775,072	57,373,253	472,084,753
2004-2005	180,891,401	280,960,065	60,793,473	522,644,939
2005-2006	195,905,548	304,908,978	60,711,533	561,526,059
2006-2007	211,118,561	334,381,044	60,124,838	605,624,443
2007-2008	228,551,829	434,028,791	61,864,635	724,445,255
2008-2009	237,534,125	425,548,573	65,203,075	728,285,773
2009-2010	255,230,975	425,783,030	89,594,070	770,608,075
2010-2011	254,313,179	450,344,820	113,428,143	818,086,142
2011-2012	255,891,995	478,489,890	91,487,261	825,869,146

## Notes:

(1) Includes General, Special Revenue, and Debt Service Funds; excludes Capital Projects Fund.

(2) For comparative analysis transfers and lapsing prior year encumbrances have not been included.

For the Last Ten Years

**ASSESSED AND ACTUAL VALUE  
OF TAXABLE PROPERTY (1)**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total Estimated Actual Value of Taxable Property</u>	<u>Areawide Tax Rate (mills)</u>
2002	\$ 15,222,751,959	\$ 1,876,558,473	\$ 17,099,310,432	9.37
2003	17,225,701,316	1,854,219,932	19,079,921,248	8.87
2004	18,884,219,903	1,843,145,621	20,727,365,524	8.36
2005	20,181,488,078	1,908,057,825	22,089,545,903	8.23
2006	23,665,390,223	2,178,724,534	25,844,114,757	7.59
2007	26,710,032,138	2,559,073,381	29,269,105,519	7.02
2008	28,173,397,139	2,407,424,007	30,580,821,146	7.31
2009	28,633,930,448	2,819,418,266	31,453,348,714	7.67
2010	28,521,355,812	2,942,321,080	31,463,676,892	7.89
2011	28,830,148,824	2,766,391,727	31,596,540,551	7.61

## Notes:

(1) Information furnished by the Municipality of Anchorage which reports on a fiscal year ending December 31.

For the Last Ten Years

**PROPERTY TAX RATES AND TAX LEVIES  
DIRECT AND OVERLAPPING GOVERNMENTS  
SERVICE FUNDS (1)**

	<b>TAX RATES (IN MILLS)</b>									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Area Wide:										
Municipality of Anchorage	0.09	0.45	0.49	0.37	0.23	0.46	0.64	1.10	1.50	1.56
Anchorage School District	7.52	7.44	7.18	6.94	6.79	7.13	7.59	7.26	7.37	7.81
Property Tax Credit	--	--	(0.57)	(0.51)	--	--	--	--	--	--
Total Areawide	7.61	7.89	7.1	6.8	7.02	7.59	8.23	8.36	8.87	9.37
Former City Service Area	--	--	--	--	.02	.02	.01	.02	--	.02
Chugiak Service Area	0.97	0.96	0.97	0.99	1	0.91	1.00	0.89	0.88	0.99
Glen Alps Service Area	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.25	2.47
Girdwood Service Area	3.68	3.87	3.83	3.03	4	3.97	3.47	3.47	3.39	3.25
Former Borough Roads & Drainage Service Area	--	--	--	--	--	--	--	--	--	--
Anchorage Fire Service Area	2.09	1.83	1.75	1.77	1.73	1.76	1.97	1.87	1.64	1.68
Roads & Drainage Service Area	2.46	2.13	2.77	2.6	2.59	2.80	2.75	2.90	3.10	2.97
Limited Road Service Areas	1.33	1.33	1.32	1.3	1.28	1.21	1.31	1.26	0.99	1.29
Anchorage Police Service Area	2.70	2.67	2.61	2.56	2.6	2.57	2.71	2.37	2.25	2.39
Parks & Recreation Service Area	0.62	0.66	0.7	0.65	0.6	.56	.62	.68	.74	.73
Building Safety Service Area	--	--	--	--	--	--	--	--	.01	.01
Chugiak/Eagle River Recreational Facilities Service Area	0.90	0.091	1.05	1.08	1.11	1.13	1.17	1.18	.69	.69

## Notes:

(1) Information furnished by the Municipality of Anchorage which reports on a fiscal year ending December 31.

Current Year  
and Nine Years Ago

## PRINCIPAL PROPERTY TAXPAYERS

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
ACS of Anchorage, Inc.	\$ 228,540,503	1	0.72 %	\$ 243,564,079	1	1.4 %
G.C.I. Communications Corp.	173,920,952	2	0.55	64,428,857	9	0.37
Calais Company, Inc.	155,443,955	3	0.49			
Enstar Natural Gas Company	138,606,773	4	0.44			
Fred Meyer Stores Inc.	138,039,383	5	0.44	84,465,980	2	0.49
B.P. Exploration (Alaska) Inc.	124,427,164	6	0.39			
Galen Hospital Alaska, Inc.	121,011,739	7	0.38	84,438,914	3	0.49
WEC 2000A-Alaska L.L.C.	100,950,276	8	0.32	66,384,700	8	0.38
Hickel Investment Company	93,730,331	9	0.30	63,808,002	10	0.37
Anchorage Fueling & Service Co.	87,758,631	10	0.28			
AT & T Alascom				83,960,232	4	0.48
Wal-mart Real Estate Business				79,163,115	5	0.46
CGF Properties				70,904,003	6	0.41
Federal Express Corp.				68,430,884	7	0.39
	<u>\$ 1,362,429,707</u>		4.31 %	<u>\$ 909,548,766</u>		5.24 %

## Notes:

(1) Information furnished by the Municipality of Anchorage which reports on a fiscal year ending December 31.

For the Last Ten Years

## PROPERTY TAX LEVIES AND COLLECTIONS (1)(2)

Fiscal Year	Total Tax Levy	Cash Collections on Tax Levy	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2002	\$ 299,084,667	\$ 298,771,844	99.9 %	\$ 312,023	\$ 299,083,867	100.0 %	\$ 800	0.0 %
2003	315,403,940	311,915,068	98.9	3,488,067	315,403,135	100.0	805	0.0
2004	337,190,170	325,033,543	96.4	12,148,945	337,182,488	100.0	7,682	0.0
2005	357,895,662	353,993,904	98.9	3,898,496	357,892,400	100.0	3,262	0.0
2006	398,955,490	389,483,559	97.6	9,426,598	398,910,157	100.0	45,333	0.0
2007	386,615,505	378,829,566	98.0	7,567,497	386,397,063	99.9	218,442	0.0
2008	438,158,786	430,346,262	98.2	7,442,635	437,788,897	99.9	369,889	0.0
2009	463,732,284	454,799,895	98.1	8,490,229	463,290,124	99.5	442,160	0.0
2010	475,771,921	470,361,847	98.9	2,876,097	473,237,944	99.5	2,533,977	0.1
2011	477,009,470	469,380,315	98.4	--	469,380,315	98.4	7,629,155	0.0

## Notes:

- (1) Information furnished by the Municipality of Anchorage which reports on a fiscal year ending December 31.
- (2) Prior years totals have been adjusted for additional collection of delinquent taxes.

For the Last Ten Years

**RATIO OF NET GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT  
PER CAPITA AND PER STUDENT**

Fiscal Year	Population (1)	Average Daily Membership K-12 and Special Ed (2)	Assessed Valuation (3)	Gross Bonded Debt (4)	Debt Service Monies Available	Net Bonded Debt	Total Personal Income	Ratio of Total Outstanding Debt to Personal Income	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita	Net Bonded Debt Per Student
2002-2003	269,070	49,545	\$ 17,335,768,455	\$ 583,225,000	17,791,262	\$ 565,433,738	\$ 9,955,052	58.6 %	3.3 %	\$ 2,101	\$ 11,413
2003-2004	274,003	49,265	19,079,921,248	681,250,000	10,732,112	670,517,888	10,222,230	66.6	3.5	2,447	13,610
2004-2005	277,498	49,182	20,727,365,524	797,855,000	12,215,951	785,639,049	10,879,587	73.3	3.8	2,831	15,974
2005-2006	278,241	49,320	22,343,272,432	758,210,000	5,799,233	752,410,767	11,553,123	65.6	3.4	2,704	15,256
2006-2007	282,813	48,707	25,844,114,757	769,665,000	5,141,963	764,523,037	12,431,611	61.9	3.0	2,703	15,696
2007-2008	283,823	48,144	29,269,105,519	789,375,000	2,709,624	786,665,376	13,124,827	60.1	2.7	2,772	16,340
2008-2009	284,994	48,227	30,580,821,146	772,585,000	2,046,009	770,538,991	14,464,870	53.4	2.5	2,704	15,977
2009-2010	290,588	49,061	31,453,348,714	743,090,000	2,051,689	741,038,311	13,768,350	54.0	2.4	2,550	15,104
2010-2011	291,826	48,613	31,463,676,892	694,955,000	2,136,337	692,818,663	14,483,033	48.0	2.2	2,374	14,252
2011-2012	296,197	48,422	31,596,540,551	640,120,000	1,709,552	638,410,448	14,969,796	42.8	2.0	2,155	13,184

## Notes:

- (1) Approved by Municipality of Anchorage and Alaska Department of Community and Regional Affairs.
- (2) Average daily membership includes half-day kindergarten program reported at one-half time.
- (3) Assessed valuation restated to reflect actual assessed valuation received from the Municipality of Anchorage rather than the estimated amount used at time of mill rate determination.
- (4) Gross bonded debt is composed of General Obligation Bonds.

June 30, 2011

**COMPUTATION OF DIRECT  
AND OVERLAPPING DEBT (1), AND  
LEGAL DEBT MARGIN (2)**

	<u>Net Debt Outstanding</u>	<u>Percentage Applicable To</u>	<u>Amount Applicable To</u>
Overlapping Municipality of Anchorage	\$ 622,975,544	100 %	\$ 622,975,544
Direct: Anchorage School District	640,120,000	100	<u>640,120,000</u>
			<u><u>\$ 1,263,095,544</u></u>

## Notes:

- (1) Information furnished by the Municipality of Anchorage.
- (2) The Municipality of Anchorage has no legal debt limit mandated by the Municipal Charter, Code or State Law.

**RATIO OF ANNUAL DEBT SERVICE  
EXPENDITURES FOR GENERAL BONDED  
DEBT TO TOTAL GENERAL EXPENDITURES**

For the Last Ten Years

Fiscal Year	Principal	Interest	Fees	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures (Percent)
2002-2003	\$ 24,715,000	\$ 26,308,651	\$ 9,991	\$ 51,033,642	\$ 451,061,109	11.3 %
2003-2004	28,745,000	32,290,960	9,322	61,045,282	481,257,976	12.7
2004-2005	34,760,000	34,214,001	9,579	68,983,580	519,007,683	13.3
2005-2006	39,035,000	37,525,701	13,506	76,574,207	562,580,521	13.6
2006-2007	39,870,000	35,021,935	11,578	74,903,513	595,877,224	12.6
2007-2008	44,080,000	35,884,852	11,606	79,976,458	701,171,780	11.4
2008-2009	46,630,000	37,270,931	10,648	83,911,579	725,105,081	11.6
2009-2010	49,520,000	36,372,658	11,208	85,903,866	761,495,196	11.3
2010-2011	52,475,000	35,001,212	9,708	87,485,920	805,550,379	10.9
2011-2012	54,875,000	31,722,282	9,403	86,606,685	824,408,079	10.5

## Notes:

(1) Includes General, Special Revenue, and Debt Service Funds; excludes Capital Projects Fund

<u>Fiscal Year (1)</u>	<u>Population (2)</u>	<u>Per Capita Personal Income(1)</u>	<u>Total Personal Income(1)</u>	<u>Average Daily Membership Grades K-12 and Special Education (3)</u>	<u>Unemployment Rate (4)</u>
2002	269,070	\$ 36,998	\$ 9,955,052	49,545	5 %
2003	274,003	37,307	10,222,230	49,265	6
2004	277,498	39,206	10,879,587	49,182	6
2005	278,241	41,522	11,553,123	49,320	5
2006	282,813	43,957	12,431,611	48,707	6
2007	283,823	46,243	13,124,827	48,144	6
2008	284,994	50,755	14,464,870	48,227	6
2009	290,588	47,381	13,765,350	49,061	7
2010	291,826	49,629	14,483,033	48,613	7
2011	296,197	50,540	14,969,796	48,422	6

Notes:

- (1) Information furnished by the Municipality of Anchorage which reports on a fiscal year ending December 31.
- (2) Approved by Municipality of Anchorage and Alaska Department of Labor.
- (3) Average daily membership includes half-day kindergarten program reported at one-half time.
- (4) Alaska State Department of Labor.

Current Year  
and Nine Years Ago

**PRINCIPAL EMPLOYERS (1) (2) (3)**

Employer	2010(4)			2001(4)		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
U.S. Uniformed military	22,796	1	6.77 %	17,802	1	5.97 %
State of Alaska	18,337	2	5.44	16,152	3	5.42
Federal Civilians	17,535	3	5.21			
University of Alaska	7,579	4	2.25	6,344	4	2.13
Anchorage School District	7,157	5	2.12	6,293	5	2.11
Providence Health & Services	4,000	6	1.19			
Wal-Mart/Sam's Club	3,249	7	0.97	2,178	10	0.73
Carrs/Safeway	2,999	8	0.89			
Municipality of Anchorage	2,846	9	0.85	2,950	8	0.99
Fred Meyer	2,749	10	0.82	2,262	9	0.76
Federal Government				16,800	2	5.63
Providence Health System in Alaska				3,369	6	1.13
Safeway Stores / Carrs				3,252	7	1.09
	<u>89,247</u>		26.51 %	<u>77,402</u>		25.96 %

Notes:

- (1) The State of Alaska no longer collects or distributes this information; current information is unavailable, prior year information is provided.
- (2) Information furnished from State of Alaska Department of Labor and Workforce Development.
- (3) Data presented is statewide; as information is not available at the city level.
- (4) Data presented is current, as information is collected by calendar year only.

For the Last Ten Years

## AVERAGE GENERAL EXPENDITURES PER PUPIL

<u>Fiscal Year</u>	<u>Total General Expenditures (1)</u>	<u>General Expenditures Percentage Increase Over Prior Year</u>	<u>Average Daily Membership Grades K-12 and Special Education (2)</u>	<u>General Expenditures Per Student Capita</u>	<u>General Expenditures per Student Capita Percentage Increase Over Prior Year</u>
2002-2003	\$ 451,061,109	3.07 %	49,545	\$ 9,104	2.45 %
2003-2004	481,257,976	6.69	49,265	9,769	7.30
2004-2005	519,007,683	7.84	49,182	10,553	8.03
2005-2006	562,580,521	8.40	49,320	11,407	8.09
2006-2007	595,877,224	5.92	48,707	12,234	7.25
2007-2008	701,171,780	17.67	48,144	14,564	19.05
2008-2009	725,105,080	3.41	48,227	15,035	3.24
2009-2010	761,495,196	5.02	49,061	15,521	3.23
2010-2011	805,550,379	5.79	48,613	16,571	6.76
2011-2012	824,408,079	2.34	48,422	17,025	2.74

## Notes:

- (1) Includes General, Special Revenue and Debt Service Funds: excludes Capital Projects Fund.  
(2) Average daily membership includes half-day kindergarten program reported at one half time.

**AVERAGE DAILY MEMBERSHIP AS COMPARED  
TO ASSESSED VALUATION SHOWING ASSESSED  
VALUATION SUPPORT PER STUDENT**

For the Last Ten Years

Fiscal Year	Average Daily Membership Grades K-12 and Special Education (1)	Average Daily Membership Percentage Increase (Decrease) Over Prior Year	Assessed Valuation (2)	Assessed Valuation Percentage Increase Over Prior Year	Assessed Valuation Support Per Student
2002-2003	49,545	0.80 %	\$ 17,335,768,455	4.85 %	\$ 349,899
2003-2004	49,265	(0.57)	19,079,921,248	10.06	387,292
2004-2005	49,182	(0.17)	20,727,365,524	8.63	421,442
2005-2006	49,320	0.28	22,343,272,432	7.80	453,027
2006-2007	48,707	(1.24)	25,844,114,757	15.67	530,604
2007-2008	48,144	(1.16)	29,269,105,519	13.25	607,949
2008-2009	48,227	0.17	30,580,821,146	4.48	634,102
2009-2010	49,061	1.73	31,453,348,714	2.85	641,107
2010-2011	48,613	(0.91)	31,463,676,892	0.03	647,228
2011-2012	48,422	(0.39)	31,596,540,551	0.42	652,524

## Notes:

- (1) Average daily membership includes half-day kindergarten program reported at one-half time.
- (2) Assessed valuation restated to reflect actual assessed valuation furnished by the Municipality of Anchorage rather than the estimated amount used at time of mill rate determination.

For the Last Ten Years

**AUTHORIZED POSITIONS BY CATEGORY  
GENERAL OPERATIONS (1)(2)**

Employee Category	Fiscal Year				
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Administration	151	157	157	159	145
Principals	130	135	138	144	144
Teachers	3,236	3,221	3,223	3,240	3,240
Technical	154	169	180	182	183
Clerical and teacher aides	899	917	917	1,005	1,000
Maintenance/warehouse	184	186	191	198	183
Custodial	329	329	341	354	353
Drivers/attendants	111	111	104	105	105
Noon attendants	74	74	74	74	74
Food service	<u>168</u>	<u>175</u>	<u>190</u>	<u>197</u>	<u>200</u>
Total authorized positions	<u>5,436</u>	<u>5,474</u>	<u>5,515</u>	<u>5,658</u>	<u>5,627</u>
Employee Category	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Administration	189	190	202	197	186
Principals	149	151	151	149	149
Teachers	3,305	3,315	3,353	3,386	3,318
Technical	179	197	205	209	231
Clerical and teacher aides	1,030	1,089	1,118	1,136	1,135
Maintenance/warehouse	187	187	187	188	184
Custodial	361	361	371	370	370
Drivers/attendants	111	112	111	111	112
Noon attendants	74	74	75	75	76
Food service	<u>205</u>	<u>207</u>	<u>208</u>	<u>211</u>	<u>214</u>
Total authorized positions	<u>5,790</u>	<u>5,883</u>	<u>5,981</u>	<u>6,032</u>	<u>5,975</u>

Notes:

- (1) The number of positions include all employees authorized in the General Fund and the Food Service Special Revenue Fund. These positions include those working on Joint Base Elmendorf Richardson
- (2) Information furnished by the Anchorage School District Budget.

Current Year

**TEACHER EDUCATION AND SALARY INFORMATION(1)**

<b>Education</b>	<b>Number of Teachers (2)</b>	<b>Low Salary</b>	<b>High Salary(4)</b>
Bachelor's Degree	332	\$ 45,611	\$ 58,853
Bachelor's Degree plus 18 semester credits	326	47,883	62,749
Bachelor's Degree plus 36 semester credits	333	50,153	71,548
Master's Equivalency with 54 semester credits	194	52,425	76,582
Master's Equivalency with 72 semester credits	158	57,173	80,302
Master's Equivalency with 90 semester credits	383	60,685	85,083 (3)
Master's Degree	249	50,705	73,446
Master's Degree with 54 semester credits	287	52,977	74,038
Master's Degree with 72 semester credits	263	55,247	83,514
Master's Degree with 90 semester credits	953	57,519	88,295 (3)
Doctorate Degree with 90 semester credits	27	59,174	90,049 (3)

Notes:

- (1) Information furnished through Anchorage School District internal report.
- (2) Number of teachers (by FTE) as of April 2012. Does not include all authorized positions.
- (3) Includes \$1,000 longevity bonus.
- (4) Salary amounts include salary schedule plus 6% additional for Related Services staff.

**AVERAGE DAILY MEMBERSHIP  
AND PUPIL TO CLASSROOM  
TEACHER RATIO(2)**

For the Last Ten Years

**AVERAGE DAILY MEMBERSHIP**

Fiscal Year	Average Daily Membership Grades K-6 (1)	Percentage Increase (Decrease) Over Prior Year Grades K-6	Average Daily Membership Grades 7-12	Percentage Increase (Decrease) Over Prior Year Grades 7-12
2001-2002	26,941	(1.14) %	22,306	3.24 %
2002-2003	26,694	(0.92)	22,851	2.44
2003-2004	26,481	(0.80)	22,784	(0.29)
2004-2005	26,060	(1.62)	23,122	1.46
2005-2006	26,011	(0.19)	23,309	0.80
2006-2007	26,255	0.93	22,452	(3.67)
2007-2008	25,412	(3.31)	22,732	0.01
2008-2009	25,894	1.90	22,333	(1.79)
2009-2010	26,544	2.47	22,517	0.84
2010-2011	25,910	(2.44)	22,703	0.82
2011-2012	26,515	2.36	21,907	(3.51)

## Notes:

- (1) Average daily membership includes half-day kindergarten program reported at one-half time.  
(2) Information furnished by state approved Foundation Report for fiscal year 2010-2011.

**PUPIL TO CLASSROOM TEACHER RATIO(3)**

Fiscal Year	Kindergarten (FTE)	Grade 1	Grades 2 - 3	Grades 4 - 6	Grades 7 - 12	Special Education
2002-2003	20.5 to 1	21 to 1	24 to 1	27 to 1	25.50 - 27.10 to 1	Various
2003-2004	20.5 to 1	21 to 1	24 to 1	27 to 1	25.50 - 27.10 to 1	Various
2004-2005	20.5 to 1	21 to 1	24 to 1	27 to 1	25.54 - 27.08 to 1	Various
2005-2006	20.75 to 1	21.25 to 1	24.25 to 1	27.25 to 1	25.79 - 27.33 to 1	Various
2006-2007	20.75 to 1	21.25 to 1	24.25 to 1	27.25 to 1	25.79 - 27.33 to 1	Various
2007-2008	20.5 to 1	21 to 1	24 to 1	27 to 1	25.54 - 27.08 to 1	Various
2008-2009	20.5 to 1	21 to 1	24 to 1	27 to 1	25.54 - 27.08 to 1	Various
2009-2010	20.5 to 1	21 to 1	24 to 1	27 to 1	25.54 - 27.08 to 1	Various
2010-2011	20.5 to 1	21 to 1	24 to 1	27 to 1	26.25 - 27.91 to 1	Various
2011-2012	20.5 to 1	21 to 1	24.25 to 1	27.25 to 1	26.25 - 27.91 to 1	Various

## Notes:

- (3) Information furnished by the Anchorage School District Budget.

For the Last Ten Years

**FACILITY UTILIZATION AND SCHOOL BUILDINGS(1)****FACILITY UTILIZATION**

<u>Fiscal Year</u>	<u>Elementary</u>				<u>Secondary</u>				
	<u>Gross Square Footage</u>	<u>Number of Classrooms</u>	<u>Program Capacity</u>	<u>Average Daily Membership</u>	<u>Gross Square Footage</u>	<u>Number of Classrooms</u>	<u>Program Capacity</u>	<u>Average Daily Membership</u>	<u>Students Graduated</u>
2002-2003	3,303,970	1,423	28,336	26,694	3,021,956	938	18,665	22,851	2,692
2003-2004	3,323,851	1,424	28,525	26,481	3,010,315	938	18,467	22,784	2,608
2004-2005	3,323,851	1,442	27,829	26,060	3,263,383	964	19,653	23,122	2,579
2005-2006	3,298,895	1,442	27,669	26,011	3,469,921	999	20,622	23,309	2,807
2006-2007	3,298,895	1,443	26,255	26,255	3,469,921	1,033	20,925	22,452	2,831
2007-2008	3,298,895	1,444	27,127	25,412	3,510,941	1,039	21,379	22,732	2,963
2008-2009	3,298,895	1,444	27,417	25,894	3,580,066	1,041	21,379	22,333	2,967
2009-2010	3,320,887	1,444	27,210	26,544	3,760,066	1,090	22,437	22,517	3,084
2010-2011	3,337,675	1,446	27,694	25,910	3,760,066	1,090	22,437	22,703	3,062
2011-2012	3,343,712	1,446	27,821	26,515	3,783,765	1,090	22,437	21,907	2,989

**SCHOOL BUILDINGS**

<u>Fiscal Year</u>	<u>High Schools</u>	<u>Middle Schools</u>	<u>Elementary Schools</u>	<u>Alternative Secondary Schools</u>	<u>Special Education Schools</u>	<u>Vocational Schools</u>	<u>Charter Schools</u>
2002-2003	6	9	60	5	2	1	5
2003-2004	6	9	60	5	2	1	5
2004-2005	7	9	60	5	2	1	4
2005-2006	8	9	60	6	2	1	6
2006-2007	8	9	60	6	2	1	6
2007-2008	8	9	60	6	2	1	7
2008-2009	8	10	60	6	2	1	8
2009-2010	8	10	60	6	2	1	8
2010-2011	8	10	60	6	2	1	8
2011-2012	8	10	60	6	2	1	8

## Notes:

(1) Information furnished from Anchorage School District's 6-year Capital Improvement Plan 2012-2018.

For the Last Ten Years

## STUDENT NUTRITION LOCAL REVENUES(1)

Fiscal Year	Lunch Sales Student	Lunch Sales Adult	Breakfast Program	Milk Program	A la Carte Program	Special Meals	After School Snack Program	Other Revenues	Total
2002-2003	\$ 3,217,979	\$ 113,582	\$ 95,784	\$ 69,525	\$ 1,736,804	\$ 100,508	\$ 24,473	\$ 23,290	\$ 5,381,945
2003-2004	3,124,890	45,401	102,606	72,509	2,035,641	151,768	13,197	2,566	5,548,578
2004-2005	2,871,086	107,428	95,310	65,414	2,093,852	56,310	5,113	3,181	5,297,694
2005-2006	2,771,585	43,126	117,898	53,527	2,179,350	81,703	3,177	837	5,251,203
2006-2007	2,704,353	66,034	111,429	61,749	1,939,316	94,831	--	269	4,977,981
2007-2008	2,936,022	58,203	129,579	83,407	1,777,953	96,377	--	24,240	5,105,781
2008-2009	3,101,173	62,789	162,447	87,592	1,401,884	95,386	--	97,043	5,008,314
2009-2010	2,854,711	32,329	169,837	71,482	1,241,874	99,223	--	117,191	4,586,647
2010-2011	2,418,659	38,012	110,489	76,205	1,179,231	79,788	--	79,603	3,981,987
2011-2012	2,212,106	6,306	133,988	76,624	880,255	33,967	--	49,792	3,393,038

## Notes:

(1) Information furnished through Anchorage School District internal report.

For the Last Ten Years

## MISCELLANEOUS STATISTICS

Date of adoption of Home Rule Charter  
Municipality of Anchorage

September 16, 1975

## Number of Type A lunches served (1):

Fiscal Year	Paid	Free	Reduced Price	Adult
2002-2003	1,346,635	1,093,754	350,506	41,536
2003-2004	1,260,285	1,134,033	370,873	15,816
2004-2005	1,116,259	1,279,866	331,524	13,310
2005-2006	1,133,118	1,344,486	362,348	23,057
2006-2007	1,129,042	1,417,381	385,667	21,761
2007-2008	1,397,294	1,174,379	310,784	31,451
2008-2009	1,015,940	1,594,965	369,837	27,904
2009-2010	900,291	1,729,615	424,749	18,246
2010-2011	842,922	1,872,472	350,103	15,291
2011-2012	771,537	1,978,760	318,368	11,034

## Pupil transportation statistics (1):

Fiscal Year	Number of Routes			
	Regular to and from schools		Special Education to and from school	
	District	Contracted	District	Contracted
2002-2003	52	105	26	66
2003-2004	52	99	26	63
2004-2005	50	99	26	63
2005-2006	50	99	26	63
2006-2007	49	95	28	63
2007-2008	53	95	28	63
2008-2009	53	95	28	63
2009-2010	51	96	28	63
2010-2011	51	91	29	68
2011-2012	51	91	29	69

## Notes:

(1) Information furnished through Anchorage School District internal report.

June 30, 2012

## SCHEDULE OF INSURANCE IN FORCE

Carrier/Coverage	Policy Number	Limits	Expiration Date
Star Indemnity GL/Auto/Ed Legal Emp Benefits	SISCPPEL01814312	\$5,000,000 Each Occurrence \$10,000,000 Aggregate (Where Applicable) Self Insured Retention claim - \$1,000,000	7/1/2013
National Casualty 1st Excess Liability	XCO0000064	\$10,000,000 Occurrence \$10,000,000 Aggregate	7/1/2013
Arch Specialty Ins. Company Excess Liability	UXP000803107	\$5,000,000 Occurrence \$5,000,000 Aggregate	7/1/2013
Navigators Excess Liability	CH12EXC7472681C	\$10,000,000 Occurrence \$10,000,000 Aggregate	7/1/2013
Safety National Excess Workers Compensation & Employers Liability	SP4046346	Statutory Limits Part I \$1,000,000 Part II Self Insured Retention - \$750,000 \$50,000,000 Aggregate	7/1/2013
ACE Travel Accident Insurance Teachers, Board Members	ADDN04966144	\$500,000 Class I & II Principal Sum \$5,000,000 Aggregate, per Accurance	7/1/2013
ACE Student Accident Athlete Catastrophic Insurance	SDAN042051993		7/1/2013
Western Fire Insurance Company N/O Aviation	AACN02204435004	\$1,000,000 Each Occurrence Including Passengers Increased to 20 seats \$5,000 Medical per Person	7/1/2013
Westchester Fire Ins. Company Employee Dishonesty Bond	G21679586007	\$1,000,000 Bond Limit \$7,500 Deductible	7/1/2013
Hiscox CRIME	UC2127202112	\$1,000,000 Bond Limit \$25,000 Deductible	7/1/2013
ACE USA International Foreign Liability	PHFD37499626	\$1,000,000 per Occurance \$2,000,000 Aggregate Limit	7/1/2013
Illinois Insurance Co. Cyber Liability Insurance	G24293233001	1,000,000	7/1/2013
Hartford Accident & Indemnity School Board Treasurer Bond	52BSBFK4605	\$50,000 Bond Limit	4/27/2013
Natilus Insurance Company Storage Tank 3rd Party Liability	CST200199900	\$1,000,000 Each Incident \$1,000,000 Aggregate Limit \$10,000 Deductible	3/23/2013
FM Global Insurance Company Property Insurance excluding Quake	UW594	\$1,000,000,000 Limit \$100,000 Deductible/Occurrence	7/1/2013