

**State of Alaska**

**Comprehensive Annual  
Financial Report**

**For the Fiscal Year  
July 1, 2000 - June 30, 2001**



**Prepared by:  
Department of Administration  
Division of Finance**

The FY 01 CAFR is expected to be available on or after January 2002 on our Internet web site at <http://www.state.ak.us/local/akpages/ADMIN/dof/fin-afr.htm>.

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**STATE OF ALASKA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2001**

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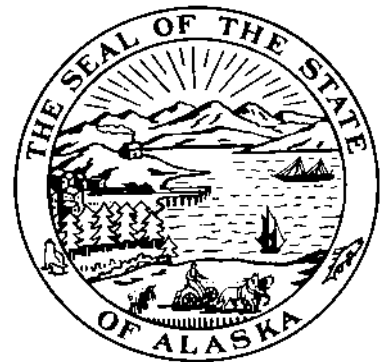
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# Introductory Section

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# STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

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December 15, 2001

The Honorable Tony Knowles, Governor  
Members of the Legislature  
Citizens of the State of Alaska

In accordance with Alaska Statute (AS) 37.05.210, it is our pleasure to present the Comprehensive Annual Financial Report (CAFR) of the State of Alaska for the fiscal year ending June 30, 2001. This report has been prepared by the Department of Administration, Division of Finance. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the State. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the State. Statistical and demographic information are included to enable the reader to gain an understanding of the State's financial activities.

The report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, exhibits of general fund financial information, an organization chart, a list of the Executive Branch functions by department, and a list of the State's legislators. The financial section includes: the independent auditor's report on the general purpose financial statements; the general purpose financial statements; the accompanying notes to the financial statements that outline pertinent accounting and reporting policies as well as explain significant financial matters that are essential to full disclosure of the State's financial operations and condition; and the supplemental financial data section that includes the combining and individual fund and account group financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

## THE REPORTING ENTITY AND ITS SERVICES

The funds and entities included in this Comprehensive Annual Financial Report are those for which the State is accountable based on criteria for defining the financial reporting entity prescribed by the Governmental Accounting Standards Board. These criteria include financial accountability, fiscal dependency, and legal standing. Based on these criteria the various funds, account groups, and entities shown in this report are considered as part of the reporting entity (see Note 1 in the Notes to the Financial Statements).

Blended component units, although legally separate entities, are, in substance, part of the State's operations and are included as part of the primary government. Accordingly, the Alaska Permanent Fund Corporation is reported as a nonexpendable trust fund, and the Public Employees', Teachers', National Guard and Naval Militia, and Judicial retirement systems are reported as pension trust funds of the State.

Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the State and to differentiate their financial position, results of operations, and cash flows from the State. With the exception of the Alaska Seafood Marketing Institute (whose financial activities are currently accounted for and reported within the State's general fund), the various public corporations established by State statute as well as the University of Alaska are reported as discretely presented component units (see Note 1 in the Notes to the Financial Statements for a list of the public corporations). Individual component unit financial reports may also be obtained from each of these organizations.



The State provides a range of services including education, health and social services, transportation, law enforcement, judicial, public safety, community and economic development, public improvements, and general administrative services.

### ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The State's financial statements for governmental funds, expendable trust funds, and the agency funds have been prepared on a modified accrual basis of accounting, with revenues being recorded when measurable and available and expenditures being recorded when services or goods are received and the liabilities incurred. The proprietary, nonexpendable trust, and pension trust funds are reported on the accrual basis of accounting.

The State's system of internal controls over the accounting system has been designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgements by management.

In addition to internal controls, the State maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annually appropriated budget by the legislature. Annual operating budgets are required to be adopted through passage of appropriation bills (session laws) by the legislature with approval by the Governor. These laws also identify the source of funding for the budgeted amounts. Control is maintained at the departmental level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in an overrun of available balances are not released until budget revisions are approved or additional appropriations are made. Open encumbrances are reported as reservations of fund balance at June 30, 2001.

### GENERAL FUND OPERATIONS

The well-being of the State of Alaska is best reflected in the operations of the general fund. General fund revenues for FY 01 were \$4,187.1 million, an increase of \$461.8 million compared to revenues of \$3,725.3 million for FY 00. Revenues by source for FY 01 are presented graphically in Exhibit 1 and are compared to FY 00 in the following schedule (in millions):

Revenue Source	FY 01	Percent	FY 00	Percent
Taxes	\$ 1,301.9	31.0	\$ 1,132.5	30.5
Rents and Royalties	1,133.2	27.1	1,043.4	28.0
Interest & Investment Income	78.0	1.9	47.0	1.2
Federal	1,297.8	31.0	1,216.5	32.7
Miscellaneous	376.2	9.0	285.9	7.6
<b>Total Revenue</b>	<b>\$ 4,187.1</b>	<b>100.0</b>	<b>\$ 3,725.3</b>	<b>100.0</b>

The State's major source of revenue is petroleum related. In FY 01, petroleum revenue was 52.7 percent of all general fund revenues (see the following table). Over the last ten fiscal years, petroleum revenues have comprised a low of 41.8 percent (FY 99) to a high of 75.5 percent (FY 91) of revenues. The next largest source of revenues (nonpetroleum), as shown in the following schedule, is federal revenue, which makes up \$1,297.8 million, or 31.0 percent of revenues. Not all revenues that flow into the general fund are available to pay for unrestricted government activities. The primary exceptions are federal revenues provided for a specific purpose, and the \$333.3 million in rents and royalties constitutionally dedicated to the Alaska Permanent Fund.

The Alaska North Slope West Coast oil price averaged \$27.85 per barrel during FY 01, which is \$0.24 over the Department of Revenue Spring 2001 projection of \$27.61 per barrel and \$4.57 more than the average price of \$23.28 for FY 00. FY 01 crude oil and natural gas liquids production for the Alaska North Slope and Cook Inlet averaged 1.020 million barrels per day, which is a 4.2 percent decrease from FY 00 production

of 1.065. FY 01 production, compared to peak production of 2.049 million barrels per day in FY 88, has dropped by 50.2 percent.

The following schedule (in millions) shows that FY 01 petroleum revenues were \$2,207.7 million, an increase of \$264.3 million compared to FY 00 petroleum revenues of \$1,943.4.

	FY 01	Percent	FY 00	Percent
<b>Petroleum Revenue</b>				
Property Tax	\$ 45.1	1.1	\$ 45.0	1.2
Corporate Petroleum Income Tax	338.1	8.0	162.7	4.4
Severance Tax	703.1	16.8	702.7	18.9
Mineral Bonuses and Rents	7.1	0.2	4.1	0.1
Oil and Gas Royalties	1,114.3	26.6	1,028.9	27.6
<b>Total Petroleum Revenue</b>	<b>2,207.7</b>	<b>52.7</b>	<b>1,943.4</b>	<b>52.2</b>
<b>Nonpetroleum Revenue</b>				
Taxes	215.6	5.1	222.1	6.0
Licenses and Permits	52.5	1.2	69.2	1.8
Charges for Services	161.3	3.9	122.7	3.3
Fines and Forfeitures	33.6	0.8	46.2	1.2
Rents and Royalties	11.8	0.3	10.4	0.3
Interest and Investment Income	78.0	1.9	47.0	1.2
Other Revenue	128.8	3.1	47.8	1.3
<b>Total Nonpetroleum Revenue</b>	<b>681.6</b>	<b>16.3</b>	<b>565.4</b>	<b>15.1</b>
Federal Revenue	1,297.8	31.0	1,216.5	32.7
<b>Total Revenues</b>	<b>\$ 4,187.1</b>	<b>100.0</b>	<b>\$ 3,725.3</b>	<b>100.0</b>

The total expenditures charged against general fund appropriations during FY 01 amounted to \$3,757.9 million, an increase of \$204.1 million from FY 00. In addition, residual equity transfers to other funds of \$334.6 million, operating transfers to other funds of \$3.8 million, and operating transfers to component units of \$213.0 million brings the total FY 01 disbursements from the general fund to \$4,309.3 million (FY 00 total disbursements, \$4,363.8). Expenditures by department are compared with the prior year in the following tabulation (in thousands):

Department	FY 01	Percent	FY 00	Percent
Office of the Governor	\$ 22,990	0.6	\$ 20,360	0.6
Administration	192,916	5.1	177,657	5.0
Law	30,442	0.8	29,058	0.8
Revenue	57,911	1.5	47,669	1.3
Education & Early Development	945,632	25.2	857,110	24.2
Health & Social Services	1,142,714	30.4	1,029,782	29.0
Labor & Workforce Development	84,830	2.3	86,883	2.4
Community & Economic Development	104,796	2.8	114,059	3.2
Military & Veterans' Affairs	28,822	0.8	28,441	0.8
Natural Resources	78,772	2.1	62,176	1.7
Fish & Game	58,039	1.5	71,852	2.0
Public Safety	89,370	2.4	87,795	2.5
Environmental Conservation	88,867	2.4	98,405	2.8
Corrections	155,788	4.1	150,397	4.2
Transportation & Public Facilities	577,574	15.4	592,017	16.7
Legislature	33,263	0.9	31,702	0.9
Debt Service	12,794	0.3	14,757	0.4
Alaska Court System	52,373	1.4	53,721	1.5
<b>Total Expenditures</b>	<b>\$ 3,757,893</b>	<b>100.0</b>	<b>\$ 3,553,841</b>	<b>100.0</b>

As noted in the following table, general fund expenditures have gone down roughly 5 percent (in constant dollars) over the last five years. Excluding general fund capital projects' expenditures, per capita general fund expenditures in current and constant dollars (1995 base year and revised population estimates) for the last five years were as follows:

	<u>Current Dollars</u>	<u>Constant Dollars</u>
1997	\$ 4,775	\$ 4,541
1998	4,675	4,373
1999	4,739	4,347
2000	4,798	4,243
2001	5,041	4,317

In 1982, voters of Alaska approved an amendment to the Alaska Constitution to control State spending. Article IX, Section 16, of the Alaska Constitution, establishes an annual appropriation limit of \$2.5 billion plus adjustments for changes in population and inflation since July 1, 1981. Within this limit, one-third is reserved for capital projects and loan appropriations. For FY 2002, the Office of Management and Budget estimates the limit to be approximately \$6.6 billion. The FY 2001 budget passed by the legislature was \$2.4 billion (unrestricted general fund revenues only), or \$4.2 billion less than the constitutional spending limit.

The State ended FY 01 with a deficit general fund balance in the amount of \$3.2 billion, and a deficit fund balance available for appropriation (unreserved, undesignated fund balance) in the amount of \$3.7 billion. This deficit is due primarily to the general fund liability for amounts appropriated from the Constitutional Budget Reserve Fund of \$3.8 billion (see Note 1.J.). Article IX, section 17(d), of the Alaska Constitution provides that amounts appropriated from the Constitutional Budget Reserve Fund are to be repaid.

The following shows the composition of the fund balance of the general fund for the fiscal years ending June 30, 2001, and June 30, 2000, as adjusted (in millions).

<u>Reserved</u>	<u>FY 01</u>	<u>FY 00</u>	<u>Change</u>
Encumbrances	\$ 152.2	\$ 125.2	\$ 27.0
Nonliquid Assets	21.1	28.4	(7.3)
Other	19.3	33.7	(14.4)
Total Reserved	192.6	187.3	5.3
<u>Unreserved</u>			
<u>Designated</u>			
Continuing Appropriations	176.0	180.9	(4.9)
Other	172.6	197.9	(25.3)
Balance Available for Appropriation	(3,717.1)	(3,720.4)	3.3
Total Unreserved	(3,368.5)	(3,341.6)	(26.9)
Total Fund Balance	\$ (3,175.9)	\$ (3,154.3)	\$ (21.6)

#### DEBT ADMINISTRATION

No authorized general obligation bonds remain unissued. The State of Alaska paid off the last general obligation bonds outstanding in fiscal year 2000. There were no new State of Alaska general obligation bonds authorized in FY 01.

Moody's Investor's Service, Fitch Investor Services, and Standard and Poor's Corporation no longer maintains ratings on the State.

Other categories of debt are State-supported, guaranteed, moral obligation, revenue, agency, and agency collateralized debt. State-supported debt includes University of Alaska debt, lease-purchase financing obligations, and the share of municipal general obligation bonds issued for school construction that is reimbursable by the State. Guaranteed debt consists of revenue bonds issued by the Alaska Housing Finance Corporation for the purpose of purchasing mortgage loans made for residences of qualifying veterans. Moral obligation debt is State agency debt that is secured, in part, by a reserve fund to which is attached a discretionary replenishment provision. International Airports revenue bonds and some University debt constitute all State revenue debt. Agency debt has been issued by nine distinct State authorities or corporations and is secured by revenues generated from the use of bond proceeds or the assets for the agency issuing the bonds. Agency collateralized debt pledges, as security for the debt, loans or securities which are 100 percent insured or guaranteed by another party of superior credit standing.

## CASH AND INVESTMENT MANAGEMENT

The State's cash is controlled by the Treasury Division in the Department of Revenue or by other administrative bodies as determined by law. All cash deposited in the State treasury is managed to achieve a particular target rate of return as determined by the investment objectives set for a given fund. Cash in excess of the amount needed to meet current expenditures is invested pursuant to AS 37.10.070 and AS 37.10.071 which mandates that investments shall be made with the judgement and care exercised by an institutional investor of ordinary professional prudence, discretion, and intelligence under the circumstances then prevailing.

Treasury has established an array of investment pools with varying investment horizons and risk profiles. Equity and fixed income investments are managed in a pooled environment unless required by statute or bond resolution to be held separately. Commingled investment pools maximize earnings potential, provide economies-of-scale savings of time and dollars, and allow smaller funds to participate in investment opportunities that would otherwise be unavailable to them. Rather than each participant (fund) buying identical individual securities, larger quantities of securities can be purchased at one time, reducing the operating costs for manager's time and number of transactions. A fund's equity ownership in a pool is based on the number of shares held by the fund.

A majority of the State's funds participate in the General Fund and Other Nonsegregated Investments (GeFONSI) pool. Investment objectives for this pool include limited exposure to principal loss, a conservative balance of current income with principal safety within moderate risk tolerance, minimal inflation protection, and high liquidity. Under the Department of Revenue, Treasury Division's current investment policy, holdings may include collateralized repurchase agreements; commercial paper; certificates of deposit and bankers acceptances; U.S. Treasury obligations, including bills, notes and bonds; other full faith and credit obligations of the U.S. Government; securities issued or guaranteed by agencies and instrumentalities of the U.S. Government; obligations of foreign governments denominated in U.S. dollars; corporate debt meeting credit quality standards; and, asset-backed and mortgaged-backed securities. For selected State funds, Treasury manages the invested assets in other investment pools designed to fit each fund's particular investment objectives.

The investment objectives established by the Alaska State Pension Investment Board for the retirement trust funds (Public Employees', Teachers', Judicial, and the Alaska National Guard and Alaska Naval Militia Retirement Systems) include achieving top quartile investment returns on a risk-adjusted basis while limiting total risk to that of an average public sector pension plan over the long term. The trust funds hold shares in one or more investment pools that contain domestic and international fixed income and equity securities, and real estate and venture capital investments. The Public Employees' and Teachers' Retirement Trust Funds also directly hold mortgage-related assets.

## CASH FLOW

From the time oil began flowing through the Trans-Alaska Pipeline in the late 1970's, the State has been in the enviable position of having sizeable sums of cash flowing into the State treasury. This cash funded a steadily growing State operating budget, large and small annual capital budgets, and the State's permanent fund.

In more recent years, the reality of declining oil revenues and the corresponding decrease in available cash has become more apparent. This has been reflected in more modest State operating and capital budgets. Also associated with declining revenues, though much less understood, is a cash flow situation that could lead to a cash deficiency for the State. The possibility of a cash flow deficiency grows with each passing year.

Prior to 1985, most unrestricted revenues flowed directly into the State's general fund where they were available to pay day-to-day costs of operating State government. This is no longer the case. Over time, the legislature has established more than 50 cash pools either as subfunds of the general fund or other separate cash pools. In 1990 the legislature appropriated the entire general fund balance available for appropriation at the end of FY 91 to a statutory budget reserve fund (SBRF). By a vote of the people in 1990, the Alaska Constitution was amended to establish a separate constitutional budget reserve fund

(CBRF) into which oil tax settlement revenues are deposited. The effect of these actions diverted cash historically destined for the general fund to other cash pools that were not available to pay day-to-day State operating costs.

Also contributing to the potential for a cash deficiency is the fact that the inflow of unrestricted revenues does not mirror the outflow of cash expenditures. Revenues tend to flow in at a generally consistent rate. Expenditures, however, are cyclic with high and low periods. The first quarter expenditures of each fiscal year are generally much higher than revenues for the same period. Clearly, if the general fund (excluding the subfunds) does not have a large cash balance at the beginning of the fiscal year or if other sources of funds are not available, the State faces the possibility of a cash deficiency before the end of the first quarter.

In the past nine budget cycles, the legislature has addressed the possibility of a revenue shortfall. It has included language in the appropriation act permitting the executive branch to borrow cash from the statutory and constitutional budget reserve funds in the event expenditures exceeded revenues. In FY 93 and again in FY 96, funds were taken from the SBRF to balance FY 93 and FY 96 revenues and expenditures. Cash was borrowed from the CBRF in FY 94, FY 95, FY 96, FY 98, FY 99, and FY 00 to balance revenues and expenditures.

#### CONSTITUTIONAL BUDGET RESERVE FUND

In 1990, the people of Alaska voted to amend the Alaska Constitution to establish a separate constitutional budget reserve fund (CBRF) into which oil tax settlement revenues are deposited. The CBRF is reported in the fiduciary fund types as an expendable trust fund. At June 30, 2001, assets of the CBRF were \$6.8 billion, of which \$3.0 billion is cash and investments and \$3.8 billion is due from the general fund (see Note 1.J.). The fund balance of the CBRF at June 30, 2001, was \$6.8 billion.

#### PUBLIC EMPLOYEES' AND TEACHERS' RETIREMENT SYSTEMS PENSION FUNDS

Total assets at June 30, 2001, of the two largest pension funds, the Public Employees' (PERS) and Teachers' (TRS) Retirement Systems' funds, were \$8.1 billion and \$4.1 billion respectively. The Schedule of Funding Progress for PERS and TRS as of the June 30, 1999, actuarial valuations, indicated the actuarial accrued liabilities were fully funded. Further information on these and other pension funds, including the Supplemental Benefits System and Deferred Compensation plans, can be found in notes 4, 5, and 6 to the financial statements.

#### ALASKA PERMANENT FUND

The Alaska Permanent Fund is an asset of the State of Alaska that is managed by the Alaska Permanent Fund Corporation, an instrumentality of the State of Alaska.

In 1976 the Alaska Constitution was amended to provide that:

At least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments, and bonuses received by the State shall be placed in a Permanent Fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for Permanent Fund investments. All income from the Permanent Fund shall be deposited in the general fund unless otherwise provided by law.

Subsequent legislation increased the Permanent Fund's share to 50 percent for rents and royalties on mineral leases issued after December 1, 1979, and for bonuses on mineral leases issued after February 15, 1980.

The Permanent Fund is made up of two parts, principal and earnings. Principal is the main body of the trust. At June 30, 2001, this amounted to \$21.0 billion. The sources of Fund principal were as follows: \$7.1 billion in constitutionally-dedicated oil revenues; \$6.9 billion of Fund earnings added to principal for inflation-proofing; and \$7.0 billion in additional deposits approved by special legislative appropriation.

Permanent Fund realized earnings, from inception through June 30, 2001, have amounted to \$24.6 billion. Of this amount \$10.9 billion has been paid out for dividends, \$6.9 billion has been added to principal for

inflation-proofing, \$4.1 billion has been added to principal by special appropriation, \$0.3 billion has been paid out to the general fund, and \$2.4 billion remains in the Fund in the earnings reserve account.

#### RISK MANAGEMENT

As more fully detailed in Note 9.C., the State's risk management program provides a primary layer of self-insured retention supplemented by excess insurance coverage. The State's risk management program covers all State agencies and component units, except for the Alaska Housing Finance Corporation, Alaska Railroad Corporation, and the University of Alaska who administer their own programs. Further, there is separate coverage provided by the individual component units such as the Alaska Industrial Development and Export Authority for certain individual projects.

#### AUDITS

The principal auditor of the State's reporting entity is the Division of Legislative Audit. The audit of the CAFR was conducted in accordance with generally accepted auditing standards (GAAS), and their independent auditor's report precedes the General Purpose Financial Statements.

In addition to the annual audit of the State's CAFR, the State is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards, the auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs will be published at a later date under separate cover by the Division of Legislative Audit.

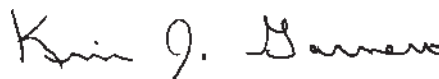
#### ACKNOWLEDGMENTS

We wish to express our sincere appreciation to the many individuals whose dedicated efforts have made this report possible. The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of each State agency, each component unit, and the dedicated staff within the Division of Finance.

Sincerely,



Jim Duncan  
Commissioner  
Department of Administration

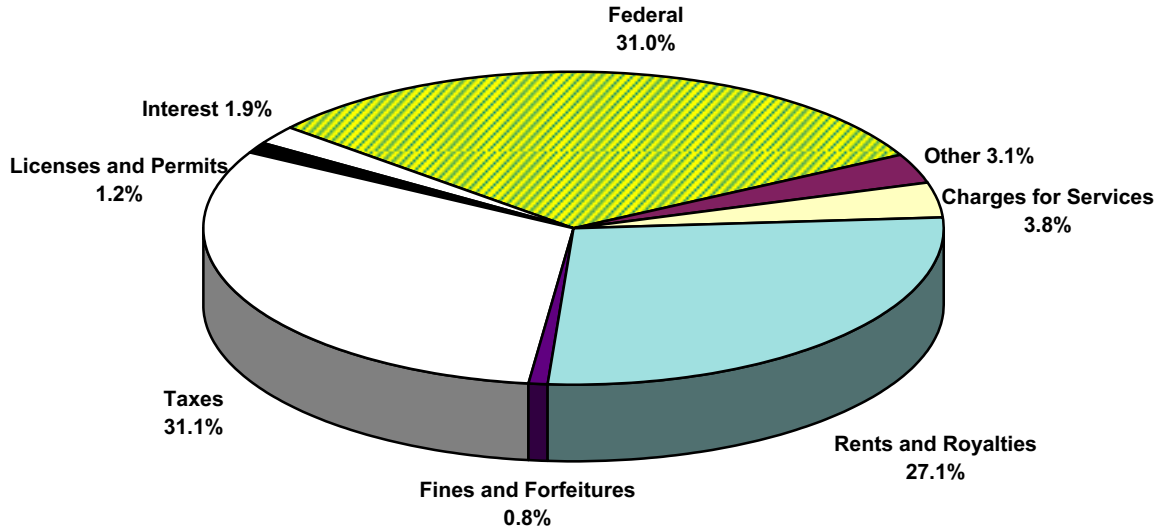


Kim J. Garner, CPA  
Director  
Division of Finance

# STATE OF ALASKA GENERAL FUND REVENUE SOURCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2001

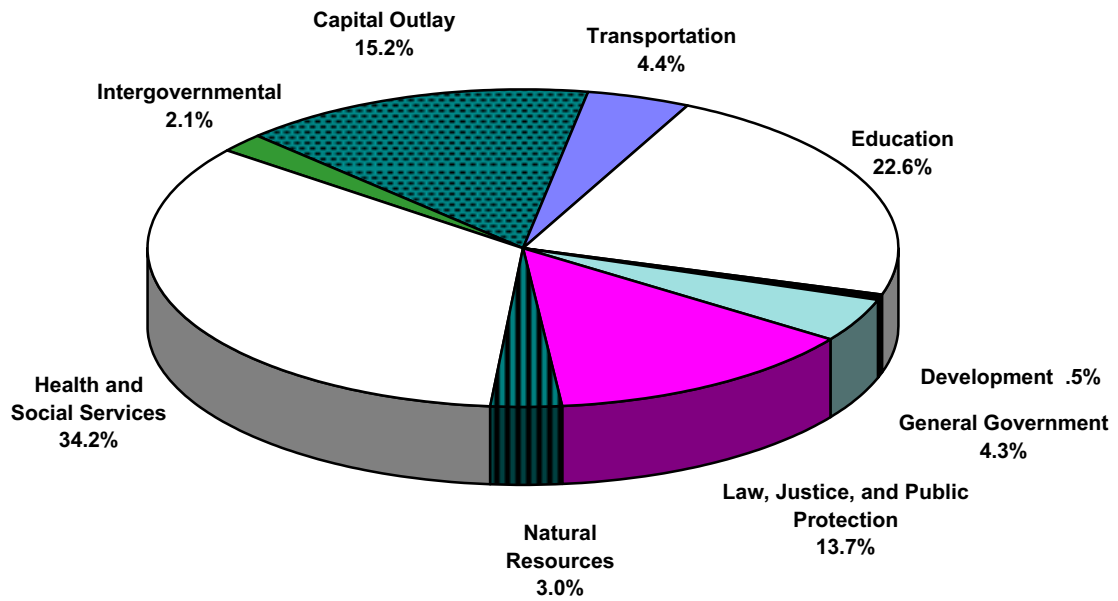
\$4,187  
(Millions)



# STATE OF ALASKA GENERAL FUND EXPENDITURES BY FUNCTION

FOR THE FISCAL YEAR ENDED JUNE 30, 2001

\$3,758  
(Millions)

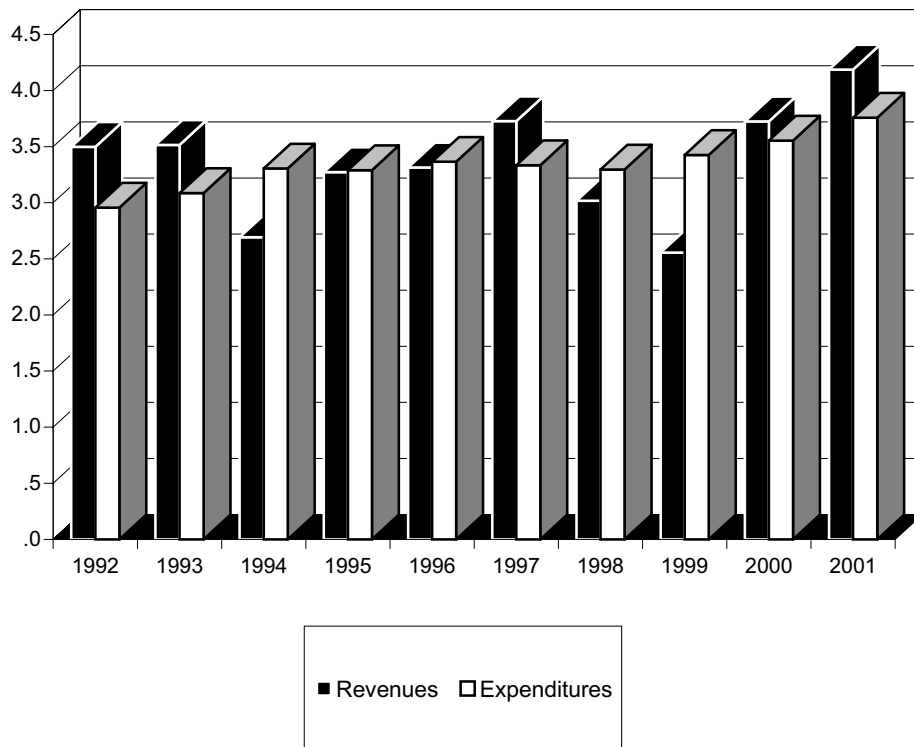




# STATE OF ALASKA GENERAL FUND EXPENDITURES AND REVENUES

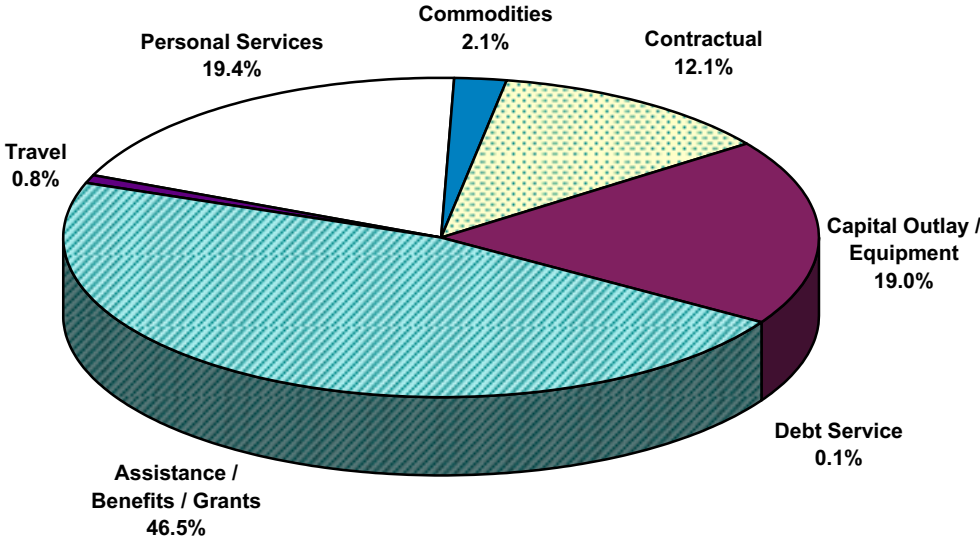
TEN YEAR COMPARISON  
FOR THE FISCAL YEARS 1992 THROUGH 2001

(Stated in Billions)



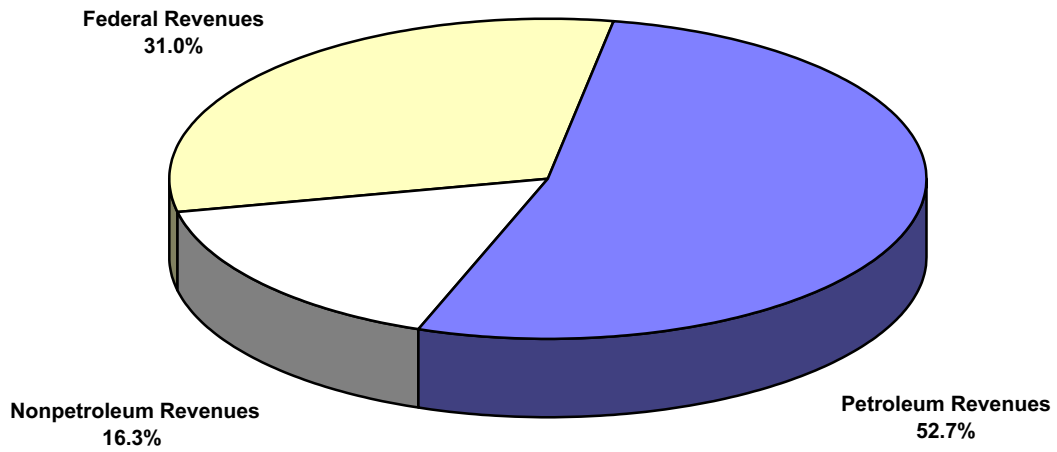
# STATE OF ALASKA GENERAL FUND EXPENDITURES BY ACCOUNT

FOR THE FISCAL YEAR ENDED JUNE 30, 2001

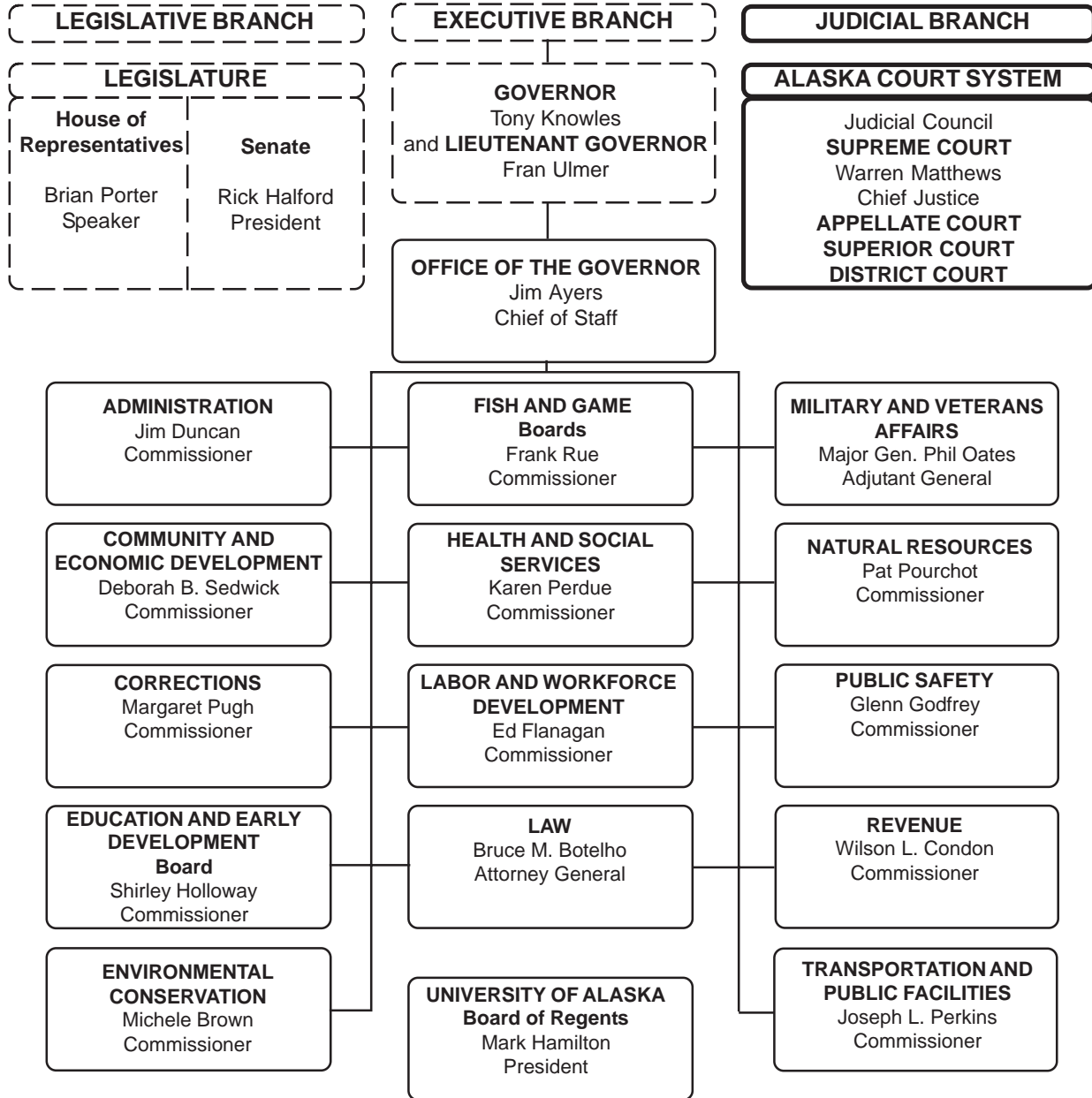


# STATE OF ALASKA GENERAL FUND REVENUES

FOR THE FISCAL YEAR ENDED JUNE 30, 2001



# Organization Chart



- - - Elected by popular vote (includes Lieutenant Governor, elected on same ticket as Governor).  
 ————— Justices and Judges of the Courts nominated by Judicial Council, selected by Governor and thereafter subject to voter approval.  
 ————— Department Heads appointed by the Governor and confirmed by the Legislature.

# FUNCTIONS OF STATE DEPARTMENTS

## OFFICE OF THE GOVERNOR

The Governor is the Chief Executive of the State. The Office of the Governor has the overall responsibility for coordinating the activities of state agencies to ensure that all programs are consistent with Alaska's goals and objectives.

## ADMINISTRATION

Services to state agencies: Personnel, Labor Relations, Retirement and Benefits, Finance (payroll, accounts and disbursements), General Services (purchasing, supply, mail, management of Public Building Fund facilities, space allotment); Risk Management, Information Technology Group (telecommunications and computer services). Services to the Public: Senior Services (Alaska Commission on Aging); Longevity Bonus (Pioneers' Homes); Motor Vehicles; Office of Public Advocacy; Public Defender Agency; Alaska Public Offices Commission; Oil and Gas Commission; Alaska Rural Communications System; Alaska Public Broadcasting Commission; and the Office of Tax Appeals.

## COMMUNITY AND ECONOMIC DEVELOPMENT

Provides consumer protection through the regulation of banking, securities and corporations, insurance, professional occupations and business licensing.

Promotes economic development in the state through domestic and international promotion of tourism, Alaska seafood, timber, minerals, and other products, and encouragement of business and industrial development. Administers several loan programs.

Fosters the development of independent local governments by providing technical, financial, and program assistance to communities.

Also includes: the Alaska Seafood Marketing Institute, Regulatory Commission of Alaska, Industrial Development and Export Authority, Aerospace Development Corporation, Science and Technology Foundation, and Railroad Corporation.

## CORRECTIONS

The Department of Corrections is responsible for public safety through the administration of correctional services including: twelve prisons and jails which provide secure incarceration and appropriate rehabilitation programs for felons and misdemeanants; community residential centers; supervision and case management of probationers and parolees in the community; and oversight of 15 small community jails. Also included in the department is the Alaska Board of Parole, a quasi-judicial Board which makes all parole related decisions.

## EDUCATION AND EARLY DEVELOPMENT

The Department of Education and Early Development is responsible for the development of lifelong learners. The State Board of Education and Early Development is the executive board of the department. The board develops educational policy, promulgates regulations governing education, appoints the Commissioner of Education and Early Development with the Governor's approval, and is the channel of communication between state government and the public for educational matters. Education policies are

determined by the board and administered by the Commissioner through department divisions. Programs administered include: public school funding, early child care, teacher certification, and student assessment. State operated schools and programs include: Alyeska Central School - the state's correspondence program, Mt. Edgecumbe High School - the state's secondary boarding school program, and the Alaska Vocational Technical Center - the state's adult vocational training center. The department also administers the state libraries, archives, records and museum services, provides grants to the arts community, and provides loans to post-secondary students through the Alaska Student Loan Corporation.

## ENVIRONMENTAL CONSERVATION

The Department of Environmental Conservation is the state regulatory agency responsible for protection of public health and the environment through safe handling of oil hazardous substances, air and water quality, safe drinking water and wastewater, and food safety and sanitation in public facilities. Through partnerships with Alaska citizens, businesses, and communities, the department works to safely manage and reduce pollution and hazards. DEC services include financial and technical assistance to communities for upgrading water, sewage and solid waste, developing outreach methods to help Alaskans understand their role in protecting health and managing environmental quality, and permitting based on risk to public health and environment. The department also offers assistance to Alaska cities to meet health-based standards for air quality, to position oil spill response equipment in communities, and to develop environmental education programs.

## FISH AND GAME

The Department of Fish and Game is mandated to manage, protect, maintain, improve and extend the fish, game, and aquatic plant resources of Alaska in the interest of the economy and general well-being of the State. The Boards of Fisheries and Game adopt regulations to conserve and develop these resources. The commissioner and the department conduct management and research functions necessary to support these goals. Includes the Commercial Fisheries Entry Commission, a quasi-judicial agency which promotes resource conservation and sustained yield management by regulating entry into Alaska's commercial fisheries.

## HEALTH AND SOCIAL SERVICES

Responsible for administration of the majority of health and social service programs in the state, impacting virtually every Alaskan. Health programs include medical assistance for Alaska's poor through the Medicaid program, and public health programs such as nursing services, vital statistics, community health and emergency medical services, infectious disease control, the State Medical Examiner's office (coroner services), laboratories, and maternal, child and family health services. Social services programs include temporary cash assistance, Adult Public Assistance, food stamps, child protection, foster care, adoptions, child residential care, juvenile justice, mental health and developmental disabilities services, and substance abuse prevention and treatment services. The department also administers the certificate of need (CON) program for hospitals and nursing homes.

## LABOR AND WORKFORCE DEVELOPMENT

The Department of Labor and Workforce Development shall foster and promote the welfare of the wage earners of the state, to improve

working conditions and advance their opportunities for profitable employment. Responsible for employment security, unemployment insurance, adult basic education, job training and work readiness, workers' compensation, the Fisherman's Fund, and vocational rehabilitation programs; enforces laws and regulations dealing with occupational safety and health, mechanical inspections, and wage and hour administration; serves as the labor relations agency for public employment in the state; and collects, analyzes, and releases labor market and population statistics.

## **LAW**

Responsible for prosecution and conviction of criminal offenders in Alaska to ensure safe communities. Assists law enforcement agencies with criminal investigations, filing misdemeanor and felony charges; serves as legal advisor to grand juries; and represents the state in all phases of criminal trial and appellate proceedings. Works in partnership with executive, legislative, and judicial agencies by providing legal advice and representing the state in all actions in which it is a party. Such actions include protecting Alaska's children and youth by handling child abuse, neglect, and delinquency cases expeditiously; resolving questions of state versus federal control of natural resources; ensuring that the state receives its correct share of oil and gas taxes and royalties; collecting money owed to the state by businesses and individuals for child support, fines and other unpaid obligations; and defending the state against claims for personal injury and other damages.

## **MILITARY AND VETERANS AFFAIRS**

The Department of Military and Veterans Affairs (DMVA) is responsible for the Alaska Army and Air National Guard, the Alaska Naval Militia, State Defense Force, Alaska Military Youth Academy, and the Division of Emergency Services.

The Commissioner of DMVA is also the Adjutant General of the state and as such commands the Alaska National Guard. He administers federal funds for maintaining the Alaska National Guard in combat readiness in the event of a national emergency or war. The Alaska National Guard has over 4,500 personnel located in more than 90 communities. The Alaska National Guard is under the day-to-day command of the Governor and as such may be used in support of counter-narcotics operations, disaster assistance and to counter civil unrest. The Alaska Naval Militia is composed of individual U.S. Navy reservists that are available to the Governor in times of emergency. Likewise, the State Defense Force, made up of individuals with prior military training, is available to the Governor.

The Commissioner's office also serves as the focal point for issues affecting Alaska's veteran population. It administers veterans service officer programs that outreach to individual veterans to assist them in maximizing their federal veterans entitlements.

The Alaska Military Youth Academy provides a five month military style alternative high school experience for volunteer applicants who are at risk of not achieving a productive childhood. During the two sessions per year, the program provides a structured education in a variety of disciplines; life coping skills, educational excellence, skills training, responsible citizenship, leadership/ability to follow, health hygiene, sex education, physical fitness, and community service. This structured educational effort is targeted to meet the goals of the program, to turn the youth into confident and contributing citizens of their state and their local communities.

The Division of Emergency Services is responsible for state emergency preparedness and response. It seeks to minimize the loss of life and property in the event of natural or man-made disasters by planning and assisting as well as administering federal and state grants and loans and managing relief efforts. It maintains the State Emergency Coordination Center in Anchorage that is the

command, control and communications center for state and federal response to disasters and significant emergencies.

## **NATURAL RESOURCES**

Responsible for the utilization, development, and conservation of the surface and subsurface natural resources belonging to the state except for fish and game. These include approximately 106 million acres of uplands and 69 million acres of tidelands, shorelands, and submerged lands and about 40,000 miles of coastline. The strategic missions include: develop, conserve, and enhance the natural resources of the State of Alaska; raise public awareness that Alaska's natural resources are the basic asset of our economy; stimulate and encourage resource-based, value-added economic activity while conserving Alaska's wild and scenic values; implement efficiencies and economies in government; deliver essential services; and stimulate local initiative and personal responsibility. Operationally, the department manages eight divisions located in 22 Alaska communities, the Joint Pipeline Office, and the Mental Health Land Trust Office and is responsible for the two largest oil and gas fields in North America; a park system that contains one-third of all the state park lands in the United States; 40 percent of the nation's fresh water; fire suppression management over 134 million acres; forest resource management in two state forests totaling 2 million acres; mineral management involving 45,000 mining claims; and an agricultural program that encompasses 560 farms.

## **PUBLIC SAFETY**

Responsible for enforcement of state laws including criminal and fish and wildlife protection laws, fire prevention, search and rescue, highway safety; compensating victims of violent crime; providing forensic crime laboratory services to law enforcement statewide; certifying police proficiency; providing basic police academy and specialized training to municipal and state law enforcement agencies; oversight of the Village Public Safety Officer Program; and assisting victims of domestic violence and sexual assault.

## **REVENUE**

Administer and enforce tax and charitable gaming laws; collect, invest, and manage state funds and employee pension trust funds; administer the Permanent Fund Dividend Program, the Shared Taxes Program, and the Child Support Enforcement Program; administer licensing programs mandated by statute; issue state general obligation, revenue and lease debt, and authorize certain agency debt. Other state entities under the auspices of the Department of Revenue are: the Alaska Permanent Fund Corporation, the Alaska Housing Finance Corporation, the Alaska Municipal Bond Bank Authority, the Alaska Mental Health Trust Authority, and the Alaska State Pension Investment Board.

## **TRANSPORTATION AND PUBLIC FACILITIES**

Responsible for the planning, research, design, construction, maintenance, operation, and protections of all state transportation systems and public facilities. This includes approximately 260 state-owned airports and seaplane bases, 6,000 miles of state roads, 700 buildings ranging from maintenance shops to state office complexes, and 75 ports and harbors. In addition, the department owns and operates the Alaska Marine Highway System, serving 32 Alaskan communities with connections to Bellingham and Prince Rupert. The department also owns and operates the State Equipment Fleet which provides full maintenance support and replacement activities for all departments and state agencies, including 7,600 light and heavy duty vehicles and attachments.

**ALASKA STATE LEGISLATURE**  
**TWENTY-FIRST LEGISLATURE - SECOND SESSION**  
**2001**

**HOUSE OF REPRESENTATIVES**

NAME	PARTY	DISTRICT	NAME	PARTY	DISTRICT
Berkowitz, Ethan	(D)	13	Kerttula, Beth	(D)	3
Bunde, Con	(R)	18	Kohring, Vic	(R)	26
Chenault, Mike	(R)	9	Kookesh, Albert	(D)	5
Cissna, Sharon	(D)	21	Kott, Pete	(R)	24
Coghill, John, Jr.	(R)	32	Lancaster, Ken	(R)	8
Crawford, Harry	(D)	22	Masek, Beverly	(R)	28
Croft, Eric	(D)	15	McGuire, Lesil	(R)	17
Davies, John	(D)	29	Meyer, Kevin	(R)	19
Dyson, Fred	(R)	25	Morgan, Carl	(R)	36
Fate, Hugh 'Bud'	(R)	33	Moses, Carl	(D)	40
Foster, Richard	(D)	38	Mulder, Eldon	(R)	23
Green, Joe	(R)	10	Murkowski, Lisa	(R)	14
Guess, Gretchen	(D)	16	Ogan, Scott	(R)	27
Halcro, Andrew	(R)	12	Porter, Brian	SPEAKER (R)	20
Harris, John	(R)	35	Rokeberg, Norman	(R)	11
Hayes, Joe	(D)	30	Scalzi, Drew	(R)	7
Hudson, Bill	(R)	4	Stevens, Gary	(R)	6
James, Jeannette	(R)	34	Whitaker, Jim	(R)	31
Joule, Reggie	(D)	37	Williams, Bill	(R)	1
Kapsner, Mary	(D)	39	Wilson, Peggy	(R)	2

**HOUSE FINANCE COMMITTEE**

Mulder (Co-Chair)  
 Williams (Co-Chair)  
 Bunde (Vice-Chair)

Foster, Harris, Hudson, Lancaster, Whitaker, Croft,  
 Davies, Moses

**PRESIDING OFFICER**

Brian Porter

**SENATE**

NAME	PARTY	DISTRICT	NAME	PARTY	DISTRICT
Austerman, Al	(R)	C	Leman, Loren	(R)	G
Cowdrey, John	(R)	I	Lincoln, Georgianna	(D)	R
Davis, Bettye	(R)	K	Olson, Donald	(R)	S
Donley, Dave	(R)	J	Pearce, Drue	(R)	F
Ellis, Johnny	(D)	H	Phillips, Randy	(R)	L
Elton, Kim	(D)	B	Taylor, Robin	(R)	A
Green, Lyda	(R)	N	Torgerson, John	(R)	D
Halford, Rick	PRESIDENT (R)	M	Therriault, Gene	(R)	Q
Hoffman, Lyman	(D)	T	Ward, Jerry	(R)	E
Kelly, Pete	(R)	P	Wilken, Gary	(R)	O

**SENATE FINANCE COMMITTEE**

Donley (Co-Chair)  
 Kelly (Co-Chair)  
 Ward (Vice-Chair)

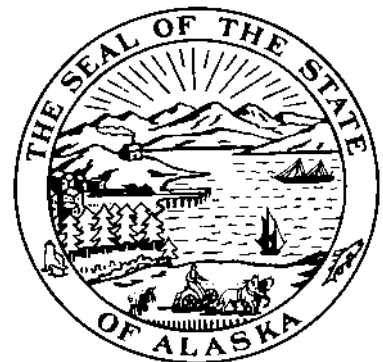
Austerman, Green, Leman, Wilken, Hoffman, Olson

**PRESIDING OFFICER**

Rick Halford

# Financial Section

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ALASKA STATE LEGISLATURE  
LEGISLATIVE BUDGET AND AUDIT COMMITTEE  
Division of Legislative Audit



P.O. Box 113300  
Juneau, AK 99811-3300  
(907) 465-3830  
FAX (907) 465-2347  
Internet e-mail address:  
legaudit@legis.state.ak.us

Independent Auditor's Report

Citizens of the State of Alaska:

We have audited the accompanying general purpose financial statements of the State of Alaska, as of and for the fiscal year ended June 30, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the State of Alaska management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of certain entities, which represent the indicated percent of total assets and the absolute value of revenues, respectively, of the Trust and Agency Funds (83% and 92%), and the Component Unit Funds (100% and 100%). Those financial statements were audited by other auditors whose reports have been furnished to us. Our opinion on the general purpose financial statements, insofar as it relates to the amounts included for those entities, is based on the reports of the other auditors.

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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe our audit and the reports of the other auditors provide a reasonable basis for our opinion.

As disclosed in Note 1H in the Notes to the Financial Statements, the General Fixed Asset Account Group is not reported in accordance with generally accepted accounting principles, primarily because most state owned buildings are reported at insured value rather than historical cost. The amount reported for buildings at June 30, 2001, is \$1.7 billion or 64% of total reported general fixed assets.

In our opinion, based on our audit and the reports of other auditors, except for the effect of the departure from generally accepted accounting principles as discussed in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Alaska as of June 30, 2001, and the results of its operations and the cash flows of its proprietary and nonexpendable trust funds for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the State of Alaska. Such information has been subject to the auditing procedures applied in the audit of the general purpose financial statements and in our opinion, based on our audit and the reports of other auditors, except for the matters noted above, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The introduction section and the statistical section listed in the table of contents were not audited by us and, accordingly, we express no opinion on them.

Reports in accordance with *Government Auditing Standards*, and *Audits of States, Local Governments, and Non-Profit Organizations* on the State's internal control structure and on compliance with state and federal laws and regulations will be issued in a separate report.

A handwritten signature in black ink that reads "Pat Davidson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Pat Davidson, CPA  
Legislative Auditor

December 3, 2001

# General Purpose Financial Statements

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STATE OF ALASKA  
COMBINED BALANCE SHEET

STATEMENT 1.01

ALL FUND TYPES AND ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2001

(Stated in Thousands)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
<b>ASSETS:</b>				
Cash and Investments	\$ 673,471	\$ 54,191	\$ 15,406	\$
Accounts Receivable - Net	397,919	6,183		
Interest and Dividends Receivable	998			
Due from Other Funds	22,167	55		
Due from Component Units	7,230	800		
Due from Primary Government				
Loans, Notes, and Bonds Receivable	8,524	47		
Inventories	9,710			
Repossessed Property				
Fixed Assets (Net, where applicable, of Accumulated Depreciation)				
Net Investment in Direct Financing Leases				
Other Assets	11,145	3,345		
<b>OTHER DEBITS:</b>				
Amount Available and to be Provided for Retirement of General Long-Term Debt				
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 1,131,164</b>	<b>\$ 64,621</b>	<b>\$ 15,406</b>	<b>\$ 0</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>				
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 67,825	\$ 2,188	\$	\$
Accounts Payable	289,996	4,560		
Due to Other Funds	3,880,334	4,104		
Due to Component Units	2,433	320		
Due to Primary Government				
Interest Payable				
Deferred Revenues, Advances, and Prepayments	63,557	9		
Notes and Bonds Payable				
Revenue Bonds Payable				
Other Long-Term Debt				
Other Liabilities	2,883	332		
<b>TOTAL LIABILITIES</b>	<b>4,307,028</b>	<b>11,513</b>	<b>0</b>	<b>0</b>
<b>EQUITY AND OTHER CREDITS:</b>				
Investment in General Fixed Assets				
Contributed Capital				
Net Unrealized Gains on Investments				
Retained Earnings:				
Reserved				
Unreserved				
Fund Balances:				
Reserved for Encumbrances	152,231	29,890		
Reserved for Nonexpendable Trust Corpus				
Reserved for Employees' Pension Benefits				
Reserved for Employees' Postemployment Healthcare Benefits				
Reserved for Other	40,379	47	15,406	
Unreserved, Designated	348,593	10,685		
Unreserved, Undesignated (See Note 1.M.)	(3,717,067)	12,486		
<b>TOTAL EQUITY AND OTHER CREDITS</b>	<b>(3,175,864)</b>	<b>53,108</b>	<b>15,406</b>	<b>0</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 1,131,164</b>	<b>\$ 64,621</b>	<b>\$ 15,406</b>	<b>\$ 0</b>

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

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals Primary Government (Memorandum Only)	Component Units
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	June 30, 2001	
\$ 348,796	\$ 162,284	\$ 44,431,902	\$	\$	\$ 45,686,050	\$ 2,696,177
14,748	2,339	211,326			632,515	82,072
38,313		162,104			201,415	52,417
315	6,572	4,992,783			5,021,892	
					8,030	185,328
					-	421,712
255,300		2,669			266,540	4,029,352
	4,458				14,168	7,014
531					531	4,219
422,224	108,768		2,705,090		3,236,082	1,868,717
						462,019
7,373	654				22,517	560,222
				452,207	452,207	
<u>\$ 1,087,600</u>	<u>\$ 285,075</u>	<u>\$ 49,800,784</u>	<u>\$ 2,705,090</u>	<u>\$ 452,207</u>	<u>\$ 55,541,947</u>	<u>\$ 10,369,249</u>
\$ 290	\$ 1,130	\$ 5,812	\$	\$	\$ 77,245	\$ 1,902
1,593	58,127	283,807			638,083	186,021
12,750	1,290	1,119,363			5,017,841	
		418,735			421,488	188,990
					-	6,157
3,199	116				3,315	46,077
3,253		365			67,184	143,801
	9,397				9,397	3,748,296
226,976				115,172	342,148	367,593
	2,820			337,035	339,855	33,821
55	3,472	204,049			210,791	361,247
248,116	76,352	2,032,131	0	452,207	7,127,347	5,083,905
			2,705,090		2,705,090	880,754
415,748	107,540				523,288	2,058,768
						232
12,346	12,399				24,745	25
411,390	88,784				500,174	1,673,896
					182,121	
		21,324,855			21,324,855	374,402
		10,977,340			10,977,340	
		3,078,960			3,078,960	
		12,387,498			12,443,330	220,275
					359,278	69,085
					(3,704,581)	7,907
839,484	208,723	47,768,653	2,705,090	0	48,414,600	5,285,344
<u>\$ 1,087,600</u>	<u>\$ 285,075</u>	<u>\$ 49,800,784</u>	<u>\$ 2,705,090</u>	<u>\$ 452,207</u>	<u>\$ 55,541,947</u>	<u>\$ 10,369,249</u>

## COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Stated in Thousands)

	Governmental Fund Types	
	General	Special Revenue
<b>REVENUES:</b>		
Taxes	\$ 1,301,910	\$ 30,662
Licenses and Permits	52,468	25,899
Charges for Services	161,330	88
Fines and Forfeitures	33,615	65
Rents and Royalties		
General Fund	799,938	1,684
Alaska Permanent Fund	333,262	
Constitutional Budget Reserve Fund		
Contributions		
Interest and Investment Income	77,995	1,406
Net Increase (Decrease) in the Fair Value of Investments		
Federal	1,297,840	26,921
Other	128,787	700
<b>TOTAL REVENUES</b>	<b>4,187,145</b>	<b>87,425</b>
<b>EXPENDITURES:</b>		
Current Operating		
General Government	163,107	97,381
Education	850,248	29,336
Health and Social Services	1,283,436	582
Law, Justice, and Public Protection	515,266	11,410
Natural Resources	110,073	42,617
Development	19,404	
Transportation	165,551	
Capital Outlay	570,976	2,715
Debt Service		
Intergovernmental	79,832	2,687
<b>TOTAL EXPENDITURES</b>	<b>3,757,893</b>	<b>186,728</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>429,252</b>	<b>(99,303)</b>
<b>OTHER FINANCING SOURCES (USES):</b>		
Operating Transfers (Out to) Other Funds	(3,814)	(18,926)
Operating Transfers (Out to) Component Units	(213,075)	
Operating Transfers (Out to) Primary Government		
Operating Transfers In from Other Funds	8,620	1,757
Operating Transfers In from Component Units	16,738	
Bond Proceeds - Net		115,172
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(191,531)</b>	<b>98,003</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>237,721</b>	<b>(1,300)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>(3,154,284)</b>	<b>54,543</b>
Residual Equity Fund Transfers (Out to) Other Funds	(334,600)	(84)
Residual Equity Fund Transfers In from Other Funds	2,693	
Residual Equity Fund Transfers In from Component Units	70,577	
Prior Period Adjustment	2,029	(51)
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ (3,175,864)</b>	<b>\$ 53,108</b>

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

Governmental Fund Types		Fiduciary Fund Types	Totals Primary Government (Memorandum Only) Year Ended	Component Units
Debt Service	Capital Projects	Expendable Trust	June 30, 2001	
\$	\$	\$ 27,789	\$ 1,360,361	\$
		295	78,367	
			161,713	
			33,680	
			801,622	
			333,262	
		7,844	7,844	
		179,039	179,039	
774		211,746	291,921	13,030
		6,380	6,380	
		941	1,325,702	
		11,694	141,181	
774	0	445,728	4,721,072	13,030
		5,947	266,435	837
		14	879,598	
		1,320,494	2,604,512	
		7,987	534,663	
		4,684	157,374	
			19,404	
		28,242	165,551	
4,294			601,933	9,347
			4,294	
			82,519	
4,294	0	1,367,368	5,316,283	10,184
(3,520)	0	(921,640)	(595,211)	2,846
			(22,740)	
		(500)	(213,575)	(2,449)
18,926		1,113,223	-	(592)
			1,142,526	
			16,738	2,449
			115,172	
18,926	0	1,112,723	1,038,121	(592)
15,406	0	191,083	442,910	2,254
0	102	8,409,281	5,309,642	35,202
(102)	(102)		(334,888)	
102		84	2,879	
			70,577	
		1,489	3,467	
\$ 15,406	\$ 0	\$ 8,601,937	\$ 5,494,587	\$ 37,456



STATE OF ALASKA  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - BUDGETARY BASIS**  
**GENERAL AND SPECIAL REVENUE FUND TYPES**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 1.03

	General Fund		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES:</b>			
Unrestricted			
Taxes	\$ 993,571	\$ 1,316,274	\$ 322,703
Licenses and Permits	78,511	52,468	(26,043)
Federal	700	288	(412)
Charges for Services	406,583	436,427	29,844
Fines and Forfeitures	33,400	33,615	215
Rents and Royalties			
General Fund	668,462	815,798	147,336
Alaska Permanent Fund	345,049	345,049	0
Interest and Investment Income	49,534	82,026	32,492
Other	59,999	37,082	(22,917)
<b>TOTAL UNRESTRICTED</b>	<b>2,635,809</b>	<b>3,119,027</b>	<b>483,218</b>
Restricted			
Federal	3,329,638	1,270,361	(2,059,277)
Interagency Receipts	490,792	318,623	(172,169)
Other	94,228	94,623	395
<b>TOTAL RESTRICTED</b>	<b>3,914,658</b>	<b>1,683,607</b>	<b>(2,231,051)</b>
<b>TOTAL REVENUES</b>	<b>6,550,467</b>	<b>4,802,634</b>	<b>(1,747,833)</b>
<b>EXPENDITURES:</b>			
Current Operating			
General Government	541,180	521,122	20,058
Education	912,284	904,130	8,154
Health and Social Services	1,404,714	1,333,376	71,338
Law, Justice, and Public Protection	563,926	541,598	22,328
Natural Resources	147,888	126,682	21,206
Development	32,960	23,624	9,336
Transportation	315,883	251,009	64,874
Capital Outlay	2,928,672	1,059,914	1,868,758
Intergovernmental	147,905	114,824	33,081
<b>TOTAL EXPENDITURES</b>	<b>6,995,412</b>	<b>4,876,279</b>	<b>2,119,133</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(444,945)</b>	<b>(73,645)</b>	<b>371,300</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers (Out to) Other Funds	(61,272)	(61,272)	0
Operating Transfers (Out to) Component Units	(223,319)	(216,928)	6,391
Operating Transfers In from Other Funds	68,198	66,298	(1,900)
Operating Transfers In from Component Units	16,737	16,737	0
Bond Proceeds - Net			
Residual Equity Fund Transfers (Out to) Other Funds	(346,033)	(346,033)	0
Residual Equity Fund Transfers In from Other Funds	1,622	1,622	0
Residual Equity Fund Transfers In from Component Units	168,932	70,577	(98,355)
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS</b>	<b>\$ (820,080)</b>	<b>(542,644)</b>	<b>\$ 277,436</b>
<b>RECONCILIATION OF BUDGETARY / GAAP REPORTING:</b>			
Adjust Expenditures for Encumbrances		573,562	
Basis Difference		(31,750)	
Perspective Difference		(23,399)	
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS</b>		<b>(24,231)</b>	
<b>FUND BALANCES, BEGINNING OF YEAR</b>		<b>(3,154,284)</b>	
Prior Period Adjustment		2,651	
<b>FUND BALANCES, END OF YEAR</b>		<b>\$ (3,175,864)</b>	

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

STATEMENT 1.03

Special Revenue Funds		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$ 29,463	\$ 30,654	\$ 1,191
25,882	25,899	17
70	88	18
61	65	4
1,684	1,684	0
900	1,406	506
582	569	(13)
<u>58,642</u>	<u>60,365</u>	<u>1,723</u>
65,846	26,921	(38,925)
193	130	(63)
221	1	(220)
<u>66,260</u>	<u>27,052</u>	<u>(39,208)</u>
124,902	87,417	(37,485)
97,380	97,381	(1)
29,337	29,336	1
582	582	0
59,039	23,045	35,994
44,780	43,211	1,569
8,648	4,693	3,955
<u>29,634</u>	<u>27,950</u>	<u>1,684</u>
269,400	226,198	43,202
(144,498)	(138,781)	5,717
(18,926)	(18,926)	0
1,757	1,757	0
115,172	115,172	0
0	(84)	(84)
<u>\$ (46,495)</u>	<u>(40,862)</u>	<u>\$ 5,633</u>
	39,470	
	8	
	(1,384)	
	54,543	
	(51)	
	<u>\$ 53,108</u>	

**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS / FUND BALANCES**  
**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

	Proprietary Fund Types	
	Enterprise	Internal Service
<b>OPERATING REVENUES:</b>		
Charges for Goods and Services	\$ 73,837	\$ 63,756
Fines and Forfeitures	99	
Rents and Royalties		
Interest and Investment Income	14,729	
Net Increase (Decrease) in the Fair Value of Investments		
Premiums		276,439
Other	1,068	
<b>TOTAL OPERATING REVENUES</b>	<b>89,733</b>	<b>340,195</b>
<b>OPERATING EXPENSES:</b>		
Costs of Goods and Services		2,488
Operating	49,122	64,667
Interest and Service Fees		
Financing Costs		
Provision for Loan Losses and Forgiveness	751	3
Write-down and Net (Income) Expense of Real Estate Owned	362	
Depreciation	19,772	13,695
Benefits		237,383
Other		
<b>TOTAL OPERATING EXPENSES</b>	<b>70,007</b>	<b>318,236</b>
<b>OPERATING INCOME (LOSS)</b>	<b>19,726</b>	<b>21,959</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Net Increase (Decrease) in the Fair Value of Investments		(3,295)
Revenues and Grants	14,301	7,541
Expenses	(3,869)	(4,864)
Gain (Loss) on Disposal of Fixed Assets	976	(49)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>11,408</b>	<b>(667)</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>31,134</b>	<b>21,292</b>
<b>OPERATING TRANSFERS:</b>		
Operating Transfers (Out to) Other Funds	(1,508)	
Operating Transfers (Out to) Component Units		
Operating Transfers (Out to) Primary Government		
Operating Transfers In from Other Funds	159	1,275
Operating Transfers In from Component Units		
Operating Transfers In from Primary Government		
<b>NET INCOME (LOSS)</b>	<b>29,785</b>	<b>22,567</b>
Capital Contributions	28,024	
Depreciation on Fixed Assets Acquired by Grants or Contribution	7,082	
<b>INCREASE (DECREASE) IN RETAINED EARNINGS/FUND BALANCES</b>	<b>64,891</b>	<b>22,567</b>
<b>RETAINED EARNINGS/FUND BALANCES, BEGINNING OF YEAR</b>	<b>358,846</b>	<b>78,616</b>
Residual Equity Fund Transfers In from Other Funds		
Residual Equity Fund Transfers In from Primary Government		
Prior Period Adjustment	(1)	
<b>RETAINED EARNINGS/FUND BALANCES, END OF YEAR</b>	<b>\$ 423,736</b>	<b>\$ 101,183</b>

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

STATEMENT 1.04

Fiduciary Fund Types	Totals	
	Primary Government (Memorandum Only) Year Ended	Component Units
Nonexpendable Trust	June 30, 2001	
\$	\$ 137,593	\$ 112,765
	99	6
	-	1,956
1,104,654	1,119,383	421,792
(1,975,480)	(1,975,480)	16,237
	276,439	
	1,068	86,967
(870,826)	(440,898)	639,723
	2,488	
48,452	162,241	148,614
	-	214,864
	-	6,047
	754	11,114
	362	12,351
	33,467	38,262
	237,383	
	-	77,229
48,452	436,695	508,481
(919,278)	(877,593)	131,242
(46,261)	(49,556)	
23,448	45,290	28,541
	(8,733)	(25,461)
	927	
(22,813)	(12,072)	3,080
(942,091)	(889,665)	134,322
(1,116,444)	(1,117,952)	(3,185)
	-	(34,475)
	1,434	
15,550	15,550	555
	-	23,333
(2,042,985)	(1,990,633)	120,550
	28,024	
	7,082	297
(2,042,985)	(1,955,527)	120,847
26,814,054	27,251,516	1,994,445
339,347	339,347	
	(1)	4,606
\$ 25,110,416	\$ 25,635,335	\$ 2,119,898

## COMBINED STATEMENT OF CASH FLOWS

## ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Stated in Thousands)

	Proprietary Fund Types	
	Enterprise	Internal Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating Income (Loss)	\$ 19,726	\$ 21,959
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Amortization	19,772	13,695
Provision for Loan Losses and Forgiveness	753	
Principal Collections on Loans and Notes	29,660	
Loans and Notes Originated	(28,734)	
Write-Down and Net (Gain) Loss of Owned Property	(329)	
Investment Income		
Net Change in Fair Value of Investments		
Net (Gain) Loss on Sale of Investments		
Interest Expense		
Other		
Nonoperating Activity	658	
(Increase) Decrease in Assets:		
Accounts Receivable - Net	(4,974)	(2,076)
Interest and Dividends Receivable	(5,803)	
Due from Other Funds	16	1,395
Due from Component Units		
Due from Primary Government		
Loans, Notes, and Bonds Receivable	451	
Inventories		(231)
Repossessed Property	1,627	
Other Assets		(40)
Increase (Decrease) in Liabilities:		
Warrants Outstanding	(1,215)	(334)
Accounts Payable	307	(4,374)
Due to Other Funds	(7,562)	(497)
Due to Primary Government		
Interest Payable		
Deferred Revenues, Advances, and Prepayments	909	
Other Liabilities	(144)	1,004
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>25,118</b>	<b>30,501</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Advances and Contributions	12,602	(4,350)
Residual Equity Fund Transfers (Out to) Other Funds	(105)	(2,571)
Residual Equity Fund Transfers (Out to) Component Units		
Residual Equity Fund Transfers (Out to) Primary Government		
Residual Equity Fund Transfers In from Other Funds	792	
Residual Equity Fund Transfers In from Component Units		
Operating Transfers (Out to) Other Funds	(1,719)	
Operating Transfers (Out to) Component Units		
Operating Transfers (Out to) Primary Government		
Operating Transfers In from Other Funds		1,275
Operating Transfers In from Component Units		
Operating Transfers In from Primary Government		
Proceeds from Issuance of Long-Term Debt		
Payments on Long-Term Debt		
Proceeds from Issuance of Short-Term Debt	2,208	
Payments on Short-Term Debt	(2,208)	
Interest and Fees Paid on Borrowings	(47)	
<b>NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<b>11,523</b>	<b>(5,646)</b>

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

STATEMENT 1.05

Fiduciary Fund Types	Totals	
	Primary Government (Memorandum Only)	
	Year Ended	
Nonexpendable Trust	June 30, 2001	Component Units
\$ (919,278)	\$ (877,593)	\$ 131,242
	33,467	25,565
	753	11,100
	29,660	314,175
	(28,734)	(760,796)
	(329)	12,403
870,826	870,826	(103,079)
	-	(16,546)
	-	(822)
	-	178,085
	-	(20)
5,924	6,582	11,819
	-	
(114)	(7,164)	3,861
	(5,803)	(8,436)
19	1,430	
	-	(25)
	-	45,656
(72)	379	1,013
	(231)	
	1,627	
	(40)	(55,095)
(5)	(1,554)	164
(2,893)	(6,960)	(15,283)
(7,623)	(15,682)	
	-	4,281
	-	(184)
77	986	(13,616)
	860	53,122
(53,139)	2,480	(181,416)
	8,252	
	(2,676)	
	-	(12,805)
	-	(64,426)
345,414	346,206	
	-	390
(1,175,231)	(1,176,950)	
(18,664)	(18,664)	(3,185)
	-	(18,925)
	1,275	
2,015	2,015	555
	-	39,981
	-	328,387
	-	(128,125)
	2,208	756,086
	(2,208)	(859,678)
	(47)	(192,697)
(846,466)	(840,589)	(154,442)

This statement continued on next page.

## COMBINED STATEMENT OF CASH FLOWS (CONTINUED)

## ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Stated in Thousands)

	Proprietary Fund Types	
	Enterprise	Internal Service
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Advances and Contributions	\$ 13,145	\$ 9,184
Proceeds from Issuance of Long-Term Debt		9,184
Payments on Long-Term Debt	(800)	(1,503)
Interest and Fees Paid on Borrowings	(11,958)	(415)
Acquisition and Construction of Fixed Assets and Deferred Costs	(46,015)	(7,528)
Proceeds from Sales of Fixed Assets		749
Investment in Direct Financing Leases		
Direct Financing Lease Receipts		
Payments on Capital Lease Obligations		(676)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(45,628)	(189)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from Sales/Maturities of Investments	5,664	
Purchase of Investments	(18,059)	(25,097)
Undistributed Real Estate Income		
Income Received on Investments	25,646	7,326
Principal Collections on Loans and Notes and Reduction in Real Estate Owned Loans Originated or Purchased		
Investment in Development Projects		
Change in Restricted Cash and Investments	18,649	
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	31,900	(17,771)
NET INCREASE (DECREASE) IN CASH	22,913	6,895
CASH, BEGINNING OF YEAR	88,254	46,184
CASH, END OF YEAR	\$ 111,167	\$ 53,079
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>		
Total Cash and Investments per the Balance Sheet	\$ 348,796	\$ 162,284
Less: Investments not Meeting the Definition of Cash or Cash Equivalents	(85,335)	(109,205)
Restricted Cash and Investments	(152,294)	
CASH, END OF YEAR	\$ 111,167	\$ 53,079
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>		
Residual Equity Fund Transfers In from (Out to) Other Funds	\$ (20)	\$ 354
Operating Transfers In from (Out to) Other Funds	(177)	
Sales of Real Estate Owned		
Bond Amortization		
Bond Issuance Cost Amortization		
Interest Capitalization		
Contributed Fixed Assets	16,000	34,905
Fixed Assets Transferred to General Fixed Assets Account Group		(244)
Interfund Asset Transfer		
Net Income (Loss) on Investment	354	

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

STATEMENT 1.05

Fiduciary Fund Types	Totals	
	Primary Government (Memorandum Only)	
	Year Ended	
Nonexpendable Trust	June 30, 2001	Component Units
\$	\$ 13,145	\$ (375)
	9,184	
	(2,303)	(15,191)
	(12,373)	(8,735)
	(53,543)	(44,569)
	749	359
	-	2,898
	-	16,230
	(676)	
0	(45,817)	(49,383)
	5,664	8,083,179
(552,776)	(595,932)	(7,807,186)
(34,697)	(34,697)	
1,269,572	1,302,544	145,507
	-	32,365
	-	(7,378)
	-	1,687
	18,649	(24,521)
682,099	696,228	423,653
(217,506)	(187,698)	38,412
1,065,738	1,200,176	108,619
\$ 848,232	\$ 1,012,478	\$ 147,031
\$ 26,532,116	\$ 27,043,196	\$ 2,502,132
(25,683,884)	(25,878,424)	(1,460,057)
	(152,294)	(895,044)
\$ 848,232	\$ 1,012,478	\$ 147,031
\$	\$ 334	\$
	(177)	
		350
		275
		844
		4,793
	50,905	
	(244)	
		131,815
	354	



STATE OF ALASKA  
**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**PENSION TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 1.06

	Public Employees' Retirement System		
	Pension	Postemployment Healthcare	Total
<b>ADDITIONS:</b>			
<b>CONTRIBUTIONS:</b>			
Employers	\$ 68,604	\$ 27,880	\$ 96,484
Employees	67,537	27,446	94,983
Other			-
<b>TOTAL CONTRIBUTIONS</b>	<b>136,141</b>	<b>55,326</b>	<b>191,467</b>
<b>INVESTMENT INCOME (LOSS):</b>			
Net Appreciation (Depreciation) in the Fair Value of Investments	(558,855)	(227,114)	(785,969)
Interest	125,703	51,085	176,788
Dividends	107,221	43,574	150,795
Net Recognized Mortgage Loan Recovery (Loss)			-
<b>TOTAL INVESTMENT INCOME (LOSS)</b>	<b>(325,931)</b>	<b>(132,455)</b>	<b>(458,386)</b>
Less: Investment Expenses	14,123	5,740	19,863
<b>NET INVESTMENT INCOME (LOSS)</b>	<b>(340,054)</b>	<b>(138,195)</b>	<b>(478,249)</b>
Other	5	2	7
<b>TOTAL ADDITIONS</b>	<b>(203,908)</b>	<b>(82,867)</b>	<b>(286,775)</b>
<b>DEDUCTIONS:</b>			
Benefits Paid	259,771	103,846	363,617
Insurance Premiums			-
Refunds to Terminated Employees	9,339	3,795	13,134
Administrative Expenses	3,322	1,350	4,672
<b>TOTAL DEDUCTIONS</b>	<b>272,432</b>	<b>108,991</b>	<b>381,423</b>
<b>NET INCREASE (DECREASE)</b>	<b>(476,340)</b>	<b>(191,858)</b>	<b>(668,198)</b>
<b>FUND BALANCES RESERVED FOR EMPLOYEES' PENSION AND POSTEMPLOYMENT HEALTHCARE BENEFITS:</b>			
FUND BALANCES, BEGINNING OF YEAR	6,272,529	2,484,051	8,756,580
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 5,796,189</b>	<b>\$ 2,292,193</b>	<b>\$ 8,088,382</b>

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

Teachers' Retirement System			Judicial Retirement System		
Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare	Total
\$ 52,399	\$ 11,742	\$ 64,141	\$ 923	\$ 61	\$ 984
39,805	8,920	48,725	287	19	306
		-			
<u>92,204</u>	<u>20,662</u>	<u>112,866</u>	<u>1,210</u>	<u>80</u>	<u>1,290</u>
(327,201)	(73,325)	(400,526)	(4,419)	(293)	(4,712)
72,603	16,270	88,873	2,263	150	2,413
62,514	14,010	76,524	774	51	825
<u>6</u>	<u>1</u>	<u>7</u>			
(192,078)	(43,044)	(235,122)	(1,382)	(92)	(1,474)
8,366	1,875	10,241	158	11	169
(200,444)	(44,919)	(245,363)	(1,540)	(103)	(1,643)
<u>(3)</u>	<u>(1)</u>	<u>(4)</u>			
(108,243)	(24,258)	(132,501)	(330)	(23)	(353)
210,945	48,928	259,873	3,403	415	3,818
		-			
3,058	684	3,742			
<u>1,583</u>	<u>355</u>	<u>1,938</u>	<u>24</u>	<u>1</u>	<u>25</u>
<u>215,586</u>	<u>49,967</u>	<u>265,553</u>	<u>3,427</u>	<u>416</u>	<u>3,843</u>
(323,829)	(74,225)	(398,054)	(3,757)	(439)	(4,196)
<u>3,626,396</u>	<u>858,506</u>	<u>4,484,902</u>	<u>69,735</u>	<u>2,925</u>	<u>72,660</u>
<u>\$ 3,302,567</u>	<u>\$ 784,281</u>	<u>\$ 4,086,848</u>	<u>\$ 65,978</u>	<u>\$ 2,486</u>	<u>\$ 68,464</u>

This statement continued on next page.

STATE OF ALASKA  
**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS (CONTINUED)**  
**PENSION TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 1.06

	National Guard and Naval Militia	Supplemental Benefits System
	Pension	Pension
<b>ADDITIONS:</b>		
<b>CONTRIBUTIONS:</b>		
Employers	\$ 880	\$ 46,215
Employees		46,215
Other		7,075
<b>TOTAL CONTRIBUTIONS</b>	<b>880</b>	<b>99,505</b>
<b>INVESTMENT INCOME (LOSS):</b>		
Net Appreciation (Depreciation) in the Fair Value of Investments	(718)	89,853
Interest	513	173
Dividends	126	2,992
Net Recognized Mortgage Loan Recovery (Loss)		
<b>TOTAL INVESTMENT INCOME (LOSS)</b>	<b>(79)</b>	<b>93,018</b>
Less: Investment Expenses	57	
<b>NET INVESTMENT INCOME (LOSS)</b>	<b>(136)</b>	<b>93,018</b>
Other		
<b>TOTAL ADDITIONS</b>	<b>744</b>	<b>192,523</b>
<b>DEDUCTIONS:</b>		
Benefits Paid	1,443	150,139
Insurance Premiums		6,851
Refunds to Terminated Employees		
Administrative Expenses	73	2,753
<b>TOTAL DEDUCTIONS</b>	<b>1,516</b>	<b>159,743</b>
<b>NET INCREASE (DECREASE)</b>	<b>(772)</b>	<b>32,780</b>
<b>FUND BALANCES RESERVED FOR EMPLOYEES' PENSION AND POSTEMPLOYMENT HEALTHCARE BENEFITS:</b>		
FUND BALANCES, BEGINNING OF YEAR	13,734	1,766,864
FUND BALANCES, END OF YEAR	\$ 12,962	\$ 1,799,644

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

STATEMENT 1.06

Totals		
June 30, 2001		
Pension	Postemployment Healthcare	Total
\$ 169,021	\$ 39,683	\$ 208,704
153,844	36,385	190,229
7,075	0	7,075
<u>329,940</u>	<u>76,068</u>	<u>406,008</u>
(801,340)	(300,732)	(1,102,072)
201,255	67,505	268,760
173,627	57,635	231,262
<u>6</u>	<u>1</u>	<u>7</u>
(426,452)	(175,591)	(602,043)
<u>22,704</u>	<u>7,626</u>	<u>30,330</u>
(449,156)	(183,217)	(632,373)
<u>2</u>	<u>1</u>	<u>3</u>
(119,214)	(107,148)	(226,362)
625,701	153,189	778,890
6,851	0	6,851
12,397	4,479	16,876
7,755	1,706	9,461
<u>652,704</u>	<u>159,374</u>	<u>812,078</u>
(771,918)	(266,522)	(1,038,440)
<u>11,749,258</u>	<u>3,345,482</u>	<u>15,094,740</u>
<u>\$ 10,977,340</u>	<u>\$ 3,078,960</u>	<u>\$ 14,056,300</u>

STATE OF ALASKA  
**COMBINING STATEMENT OF CHANGES IN FUND BALANCES**  
**ALL COLLEGE AND UNIVERSITY FUNDS - DISCRETELY PRESENTED COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 1.07

	Current		Student Loan	Endowment and Similar
	Unrestricted	Restricted		
<b>REVENUES AND OTHER ADDITIONS:</b>				
Unrestricted Current Funds Revenue	\$ 321,337	\$	\$	\$
State Appropriations, Restricted				
Federal Appropriations, Restricted		962		
Federal Grants and Contracts, Restricted		77,186	3	
State Grants and Contracts, Restricted		10,301		
Local Grants and Contracts, Restricted		1,794		
Private Gifts, Grants and Contracts, Restricted		35,381		
Investment Income, Restricted		6	12	
Endowment Income, Restricted		28		(466)
Sales and Services, Educational Departments, Restricted		592		
Other Income, Restricted		449	2	
Additions to Plant Facilities				
Retirement of Indebtedness				
<b>TOTAL REVENUES AND OTHER ADDITIONS</b>	<b>321,337</b>	<b>126,699</b>	<b>17</b>	<b>(466)</b>
<b>EXPENDITURES AND OTHER DEDUCTIONS:</b>				
Educational and General Expenditures	282,411	107,887		
Auxiliary Enterprises	30,939			
Facilities and Administrative Costs Recovered		18,546		
Retirement of Indebtedness				
Interest on Indebtedness				
Expended for Plant Facilities				
Other			16	418
Disposal of Plant Assets				
Future Lease Obligations				
Increase in Net Indebtedness				
<b>TOTAL EXPENDITURES AND OTHER DEDUCTIONS</b>	<b>313,350</b>	<b>126,433</b>	<b>16</b>	<b>418</b>
<b>TRANSFERS BETWEEN FUNDS:</b>				
Mandatory	(6,399)	(1)		325
Nonmandatory	(1,425)	(90)		(313)
<b>NET TRANSFERS BETWEEN FUNDS</b>	<b>(7,824)</b>	<b>(91)</b>	<b>0</b>	<b>12</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<b>163</b>	<b>175</b>	<b>1</b>	<b>(872)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR, AS ORIGINALLY REPORTED</b>	<b>42,685</b>	<b>2,292</b>	<b>914</b>	<b>127,370</b>
<b>CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE</b>				
<b>FUND BALANCES AT BEGINNING OF YEAR, AS RESTATED</b>	<b>42,685</b>	<b>2,292</b>	<b>914</b>	<b>127,370</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 42,848</b>	<b>\$ 2,467</b>	<b>\$ 915</b>	<b>\$ 126,498</b>

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

Alaska College Savings Program Fund	Plant				Totals
	Unexpended	Retirement of Indebtedness	Renewals and Replacements	Investment In Plant	Year Ended June 30, 2001
\$	\$	\$	\$	\$	\$
	5,513				321,337
					5,513
	768				962
	17,824				77,957
					28,125
					1,794
	(993)				34,388
392	9	172	87		678
					(438)
					592
					451
				43,499	43,499
				3,899	3,899
392	23,121	172	87	47,398	518,757
					390,298
	60				30,939
					18,606
		3,899			3,899
		2,916			2,916
	23,607				23,607
1,871	2,521	29			4,855
				3,515	3,515
				32	32
				4,013	4,013
1,871	26,188	6,844	0	7,560	482,680
	(1,146)	7,221			0
	435	(3)	115	1,281	0
0	(711)	7,218	115	1,281	0
(1,479)	(3,778)	546	202	41,119	36,077
6,742	22,411	2,981	1,328	839,635	1,046,358
	(13,445)				(13,445)
6,742	8,966	2,981	1,328	839,635	1,032,913
\$ 5,263	\$ 5,188	\$ 3,527	\$ 1,530	\$ 880,754	\$ 1,068,990

## COMBINING STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES

## ALL COLLEGE AND UNIVERSITY CURRENT FUNDS - DISCRETELY PRESENTED COMPONENT UNIT

For the Fiscal Year Ended June 30, 2001

(Stated in Thousands)

	Current		Totals
	Unrestricted	Restricted	Year Ended June 30, 2001
<b>REVENUES:</b>			
Tuition and Fees	\$ 50,434	\$	\$ 50,434
State Appropriations	190,650		190,650
Federal Appropriations		959	959
Local Appropriations	715		715
Federal Grants and Contracts	2	64,335	64,337
State Grants and Contracts	124	8,904	9,028
Local Grants and Contracts	1,261	1,647	2,908
Private Gifts, Grants and Contracts	2,416	30,974	33,390
Investment Income	4,408	84	4,492
Endowment Income	5,906	2	5,908
Sales and Services, Educational Departments	3,206	717	3,923
Sales and Services, Auxiliary Enterprises	31,078		31,078
Recovery of Facilities and Administrative Costs	18,606		18,606
Other	12,531	265	12,796
<b>TOTAL CURRENT FUNDS REVENUES</b>	<b>321,337</b>	<b>107,887</b>	<b>429,224</b>
<b>EXPENDITURES:</b>			
Instruction	101,876	13,542	115,418
Academic Support	28,256	1,521	29,777
Research	24,807	68,970	93,777
Public Service	8,163	11,534	19,697
Student Service	23,577	2,856	26,433
Operations and Maintenance	37,687	(401)	37,286
Institutional Support	52,610	1,942	54,552
Student Aid	5,435	7,923	13,358
Auxiliary Enterprises	30,939		30,939
<b>TOTAL CURRENT FUNDS EXPENDITURES</b>	<b>313,350</b>	<b>107,887</b>	<b>421,237</b>
<b>TRANSFERS AND OTHER CHANGES:</b>			
Mandatory Transfers			
Principal and Interest, Educational Plant	(4,037)		(4,037)
Principal and Interest, Auxiliary Enterprises	(2,361)		(2,361)
Endowment	(1)	(1)	(2)
Nonmandatory Transfers and Other Changes			
Restricted	85	(85)	0
Endowment	(117)	(1)	(118)
Unexpended Plant Funds		(4)	(4)
Retirement of Indebtedness Funds	3		3
Renewals and Replacements	(115)		(115)
Investment in Plant	(1,281)		(1,281)
Excess of Restricted Receipts over Transfers to Revenue		266	266
<b>TOTAL TRANSFERS AND OTHER CHANGES</b>	<b>(7,824)</b>	<b>175</b>	<b>(7,649)</b>
<b>NET INCREASE IN FUND BALANCES</b>	<b>\$ 163</b>	<b>\$ 175</b>	<b>\$ 338</b>

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



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STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL COMPONENT UNITS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 1.09

	Special Revenue	Debt Service	Proprietary Fund Types	
	Alaska Municipal Bond Bank Authority	Alaska Municipal Bond Bank Authority	Alaska Student Loan Corporation	Alaska Housing Finance Corporation
<b>ASSETS:</b>				
Cash and Investments	\$ 44,524	\$ 42	\$ 306,734	\$ 1,471,152
Accounts and Notes Receivable - Net				
Interest Receivable	508	7,776	10,857	24,395
Due from Component Units	1,669			150,332
Due from Primary Government			829	
Loans Receivable - Net			456,875	3,119,071
Bonds and Notes Receivable	250	189,888		31,085
Inventories				
Repossessed Property				472
Land				13,112
Fixed Assets (Net of Accumulated Depreciation)				42,568
Construction in Progress				39,939
Net Investment in Direct Financing Leases				39,150
Investment in Development Projects				
Bond Issue Costs			4,445	26,263
Investment in Partnerships or Corporations				
Other Assets				23,631
<b>TOTAL ASSETS</b>	<b>\$ 46,951</b>	<b>\$ 197,706</b>	<b>\$ 779,740</b>	<b>\$ 4,981,170</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS:</b>				
<b>LIABILITIES:</b>				
Warrants Outstanding	\$	\$	\$ 1,567	\$
Accounts Payable	17	2	430	
Commercial Paper				110,426
Due to Component Units	1,669		3,687	150,332
Due to Primary Government	592		313	
Interest Payable	112	7,816	11,500	16,426
Deferred Revenues and Advances			13,972	
Long-Term Notes and Bonds	5,443	134,452	454,671	2,860,614
Revenue Bonds Payable	1,525	55,436		37,410
Long-Term Debt	137			
Other Liabilities			1,194	32,285
<b>TOTAL LIABILITIES</b>	<b>9,495</b>	<b>197,706</b>	<b>487,334</b>	<b>3,207,493</b>
<b>EQUITY AND OTHER CREDITS:</b>				
Investment in General Fixed Assets				
Contributed Capital			300,502	425,555
Net Unrealized Gains on Investments				
Retained Earnings:				
Reserved				
Unreserved			(8,096)	1,348,122
Fund Balances:				
Reserved for Nonexpendable Trust Corpus				
Reserved for Other	19,295			
Unreserved, Designated	18,161			
Unreserved, Undesignated				
<b>TOTAL EQUITY AND OTHER CREDITS</b>	<b>37,456</b>	<b>0</b>	<b>292,406</b>	<b>1,773,677</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 46,951</b>	<b>\$ 197,706</b>	<b>\$ 779,740</b>	<b>\$ 4,981,170</b>

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

Proprietary Fund Types						
Alaska Industrial Development and Export Authority			Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation
Revolving Fund	Small Business Economic Development	Rural Development Initiative Fund				
\$ 456,950	\$ 1,219	\$ 6	\$ 12,527	\$ 198,299	\$ 26,925	\$
7,585	71	1	11,378	15,971	508	
				1,191		
				25		
				1,607	281	
203,448	2,603	388		23,832		1,000
3,747						
			16,080			
			135,648	558,762	33	
			56,269		39,342	
422,869						
150,324						
3,394						
9,784			18,831			
<u>\$ 1,258,101</u>	<u>\$ 3,893</u>	<u>\$ 395</u>	<u>\$ 250,733</u>	<u>\$ 799,687</u>	<u>\$ 67,089</u>	<u>\$ 1,000</u>
\$	\$	\$	\$	\$	\$	\$
5,459			13,878	8,694	898	
				4,548	208	
6,373				3,850		
			95,980	99	26,002	
271,065			22,051			
91,140				144,160		
				226		
6,091			11,691	833	814	
380,128	0	0	143,600	162,410	27,922	0
293,798	2,982	390	34,174	963,518	36,849	1,000
			232			
584,175	25	5	72,727	(326,241)	2,318	
	886					
<u>877,973</u>	<u>3,893</u>	<u>395</u>	<u>107,133</u>	<u>637,277</u>	<u>39,167</u>	<u>1,000</u>
<u>\$ 1,258,101</u>	<u>\$ 3,893</u>	<u>\$ 395</u>	<u>\$ 250,733</u>	<u>\$ 799,687</u>	<u>\$ 67,089</u>	<u>\$ 1,000</u>

This statement continued on next page.

STATE OF ALASKA  
COMBINING BALANCE SHEET (CONTINUED)  
ALL COMPONENT UNITS  
June 30, 2001  
(Stated in Thousands)

STATEMENT 1.09

	Nonexpendable Trust			College and University	Totals June 30, 2001
	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation Endowment Fund	International Trade & Business Endowment	University of Alaska	
<b>ASSETS:</b>					
Cash and Investments	\$ 28,320	\$	\$	\$ 149,479	\$ 2,696,177
Accounts and Notes Receivable - Net	17			54,198	82,072
Interest Receivable	33				52,417
Due from Component Units				33,302	185,328
Due from Primary Government	306,406	106,682	5,647	260	421,712
Loans Receivable - Net					3,807,217
Bonds and Notes Receivable	912				222,135
Inventories				7,014	7,014
Repossessed Property					4,219
Land	997			24,982	55,171
Fixed Assets (Net of Accumulated Depreciation)				913,113	1,650,124
Construction in Progress				27,872	163,422
Net Investment in Direct Financing Leases					462,019
Investment in Development Projects					150,324
Bond Issue Costs					30,708
Investment in Partnerships or Corporations					3,394
Other Assets	2			323,548	375,796
<b>TOTAL ASSETS</b>	<b>\$ 336,687</b>	<b>\$ 106,682</b>	<b>\$ 5,647</b>	<b>\$ 1,533,768</b>	<b>\$ 10,369,249</b>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS:</b>					
<b>LIABILITIES:</b>					
Warrants Outstanding	\$ 335	\$	\$	\$	\$ 1,902
Accounts Payable	771			45,446	75,595
Commercial Paper					110,426
Due to Component Units				33,302	188,990
Due to Primary Government	496				6,157
Interest Payable					46,077
Deferred Revenues and Advances	1,070			6,678	143,801
Long-Term Notes and Bonds					3,748,296
Revenue Bonds Payable				37,922	367,593
Long-Term Debt				33,458	33,821
Other Liabilities	367			307,972	361,247
<b>TOTAL LIABILITIES</b>	<b>3,039</b>	<b>0</b>	<b>0</b>	<b>464,778</b>	<b>5,083,905</b>
<b>EQUITY AND OTHER CREDITS:</b>					
Investment in General Fixed Assets				880,754	880,754
Contributed Capital					2,058,768
Net Unrealized Gains on Investments					232
Retained Earnings:					
Reserved					25
Unreserved					1,673,896
Fund Balances:					
Reserved for Nonexpendable Trust Corpus	268,269	101,183	4,950		374,402
Reserved for Other	65,379	5,499	697	129,405	220,275
Unreserved, Designated				50,924	69,085
Unreserved, Undesignated				7,907	7,907
<b>TOTAL EQUITY AND OTHER CREDITS</b>	<b>333,648</b>	<b>106,682</b>	<b>5,647</b>	<b>1,068,990</b>	<b>5,285,344</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 336,687</b>	<b>\$ 106,682</b>	<b>\$ 5,647</b>	<b>\$ 1,533,768</b>	<b>\$ 10,369,249</b>

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

STATE OF ALASKA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUND COMPONENT UNITS  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 1.10

	Special Revenue	Debt Service	Totals Year Ended
	Alaska Municipal Bond Bank Authority	Alaska Municipal Bond Bank Authority	June 30, 2001
<b>REVENUES:</b>			
Interest and Investment Income	\$ 3,683	\$ 9,347	\$ 13,030
<b>TOTAL REVENUES</b>	<b>3,683</b>	<b>9,347</b>	<b>13,030</b>
<b>EXPENDITURES:</b>			
Current Operating			
General Government	837		837
Debt Service		9,347	9,347
<b>TOTAL EXPENDITURES</b>	<b>837</b>	<b>9,347</b>	<b>10,184</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,846</b>	<b>0</b>	<b>2,846</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers (Out to) Component Units	(2,449)		(2,449)
Operating Transfers (Out to) Primary Government	(592)		(592)
Operating Transfers In from Component Units	2,449		2,449
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(592)</b>	<b>0</b>	<b>(592)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>2,254</b>	<b>0</b>	<b>2,254</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>35,202</b>	<b>0</b>	<b>35,202</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 37,456</b>	<b>\$ 0</b>	<b>\$ 37,456</b>

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

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS / FUND BALANCES

## PROPRIETARY AND NONEXPENDABLE TRUST COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Stated in Thousands)

	Proprietary Fund Types				
	Alaska Student Loan Corporation	Alaska Housing Finance Corporation	Alaska Industrial Development and Export Authority		
			Revolving Fund	Small Business Economic Development	Rural Development Initiative Fund
<b>OPERATING REVENUES:</b>					
Charges for Services	\$	\$	\$	\$ 2	\$ 2
Fines and Forfeitures				6	
Rents and Royalties					
Interest Income	40,582	204,230	19,151	215	3
Direct Financing Leases Interest Income			22,783		
Investment Income		108,303	24,887		
Net Increase (Decrease) in the Fair Value of Investments		3,524	13,022		
Other		60,111	3,733		
<b>TOTAL OPERATING REVENUES</b>	<b>40,582</b>	<b>376,168</b>	<b>83,576</b>	<b>223</b>	<b>5</b>
<b>OPERATING EXPENSES:</b>					
Operating	8,678	26,542	7,436		
Interest, Net Amortization and Fees		183,708	21,618		
Financing Costs		6,047			
Provision for Loan Losses and Forgiveness	2,713	8,124		143	
Write-Down and Net (Income) Expense of Real Estate Owned		503	11,848		
Depreciation		5,455	1,244		
Other		49,436	1,131		
<b>TOTAL OPERATING EXPENSES</b>	<b>11,391</b>	<b>279,815</b>	<b>43,277</b>	<b>143</b>	<b>0</b>
<b>OPERATING INCOME (LOSS)</b>	<b>29,191</b>	<b>96,353</b>	<b>40,299</b>	<b>80</b>	<b>5</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Interest Income	16,375				
Interest Expense	(23,898)				
Other Revenues	(665)				
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(8,188)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>21,003</b>	<b>96,353</b>	<b>40,299</b>	<b>80</b>	<b>5</b>
<b>OPERATING TRANSFERS:</b>					
Operating Transfers (Out to) Component Units					
Operating Transfers (Out to) Primary Government			(18,500)		
Operating Transfers In from Component Units					
Operating Transfers In from Primary Government					
<b>NET INCOME (LOSS)</b>	<b>21,003</b>	<b>96,353</b>	<b>21,799</b>	<b>80</b>	<b>5</b>
Depreciation on Fixed Assets Acquired by Grants or Contributions			270		
<b>Increase (Decrease) in Retained Earnings/Fund Balance</b>	<b>21,003</b>	<b>96,353</b>	<b>22,069</b>	<b>80</b>	<b>5</b>
<b>RETAINED EARNINGS/FUND BALANCE, BEGINNING OF YEAR</b>	<b>(29,099)</b>	<b>1,251,769</b>	<b>562,106</b>	<b>831</b>	<b>0</b>
Prior Period Adjustment					
<b>RETAINED EARNINGS/FUND BALANCE, END OF YEAR</b>	<b>\$ (8,096)</b>	<b>\$ 1,348,122</b>	<b>\$ 584,175</b>	<b>\$ 911</b>	<b>\$ 5</b>

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

Proprietary Fund Types				Nonexpendable Trust			Totals Year Ended June 30, 2001
Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science & Technology Foundation	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation Endowment Fund	Alaska Science and Technology Foundation International Trade & Business Endowment	
\$ 83,247	\$ 25,257	\$ 4,225	\$	\$ 32	\$	\$	\$ 112,765
				1,956			6
				120			1,956
				1,518			264,301
	(309)			23			22,783
15,174	7,926						134,708
98,421	32,874	4,225	0	3,649	0	0	16,237
							86,967
							639,723
77,157	7,743	3,101		14,000	3,887	70	148,614
	9,538						214,864
	134						6,047
							11,114
							12,351
10,303	21,233	27					38,262
	26,662						77,229
87,460	65,310	3,128	0	14,000	3,887	70	508,481
10,961	(32,436)	1,097	0	(10,351)	(3,887)	(70)	131,242
913		99					17,387
(1,563)							(25,461)
6,373				5,423	23		11,154
5,723	0	99	0	5,423	23	0	3,080
16,684	(32,436)	1,196	0	(4,928)	(3,864)	(70)	134,322
					(3,185)		(3,185)
	(425)			(11,366)	(3,984)	(200)	(34,475)
		555					555
	23,333						23,333
16,684	(9,528)	1,751	0	(16,294)	(11,033)	(270)	120,550
		27					297
16,684	(9,528)	1,778	0	(16,294)	(11,033)	(270)	120,847
56,043	(316,713)	540	0	345,336	117,715	5,917	1,994,445
				4,606			4,606
\$ 72,727	\$ (326,241)	\$ 2,318	\$ 0	\$ 333,648	\$ 106,682	\$ 5,647	\$ 2,119,898

STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY AND NONEXPENDABLE TRUST COMPONENT UNITS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 1.12

	Proprietary Fund Types				
	Alaska Student Loan Corporation	Alaska Housing Finance Corporation	Alaska Industrial Development and Export Authority		
			Revolving Fund	Small Business Economic Development	Rural Development Initiative Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Operating Income (Loss)	\$ 29,191	\$ 96,353	\$ 40,299	\$ 80	\$ 5
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Depreciation		5,455	1,244		
Amortization of Bond Discount, Premium, Other Costs		3,415			
Amortization of Unearned Income on Direct Financing Leases			(17,885)		
Provision for Loan Losses and Forgiveness	2,713	8,115		138	
Principal Collections on Loans and Notes		314,105		304	
Loans and Notes Originated		(760,087)		(321)	(388)
Write-Down and Net (Gain) Loss of Owned Property		(147)	12,550		
Investment Income		(101,849)		(21)	
Net Change in the Fair Value of Investments		(3,524)	(13,022)		
Net (Gain) Loss on Sale of Investments					
Interest Expense		170,320			
Other		(352)			
Nonoperating Activity					
(Increase) Decrease in Assets:					
Accounts Receivable - Net					
Interest Receivable	(5,467)	(1,997)	(951)		(1)
Due from Component Unit					
Due from Primary Government	831				
Loans Receivable - Net	944				
Other Assets	1	(54,283)	(1,520)		
Increase (Decrease) in Liabilities:					
Warrants Outstanding	137			(39)	
Accounts Payable	22		2,076		
Due to Primary Government					
Interest Payable			(184)		
Deferred Revenues and Advances	(210)				
Other Liabilities	(106)	56,139	(112)		
<b>NET CASH PROVIDED BY (USED FOR)</b>					
OPERATING ACTIVITIES	<u>28,056</u>	<u>(268,337)</u>	<u>22,495</u>	<u>141</u>	<u>(384)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Residual Equity Fund Transfer (Out to) Component Units	(2,000)	(10,805)			
Residual Equity Fund Transfer (Out to) Primary Government	(200)	(64,226)			
Residual Equity Fund Transfer In from Component Units					390
Operating Transfers (Out to) Component Units					
Operating Transfers (Out to) Primary Government			(18,500)		
Operating Transfers In from Component Units					
Operating Transfers In from Primary Government					
Proceeds from Issuance of Long-Term Debt	33,345	295,042			
Payments on Long-Term Debt	(23,680)	(100,620)	(3,825)		
Proceeds from Issuance of Short-Term Debt		756,086			
Payments on Short-Term Debt		(859,678)			
Interest and Fees Paid on Borrowings	(22,930)	(169,767)			
<b>NET CASH PROVIDED BY (USED FOR)</b>					
NONCAPITAL FINANCING ACTIVITIES	<u>(15,465)</u>	<u>(153,968)</u>	<u>(22,325)</u>	<u>0</u>	<u>390</u>

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

Proprietary Fund Types				Nonexpendable Trust			Totals Year Ended June 30, 2001
Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation Endowment Fund	International Trade & Business Endowment	
\$ 10,961	\$ (32,436)	\$ 1,097	\$	\$ (10,351)	\$ (3,887)	\$ (70)	\$ 131,242
10,303	21,233 1,773	27					38,262 5,188
	134			(234)			(17,885) 11,100 314,175
	309			(1,518)			(760,796) 12,403 (103,079)
(822)	7,765						(16,546) (822) 178,085
6,373	332			5,423	23		(20) 11,819
(2,914)	7,475	(684)		(16)			3,861 (8,436) (25)
	(25)			(20)			(25)
	44,825						45,656
	69						1,013
709				(2)			(55,095)
(5,224)	(12,296)	(43)		66			164
	4,548			182			(15,283)
				(267)			4,281
(13,321)	(345)			260			(184) (13,616)
(477)	(2,627)	377		(72)			53,122
5,588	40,734	774	0	(6,549)	(3,864)	(70)	(181,416)
							(12,805)
							(64,426)
							390
					(3,185)		(3,185)
	(425)						(18,925)
	23,333	555		9,529	7,049	70	555 39,981
							328,387
							(128,125)
							756,086
							(859,678)
							(192,697)
0	22,908	555	0	9,529	3,864	70	(154,442)

This statement continued on next page.



STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS (CONTINUED)**  
**PROPRIETARY AND NONEXPENDABLE TRUST COMPONENT UNITS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 1.12

	Proprietary Fund Types				
	Alaska Student Loan Corporation	Alaska Housing Finance Corporation	Alaska Industrial Development and Export Authority		
			Revolving Fund	Small Business Economic Development	Rural Development Initiative Fund
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Advances and Contributions	\$	\$	\$	\$	\$
Payments on Long-Term Debt		(23)	(8,970)		
Interest and Fees Paid on Borrowings		(5)			
Acquisition and Construction of Fixed Assets and Deferred Costs		(10,810)			
Proceeds from Sales of Fixed Assets					
Investment in Direct Financing Leases		3,550	(652)		
Direct Financing Lease Receipts			16,230		
<b>NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>0</b>	<b>(7,288)</b>	<b>6,608</b>	<b>0</b>	<b>0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Proceeds from Sales/Maturities of Investments	426,631	7,349,388	307,160		
Purchase of Investments	(450,069)	(7,017,107)	(338,502)		
Income Received on Investments	12,894	102,434			
Principal Collections on Loans and Notes and Reduction in Real Estate Owned			32,365		
Loans Originated or Purchased			(7,378)		
Investment in Development Projects			1,687		
Change in Restricted Cash and Investments					
<b>NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>	<b>(10,544)</b>	<b>434,715</b>	<b>(4,668)</b>	<b>0</b>	<b>0</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>2,047</b>	<b>5,122</b>	<b>2,110</b>	<b>141</b>	<b>6</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>24,512</b>	<b>8,520</b>	<b>38,270</b>	<b>1,078</b>	<b>0</b>
<b>CASH, END OF YEAR</b>	<b>\$ 26,559</b>	<b>\$ 13,642</b>	<b>\$ 40,380</b>	<b>\$ 1,219</b>	<b>\$ 6</b>
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>					
Total Cash and Investments per the Balance Sheet	\$ 306,734	\$ 1,471,152	\$ 456,950	\$ 1,219	\$ 6
Less: Investments not Meeting the Definition of Cash or Cash Equivalents		(1,457,510)			
Restricted Cash and Investments	(280,175)		(416,570)		
<b>CASH, END OF YEAR</b>	<b>\$ 26,559</b>	<b>\$ 13,642</b>	<b>\$ 40,380</b>	<b>\$ 1,219</b>	<b>\$ 6</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>					
Sales of Real Estate Owned	\$	\$	\$ 350	\$	\$
Bond Amortization	275				
Bond Issuance Cost Amortization	844				
Interest Capitalization	4,793				
Interfund Asset Transfer		131,815			

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

Proprietary Fund Types				Nonexpendable Trust			Totals Year Ended June 30, 2001
Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation Endowment Fund	International Trade & Business Endowment	
\$	\$	\$	\$	\$	\$	\$	\$
(2,018)	(4,180)	(375)					(375)
(1,569)	(7,161)						(15,191)
(47,454)		13,695					(44,569)
359							359
							2,898
							16,230
(50,682)	(11,341)	13,320	0	0	0	0	(49,383)
							8,083,179
(1,508)							(7,807,186)
14,027	9,929	99		6,124			145,507
							32,365
							(7,378)
							1,687
37,709	(62,230)						(24,521)
50,228	(52,301)	99	0	6,124	0	0	423,653
5,134	0	14,748	0	9,104	0	0	38,412
4,846	0	12,177	0	19,216	0	0	108,619
\$ 9,980	\$ 0	\$ 26,925	\$ 0	\$ 28,320	\$ 0	\$ 0	\$ 147,031
\$ 12,527	\$ 198,299	\$ 26,925	\$ 0	\$ 28,320	\$ 0	\$ 0	\$ 2,502,132
(2,547)							(1,460,057)
	(198,299)						(895,044)
\$ 9,980	\$ 0	\$ 26,925	\$ 0	\$ 28,320	\$ 0	\$ 0	\$ 147,031
\$	\$	\$	\$	\$	\$	\$	\$
							350
							275
							844
							4,793
							131,815

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL COMPONENT UNIT COLLEGE AND UNIVERSITY FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 1.13

	Current		Student Loan
	Unrestricted	Restricted	
<b>ASSETS:</b>			
Cash and Investments	\$ 58,620	\$ 42	\$ 171
Accounts and Notes Receivable - Net	1,692	37,609	579
Due from Component Units	27,872		165
Due from Primary Government			
Inventories	7,014		
Investment in Plant			
Land			
Fixed Assets			
Construction in Progress			
Assets in Trust			
Other Assets	225	3	
<b>TOTAL ASSETS</b>	<b>\$ 95,423</b>	<b>\$ 37,654</b>	<b>\$ 915</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES:</b>			
Accounts Payable and Accrued Expenses	\$ 39,239	\$ 2,349	\$
Due to Component Units		32,768	
Deferred Revenues and Advances			
College Savings Benefits Payable			
Accrued Annual Leave	7,075		
Future Lease Obligations			
Revenue Bonds Payable			
Long-Term Debt			
Deposits Held in Custody for Others	6,261	70	
<b>TOTAL LIABILITIES</b>	<b>52,575</b>	<b>35,187</b>	<b>0</b>
<b>FUND BALANCES:</b>			
Net Investment in Plant			
Reserved		2,467	915
Unreserved, Designated	35,959		
Unreserved, Undesignated	6,889		
<b>TOTAL FUND BALANCES</b>	<b>42,848</b>	<b>2,467</b>	<b>915</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 95,423</b>	<b>\$ 37,654</b>	<b>\$ 915</b>

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

Endowment and Similar	Alaska College Savings Program Fund	Plant	Agency	Totals June 30, 2001
\$ 81,969	\$ 2	\$ 8,646	\$ 31	\$ 149,479
5,626	2	8,681	9	54,198
802		3,068	1,395	33,302
		260		260
				7,014
		24,982		24,982
		913,113		913,113
		27,872		27,872
	30,043		252,620	282,663
40,657				40,885
<u>\$ 129,054</u>	<u>\$ 30,045</u>	<u>\$ 986,622</u>	<u>\$ 254,055</u>	<u>\$ 1,533,768</u>
\$ 20	\$ 1	\$ 3,732	\$ 105	\$ 45,446
	534			33,302
		6,678		6,678
	24,247			24,247
				7,075
		16,333		16,333
		37,922		37,922
2,500		30,958		33,458
36			253,950	260,317
2,556	24,782	95,623	254,055	464,778
		880,754		880,754
113,063	5,263	7,697		129,405
13,435		1,530		50,924
		1,018		7,907
126,498	5,263	890,999	0	1,068,990
<u>\$ 129,054</u>	<u>\$ 30,045</u>	<u>\$ 986,622</u>	<u>\$ 254,055</u>	<u>\$ 1,533,768</u>

**STATE OF ALASKA  
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For the Fiscal Year Ended June 30, 2001**

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## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the State of Alaska have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting. The financial statements of the College and University Funds have been prepared in conformity with GAAP as prescribed by the American Institute of Certified Public Accountants. Except for the Alaska Railroad Corporation statements, which are prepared under ICC rules and regulations (US CFR Title 49) that are generally consistent with GAAP as promulgated by the Financial Accounting Standards Board (FASB), under the auspices of GASB Statement No. 20, the State does not apply FASB pronouncements issued after November 30, 1989, for proprietary activities, unless GASB amends its pronouncements to specifically adopt FASB pronouncements issued after that date.

### **A. THE FINANCIAL REPORTING ENTITY**

The State of Alaska was admitted to the Union in 1959 and is governed by an elected Governor and a sixty-member elected legislature. As required by GAAP, these financial statements present all the fund types and account groups of the State which includes all agencies, boards, commissions, authorities, courts, and colleges and universities that are legally part of the State (primary government) and its component units discussed below. Component units are legally separate entities for which the primary government is financially accountable or such that their exclusion would cause the State's financial statements to be misleading or incomplete.

The following component units are included in the accompanying financial statements. Blended component units, although legally separate entities, are, in substance, part of the State's operations and provide services entirely or almost entirely to the State. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the State. Individual component unit financial reports may also be obtained from each of these organizations.

#### **BLENDED COMPONENT UNITS**

The **Alaska Permanent Fund Corporation** (APFC) is a public corporation and government instrumentality in the Department of Revenue (AS 37.13.040). A Governor-appointed six-member board manages APFC. The legislature approves APFC's budget. The purpose of APFC is to manage and invest the assets of the Alaska Permanent Fund (Fund) and other funds designated by law. The Fund is a savings device, restricted as to usage, which belongs to all the people of Alaska. It was created in 1976 when the voters approved an amendment to the State constitution. The Fund is established as an inviolate trust. This means the principal of the Fund is to be invested in perpetuity. The beneficiaries of the trust are all present and future generations of Alaskans. The Fund represents 57 percent of the total cash and investments and 54 percent of total fund equity of all funds excluding the general fixed asset account group and discretely presented component units. APFC is reported in the fiduciary fund types as a nonexpendable trust fund. APFC financial statements may be obtained from the Alaska Permanent Fund Corporation, P.O. Box 25500, Juneau, AK 99802-5500.

The **Northern Tobacco Securitization Corporation** (NTSC) is a public corporation and government instrumentality of, but having a legal existence independent of and separate from, the State of Alaska. NTSC is a subsidiary of, but separate and apart from, the Alaska Housing Finance Corporation. The NTSC board of directors are the commissioners of the departments of Revenue, Health and Social Services, and Community and Economic Development, and two independent public members appointed by the Governor.

The purpose of NTSC is to purchase Tobacco Settlement Revenues from the State. NTSC is authorized to issue bonds necessary to provide sufficient funds for carrying out its purpose. Bonds issued by NTSC are the sole obligation of NTSC. Neither the Alaska Housing Finance Corporation (AHFC) nor the State of Alaska are liable for any debt issued by NTSC.

In October 2000, pursuant to a Purchase and Sale Agreement with the State, the State via AHFC sold to NTSC 40 percent of its future right, title, and interest in the Tobacco Settlement Revenues (TSRs) under the Master Settlement Agreement and the Consent Decree and Final Judgement (MSA). These rights include the State's share of 40 percent of TSRs received starting January 10, 2002, and in perpetuity to be received under the MSA. When NTSC's obligations with the bonds have been fulfilled, the TSRs revert back to the State under the residual certificate.

Consideration paid by NTSC through AHFC to the State for TSRs consisted of a cash amount sent to the State of Alaska custodial trust accounts and a residual certificate assigned to the State.

NTSC is reported in the governmental fund types as special revenue and debt service funds, and the revenue bond debt is in the general long-term debt account group. NTSC financial statements may be obtained from the Alaska Housing Finance Corporation, P.O. Box 101020, Anchorage, AK 99510-1020.

The **Public Employees' Retirement System** (PERS) was established by State statute (AS 39.35.010). The Commissioner of Administration is responsible for the administration of PERS. The Governor appoints the majority of the PERS board. The board prescribes policies and regulations, hears appeals, and approves employers' rates. PERS costs, based upon actuarial valuations, are funded by the State, participating governmental employers, and participants. PERS is reported in the fiduciary fund types as a pension trust fund. The Alaska State Pension Investment Board (ASPIB) is the fiduciary of PERS.

The **Teachers' Retirement System** (TRS) was established by State statute (AS 14.25.010). The Commissioner of Administration appoints the administrator of TRS. The administrator is responsible for the administration of TRS in accordance with State statutes. The Governor appoints the majority of the TRS board. The board prescribes policies and regulations, hears appeals, and approves employers' rates. TRS costs, based upon actuarial valuations, are funded by the State, participating governmental employers, and participants. TRS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of TRS.

The **Judicial Retirement System** (JRS) was established by State statute (AS 22.25.048). The Commissioner of Administration is responsible for the administration of JRS. JRS costs, based upon actuarial valuations, are funded by the State and participants. JRS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of JRS.

The **Alaska National Guard and Alaska Naval Militia Retirement System** (NGNMRS) was established by State statute (AS 26.05.222). The Commissioner of Administration is responsible for the administration of NGNMRS. NGNMRS costs, based upon actuarial valuations, are funded by the State. NGNMRS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of NGNMRS.

The **Supplemental Benefits System** (SBS) was established by State statute (AS 39.30.150). The Commissioner of Administration is responsible for the administration of SBS. SBS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of SBS.

Copies of the audited financial statements for the retirement systems and for SBS may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

#### DISCRETELY PRESENTED COMPONENT UNITS

The **Alaska Aerospace Development Corporation** (AADC) is a public corporation of the State located for administrative purposes within the Department of Community and Economic Development (AS 14.40.821). The Governor appoints the voting members of the AADC board of directors and the legislature approves AADC's budget. AADC is also affiliated with the University of Alaska but with a separate and independent legal existence. The purpose of AADC is to allow the State to take a lead role in the exploration and development of space, to enhance human and economic development, and to provide a unified direction for space-related economic growth, education and research development, and tourism related activities. AADC is also to promote the continued utilization of the Poker Flat Research Range as a launch site for launch vehicles and for scientific research. Additionally, AADC is to promote and encourage the continued utilization of Poker Flat Research Range for the University of Alaska's polar research efforts. AADC financial statements may be obtained from the Alaska Aerospace Development Corporation, 4300 B St. Suite 101, Anchorage, AK 99503.

The **Alaska Energy Authority** (AEA) is a public corporation of the State in the Department of Community and Economic Development but with a separate and independent legal existence (AS 44.83.020). The purpose of AEA was to promote, develop, and advance the general prosperity and economic welfare of the people of the State by providing a means of constructing, acquiring, financing, and operating power projects and facilities that recover and use waste energy.

However, chapters 18 and 19, session laws of Alaska (SLA) 1993, which became effective August 11, 1993, eliminated the ability of AEA to construct, own, and acquire energy projects, and the programs operated by AEA were transferred to the Department of Community and Regional Affairs. The corporate structure of AEA was retained but the board of directors of the Alaska Industrial Development and Export Authority (AIDEA) is now the board of directors of AEA and the Executive Director of AIDEA is also the Executive Director of AEA. It is the intent of the legislation that ongoing operation of the operating assets be assumed by the electric utility companies that use or purchase power from AEA with oversight responsibility retained by AEA.

Pursuant to legislation effective July 1, 1999, rural energy programs previously administered by the former Department of Community and Regional Affairs were transferred to AEA for administration as part of a larger reorganization of State agencies. Rural energy programs were originally part of AEA prior to the reorganization that occurred in 1993. AEA financial statements may be obtained from the Alaska Industrial Development and Export Authority, 813 W Northern Lights Blvd, Anchorage, AK 99503.

The **Alaska Housing Finance Corporation (AHFC)** is a public corporation and government instrumentality within the Department of Revenue, but having a legal existence independent of and separate from the State (AS 18.56.020). The Governor appoints the board of directors of AHFC. The legislature approves AHFC's budget. AHFC assists in providing decent, safe, and sanitary housing by providing mortgage loan financing. AHFC acts as the principal source of residential financing in the State and functions as a secondary mortgage market. AHFC financial statements may be obtained from the Alaska Housing Finance Corporation, P.O. Box 101020, Anchorage, AK 99510-1020.

The **Alaska Industrial Development and Export Authority (AIDEA)** is a public corporation of the State and a political subdivision within the Department of Community and Economic Development (AS 44.88.020). The Governor appoints all members of the AIDEA board of directors and the legislature approves AIDEA's budget. The purpose of AIDEA is to promote, develop, and advance the general prosperity and economic welfare of the people of Alaska; to relieve problems of unemployment; to create additional employment by providing various means of financing; and to facilitate the financing of industrial, manufacturing, export, and business enterprises within the State. AIDEA financial statements may be obtained from the Alaska Industrial Development and Export Authority, 813 W Northern Lights Blvd, Anchorage, AK 99503.

The **Alaska Mental Health Trust Authority (AMHTA)** is established as a public corporation of the State within the Department of Revenue (AS 47.30.011). The Governor appoints the AMHTA board of trustees. The legislature approves AMHTA's budget. The purpose of AMHTA is to ensure an integrated comprehensive mental health program. As provided in AS 37.14.009, AMHTA is to administer the trust established under the Alaska Mental Health Enabling Act of 1956. AMHTA financial statements may be obtained from the Alaska Mental Health Trust Authority, 550 W 7<sup>th</sup> Ave, Suite 1820, Anchorage, AK 99501.

The **Alaska Municipal Bond Bank Authority (AMBBA)** is a public corporation and an instrumentality of the State within the Department of Revenue, but with a legal existence independent of and separate from the State (AS 44.85.020). The Governor appoints members of the AMBBA board of directors. The legislature approves AMBBA's budget. AMBBA was created for the purpose of making available to municipalities within the State moneys to finance their capital projects or for other authorized purposes by means of issuance of bonds by AMBBA and use of proceeds from such bonds to purchase from the municipalities their general obligation and revenue bonds. AMBBA commenced operations in August 1975. AMBBA financial statements may be obtained from the Alaska Municipal Bond Bank Authority, P.O. Box 110405, Juneau, AK 99811-0405

The **Alaska Railroad Corporation (ARRC)** is a public corporation and instrumentality of the State within the Department of Community and Economic Development (AS 42.40.010). ARRC has a legal existence independent of and separate from the State. The powers of ARRC are vested in the board of directors appointed by the Governor. ARRC was created by the State of Alaska legislature to own and operate the railroad and manage its rail, industrial, port, and other properties. The ARRC commenced operations on January 6, 1985. ARRC financial statements may be obtained from the Alaska Railroad Corporation, P.O. Box 107500, Anchorage, AK 99510-7500.

The **Alaska Science and Technology Foundation (ASTF)** is established as a public corporation in the Department of Community and Economic Development (AS 37.17.010). ASTF is governed and administered by a board of directors appointed by the Governor. ASTF's budget is approved by the legislature. The purpose of ASTF is to promote and



enhance through basic and applied research: economic development and technological innovation in Alaska, public health, telecommunications, and sustained growth and development of Alaskan scientific and engineering capabilities. A BIDCO (AS 37.17.210) loan fund was created in ASTF in FY 95 to assist in the formation, capitalization, and operation of corporations that are licensed under AS 10.13. ASTF financial statements may be obtained from the Alaska Science and Technology Foundation, 4500 Diplomacy Dr., Suite 515, Anchorage, AK 99508-5918.

The **Alaska Student Loan Corporation** (ASLC) is a public corporation and government instrumentality within the Department of Education and Early Development but having a legal existence independent of and separate from the State (AS 14.42.100). ASLC is governed by a board of directors appointed by the Governor. ASLC's budget is approved by the legislature. The purpose of the corporation is to improve higher educational opportunities for residents of the State. ASLC financial statements may be obtained from the Postsecondary Education Commission, 3030 Vintage Blvd., Juneau, AK 99801-7109.

The **University of Alaska** is established as a corporation and is an instrumentality of the State of Alaska (AS 14.40.040). A board of regents appointed by the Governor and confirmed by the legislature governs the university. The legislature approves the university's budget. The university is created and acts for the benefit of the State and the public in providing education in accordance with an express mandate of the constitution. The university's financial statements may be obtained from the University of Alaska, Statewide Fund Accounting, 209 B Butrovich Building, P.O. Box 756540, Fairbanks, AK 99775-6540.

The **Alaska Seafood Marketing Institute** (ASMI) is a public corporation of the State (AS 16.51.010). It is an instrumentality of the State with a legal existence independent of and separate from the State. ASMI is governed by a board of directors appointed by the Governor, and its budget is approved by the legislature. The purpose of ASMI is to promote all species of seafood and their by-products harvested in Alaska for sale, and to develop market-oriented quality specifications. Exercise of the powers conferred by statute to ASMI is an essential governmental function. Although ASMI has been determined to be a component unit required to be discretely presented, it is reported in the general fund within the Department of Community and Economic Development because its financial activities, which are immaterial, are currently accounted for in the State's general fund. The ASMI fiscal year 2001 operating budget was approximately \$10.7 million.

## **B. BASIS OF PRESENTATION**

The accompanying financial statements of the State of Alaska have been prepared in conformity with generally accepted accounting principles (GAAP). The State of Alaska maintains its accounting in accordance with the principles of fund accounting. With the exception of financial activity separately accounted for by the component units referenced in Note 1.A, the financial transactions of the State are recorded in individual funds in the State's central accounting system. A fund is a fiscal and accounting entity established to segregate and to account for designated resources and activities. The transactions of each fund are recorded in a self-balancing group of accounts - an accounting entity - which stands separate from activities reported in other funds.

For financial statement presentation, like kinds of funds are combined and reported as a fund group. The accompanying financial statements are structured into three categories of funds and a fourth category of accounting entity, the account group.

## GOVERNMENTAL FUNDS

Governmental funds are used to account for the State's general government activities. The general fund is the State's primary operating fund, and also accounts for the majority of the State's capital project expenditures. It is used to account for all financial resources except those required to be accounted for in another fund. The special revenue funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The capital projects funds primarily account for general obligation bond proceeds and other financial resources appropriated to the capital projects funds to be utilized for the acquisition, construction, or improvement of major capital facilities. However, capital projects are accounted for in each fund from which appropriations are made to finance the projects, with the majority of the capital projects being accounted for in the general fund.

### PROPRIETARY FUNDS

Enterprise funds account for operations: (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Several component units of the State are reported in this fund group, as well as those funds accounted for on the State's accounting system.

Internal service funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis.

### FIDUCIARY FUNDS

Fiduciary funds account for assets held by the State on behalf of others in a fiduciary capacity. Expendable trust funds account for assets that are held by the State in a trustee capacity where the principal and income may be expended in the course of the fund's designated operations. Nonexpendable trust funds account for assets that are held by the State in a trustee capacity where only income derived from the principal may be expended in the course of the fund's designated operations. The principal must be preserved intact. Pension trust funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various public employees' retirement systems. Agency funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units, other organizations, or individuals.

### ACCOUNT GROUPS

The general fixed assets account group is used to account for fixed assets (i.e., land, buildings, and equipment) owned by the State, except for those assets accounted for in proprietary and fiduciary funds. The general long-term debt account group accounts for all of the long-term obligations of the State except those accounted for in proprietary, trust, and college and university funds.

### TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)

The "Totals Primary Government (Memorandum Only)" columns in the accompanying financial statements represent a summation of the combined financial statement line items of the fund types and account groups for the primary government only and are presented for analytical purposes. Amounts shown in this column are not comparable to a consolidation because fund types and account groups use different bases of accounting, interfund and intrafund transactions have not been eliminated, and the item captioned "Amount to be Provided for Retirement of General Long-Term Debt" is not an asset in the usual sense.

### FISCAL YEAR-ENDS

All funds and component units of the State of Alaska are reported using fiscal years which end on June 30 except the Alaska Railroad Corporation and Deferred Compensation Fund fiscal years end on December 31, and the Alaska Supplemental Benefits System fiscal year ends on January 31.

### **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

#### GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST, AND AGENCY FUNDS

All governmental and expendable trust funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to finance operations during the current year or to liquidate liabilities existing at the end of the year. Major revenues that are determined to be susceptible to accrual include federal, charges for services, investment income, and petroleum related taxes and royalties.

The major unrestricted revenue categories of Taxes and Rents & Royalties are based on self-assessed returns. These returns are initially based upon estimated values and are subsequently settled as the actual values become known. These revenues are recorded in the fiscal year of the settlement.

All receipts dedicated to the Alaska Permanent Fund by the State constitution are recognized as revenues of the general fund and are offset by a corresponding residual equity transfer to the Alaska Permanent Fund. All receipts dedicated to the Public School Fund by statute are recognized as revenues of the Public School Fund. All receipts dedicated to the Constitutional Budget Reserve Fund by the State constitution are recognized as revenues of the Constitutional Budget Reserve Fund.

Expenditures are recognized when the related fund liability is incurred. Exceptions to the general modified accrual recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

Agency funds are also accounted for on the modified accrual basis of accounting. However, agency funds are custodial in nature (i.e., assets equal liabilities) and do not measure the results of operations.

#### PROPRIETARY FUND TYPES, NONEXPENDABLE, AND PENSION TRUST FUNDS

Proprietary funds and nonexpendable trust funds are accounted for on the flow of economic resources measurement focus and are reported on the accrual basis. Revenues are reported in the fiscal year in which they are earned and expenses are reported in the fiscal year in which the liabilities for goods and services are incurred.

Pension trust funds and the deferred compensation plan are reported on the accrual basis of accounting. Contributions are recognized in the period in which they become due. Benefits and refunds are recognized when due and payable.

### **D. BUDGETARY CONTROL**

Once money received is deposited in the State Treasury, no money may be withdrawn from the Treasury except in accordance with an appropriation made by law. Those amounts received by component units are disbursed in accordance with their particular statutory authority.

The budgetary process is used to establish a balancing of estimated revenues coming into a fund with requested appropriations for that fund. Except for capital projects funds which prepare only project-length budgets, annual operating (and project-length) budgets are prepared for practically every fund and are submitted to the legislature for the enactment of appropriations. An appropriation is an authorization to spend money and to incur obligations. Each appropriation is limited as to purpose, time, and amount, and each of these limitations is legally binding. The legal level of budgetary control is maintained at the appropriation level as specified in the enabling legislation, which is generally at the program level within a department.

Appropriations as enacted by the legislature and signed by the Governor are entered into the accounting records. The balance of an appropriation is reduced when funds are expended or encumbered. Appropriations are encumbered for

anticipated expenditures in the form of purchase orders, contracts, and other obligations. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities. Unencumbered annual appropriations lapse at the end of the fiscal year.

Expenditures of funds are made only upon properly approved requests for payment. The total of expenditures and encumbrances (obligations) may not exceed the appropriations to which they pertain. Transfers between appropriations are not authorized. Agencies faced with potential overexpenditure of appropriations must (1) reduce the rate of expenditures, (2) seek relief through supplemental appropriations, or (3) request necessary approvals to receive and expend additional funds. In order to provide sufficient funding for several programs during FY 01, supplemental appropriations of \$257.7 million were required of which \$40.3 million were appropriations from the general fund.

#### **E. CASH AND INVESTMENTS, CASH AND CASH EQUIVALENTS**

The amounts shown on the Combined Balance Sheet as Cash and Investments represent cash on deposit in banks, petty cash, cash invested in various short-term instruments, and other investments of the State and its component units. In accordance with GASB Statement No. 31 (GASBS 31), investments are stated at fair value, which approximates market value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of the State's nonpooled marketable debt securities is determined daily by the custodial agent using pricing services or prices quoted by one or more independent brokers. Securities traded on a national or international exchange are valued at the last reported sale price at current exchange rates, if applicable, defaulting to current bid price if a particular security was not traded. Securities not traded on a national or international exchange are based on equivalent values of comparable securities.

Fair value pricing of the State's pooled marketable debt securities is performed daily by the custodian utilizing an independent pricing service. Fair value has been established as the midpoint between the bid and asked prices.

The net asset value per share for each of the common trust funds that, together, comprise the Non-retirement Domestic Equity Pool is determined daily by dividing the fair value of its underlying assets by the number of units that represent total ownership. The value of underlying securities held by these commingled trust funds is determined in good faith and pursuant to procedures established by the Trustee.

Investments of the Alaska Permanent Fund Corporation (APFC) are valued as follows: marketable securities, excluding direct real estate investments, are reported at fair value. Real estate commingled funds, direct real estate investments, and direct commercial mortgages are carried at historical cost plus APFC's share of undistributed earnings. Investments held by other component units are stated at fair value.

Most entities that are included in the Combined Statement of Cash Flows for the enterprise and trust funds show changes in cash and cash equivalents. For the purpose of the statement of cash flows, all highly liquid debt instruments with original maturities of three months or less are considered cash and cash equivalents. In addition, because the State's Short-term Fixed Income Pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. At June 30, 2001, the assets of the pool were comprised of U.S. Treasuries, U.S. Government agency debt, corporate debt, and other U.S. dollar-denominated bonds with residual cash invested in short-term money market instruments.

#### **F. RECEIVABLES**

Receivables have been established and offset with proper provisions for estimated uncollectible accounts where applicable. The amount of noncurrent receivables is included in the fund balance reserve, which indicates they do not constitute expendable available financial resources and therefore are not available for appropriation.

Practically all accounts receivable of governmental funds are due from oil companies and governmental entities, primarily the federal government, and are considered collectible. Accounts receivable in other funds have arisen in the ordinary course of business.

**G. INVENTORIES**

Inventories reported for the internal service funds and the general fund consist mainly of consumable materials and supplies. Inventories are carried at cost (average cost for Highway Equipment Working Capital; FIFO for other internal service funds and the general fund), and are accounted for on the consumption method. However, the majority of materials and supplies for State agencies are accounted for as expenditures at the time of purchase. Inventory of the University of Alaska is carried at the lower of cost or market.

**H. FIXED ASSETS**

GENERAL FIXED ASSETS

Purchases of general fixed assets are charged as expenditures in the appropriate funds. These assets are then recorded for stewardship purposes in the general fixed asset account group and are not depreciated.

Fixed assets in the general fixed asset account group are presented at cost or estimated historical cost, except for Statehood entitlement land that is carried at estimated nominal value of \$1 per acre and State-owned buildings (other than State-owned schools) that are stated at estimated replacement value. The estimated cost of State-owned schools included in buildings at June 30, 2001, is \$295,058,300. Donated fixed assets are stated at fair value at the time of donation. Interest during construction has not been capitalized. Public domain infrastructure fixed assets, including highways, highway land and rights-of-way, bridges, and airports, are not capitalized.

Changes in general fixed assets for the fiscal year ending June 30, 2001 were (in thousands):

	Balance June 30, 2000	Increase (Decrease)	Balance June 30, 2001
Land	\$ 257,000	\$ 22,545	\$ 279,545
Buildings	1,931,979	(213,800)	1,718,179
Equipment	542,583	(12,443)	530,140
Construction in Progress	177,226	-	177,226
<b>Total</b>	<b>\$ 2,908,788</b>	<b>\$ (203,698)</b>	<b>\$ 2,705,090</b>

The decrease in buildings assets represents "leased" buildings that were reported in prior years as owned by the State of Alaska. There are several buildings that will be included and reported in the Public Building Fund.

The following relates to the land owned by the State:

- ◆ The total State entitlement amounts to approximately 105.7 million acres, 102.5 million of which was received through the Statehood Act. In accordance with the Alaska Statehood Act Section 6(g), Alaska Native Claims Settlement Act, and the Alaska National Interest Lands Conservation Act, section 906(c), 90.1 million acres have been patented or "tentatively approved."
- ◆ The State disposes of various land parcels through several programs. However, the State generally retains the subsurface rights of the land upon disposal.

INTERNAL SERVICE FUNDS

Fixed assets of the internal service funds are carried at cost. Depreciation is based on cost, using the straight-line method applied to the estimated useful life of the assets. Following is a summary of property and equipment at June 30, 2001, in thousands):

	Life	Amount
Improvements other than buildings	10 to 14 years	\$ 114
Buildings	25 to 40 years	58,818
Equipment	4 to 20 years	194,828
		253,760
Accumulated depreciation		(144,992)
Total		\$ 108,768

ENTERPRISE FUNDS

ALASKA INTERNATIONAL AIRPORT SYSTEM

Property and equipment is carried at cost except property originally received from the federal government is at fair value at the date contributed. Major additions and improvements to property and equipment are capitalized. Depreciation is provided over the estimated useful lives using the straight-line method. Repair and maintenance costs are expensed as incurred.

The cost and accumulated depreciation of assets retired or sold are removed from the accounts and any gain or loss is reflected in operations in the year of disposition.

Airport property was owned by the federal government prior to Statehood and contributed to the State after that date. Subsequent additions to property and equipment have been funded by governmental contributions, bond proceeds, and operating revenues. The following is a summary of property and equipment at June 30, 2001 (in thousands):

	Life	Amount
Land		\$ 27,656
Land improvements	5 to 40 years	323,120
Buildings	10 to 40 years	271,811
Equipment	5 to 10 years	37,474
Construction in progress		44,779
		704,840
Accumulated depreciation and amortization		(285,012)
Total		\$ 419,828

DISCRETELY PRESENTED COMPONENT UNITS

Property and equipment are stated at cost (fair value for donated) and depreciated on the straight-line method over the estimated useful lives of the related assets, except for the University of Alaska (in conformity with accounting practices for governmental educational institutions, depreciation is not recorded). The estimated useful lives of the assets range from 4 to 50 years. Following is a summary of property and equipment (including estimated depreciation for the University) at June 30, 2001 (in thousands):

	Amount
Land	\$ 55,171
Utility Plant	890,209
Buildings	797,185
Improvements other than buildings	71,542
Equipment	256,424
Other Capitalizable assets	121,553
Construction in progress	163,422
	2,355,506
Accumulated depreciation	(809,489)
Total	\$ 1,546,017

**I. WARRANTS OUTSTANDING**

Warrants outstanding represent drafts issued against the State Treasury which have not yet cleared. These are somewhat similar to outstanding checks, however, cash is not reduced until the warrant is redeemed.

**J. INTERFUND LIABILITIES**

The general fund interfund liability is composed primarily of amounts appropriated from the Constitutional Budget Reserve Fund (CBRF). Because article IX, section 17(d), of the Alaska Constitution provides that amounts appropriated from the CBRF are to be repaid, these appropriations are recognized as a liability in the general fund.

The composition of the amount owed to the CBRF is as follows:

Long-term Portion	
Chapter 14, SLA 1994, section 7	\$ 1,006,038,474
Chapter 14, SLA 1994, section 8	49,608,135
Chapter 14, SLA 1994, section 9	368,581,990
Chapter 3, FSSLA 1994, section 39(c)	22,417,986
Chapter 3, FSSLA 1994, section 40	68,738,958
Chapter 3, FSSLA 1994, section 22(a)	11,250,000
Chapter 6, FSSLA 1994, section 1	130,300,000
Article IX, section 17(d) Alaska Constitution (FY 95)	(95,506,853)
Chapter 94, SLA 1995, section 43(a)	95,506,853
Chapter 94, SLA 1995, miscellaneous operating appropriations	16,672,928
Chapter 94, SLA 1995, section 43(b)	284,873,567
Article IX, section 17(d) Alaska Constitution (FY 96)	(74,352,026)
Chapter 5, FSSLA 1996, section 1(a)	74,352,026
Article IX, section 17(d) Alaska Constitution (FY 97)	(166,019,445)
Chapter 98, SLA 1997, section 35(a)	166,019,445
Chapter 98, SLA 1997, page 47, line 3	529,258
Chapter 98, SLA 1997, section 35(b)	423,319,190
Article IX, section 17(d) Alaska Constitution (FY 98)	(89,264,067)
Chapter 139, SLA 1998, section 42(a)	89,264,067
Chapter 2, SLA 1999, section 16(c)	460,000
Chapter 27, SLA 1999, Y2K appropriations	7,930,475
Chapter 2, FSSLA 1999, section 21(a)	1,042,014,840
Article IX, section 17(d) Alaska Constitution (FY 99)	(94,632,453)
Chapter 84, SLA 1999, section 35(a)	94,632,453
Chapter 2, FSSLA 1999, section 21(b)	295,898,497
Chapter 8, SLA 2000, section 8(a)	3,227,666
Chapter 75, SLA 2000, section 1(b)	100,000,000
Article IX, section 17(d) Alaska Constitution (FY 00)	(111,438,806)
Chapter 133, SLA 2000, section 11(a)	111,438,806
Chapter 75, SLA 2000, section 1(c)	500,000
Chapter 135, SLA 2000, section 18(c)	121,672
Article IX, section 17(d) Alaska Constitution (FY 01)	(115,416,319)
<hr/> Total Long-term Portion	<hr/> 3,717,067,317
Short-term portion	
Article IX, section 17(d) Alaska Constitution (FY 01)	115,416,319
<hr/> Total Due to the CBRF	<hr/> \$ 3,832,483,636

The amounts appropriated in chapter 14, SLA 1994, sections 7 and 8 are equal to the amounts appropriated from the general fund to the CBRF to comply with court orders. In FY 91 through FY 94, the State deposited revenue into the general fund that several parties contended should have been deposited into the CBRF. The Alaska Superior Court and Supreme Court agreed that these moneys should have been deposited in the CBRF and the State was ordered to restore the CBRF, including interest earnings, retroactive to July 1, 1990. Chapter 14, SLA 1994, was enacted into law

to comply with the courts' orders and sections 2, 3, and 4 of the law appropriated \$1,006,038,474, plus \$49,608,135 in interest which would have been earned on the money after June 30, 1990, from the general fund to the CBRF effective April 15, 1994.

Chapter 14, SLA 1994, section 9, chapter 3, FSSLA 1994, section 39(c), chapter 94, SLA 1995, section 43(b), chapter 98, SLA 1997, section 35(b), and chapter 2, FSSSLA 1999, section 21(a) and (b) appropriated additional amounts from the CBRF to the general fund to fund any shortfalls between State revenue and general fund appropriations for fiscal years 1994, 1995, 1996, 1998, 1999, and 2000 respectively.

Chapter 3, FSSLA 1994, section 40, appropriated an amount to cover the share of the State's actual expenditures for oil and gas litigation from July 1, 1990, through February 15, 1994, that is attributable to the CBRF. The appropriation in section 22(a) of chapter 3 was to cover costs related to legal proceedings and audit activity involving oil and gas revenue due or paid to the State or State title to oil and gas land, for the fiscal year ending June 30, 1995.

Chapter 6, FSSLA 1994, section 1, was passed by the Alaska legislature to resolve the long-standing issue of reconstitution of the Alaska Mental Health Trust (AMHT). CBRF funds were appropriated to capitalize the AMHT.

This schedule shows the effect of article IX, section 17(d), of the Alaska Constitution which provides that the amount of money in the general fund available for appropriation at the end of each succeeding fiscal year shall be deposited in the budget reserve fund until the amount appropriated is repaid. As of June 30, 1995, 1996, 1997, 1998, 1999, 2000, and 2001, amounts in various subfunds and accounts of the general fund that were identified as available for appropriation were used to repay a part of the general fund liability to the CBRF. The amounts for FY 95, FY 96, FY 97, FY 98, FY 99, and FY 00 were transferred to the CBRF during FY 96, FY 97, FY 98, FY 99, FY 00, and FY 01 respectively. The amount for FY 01 will be transferred to the CBRF during FY 02 and, therefore, is shown as a short-term portion of the liability to the CBRF.

The amounts transferred under article IX, section 17(d), were appropriated back to the funds from which transferred under chapter 94, SLA 1995, section 43(a) for FY 95, chapter 5, FSSLA 1996, section 1(a) for FY 96, chapter 98, SLA 1997, section 35(a) for FY 97, chapter 139, SLA 1998, section 42(a) for FY 98, chapter 84, SLA 1999, section 35(a) for FY 99, and chapter 133, SLA 2000, section 11(a) for FY 00.

Chapter 94, SLA 1995, appropriated amounts from the CBRF to fund miscellaneous operating appropriations.

Chapter 98, SLA 1997, page 47, line 3, chapter 2, SLA 1999, section 16(c), and chapter 135, SLA 2000, section 18(c) appropriated amounts from the CBRF for Treasury Management of CBRF investments in FY 98, FY 99, and FY 01 respectively.

Chapter 27, SLA 1999, section 2(a) appropriated funds from the CBRF for year 2000 (Y2K) assessment, compliance, and remediation projects.

Chapter 8, SLA 2000, section 8(a), repealed and reappropriated the unexpended and unobligated balances of the CBRF appropriations made in section 2(a), chapter 27, SLA 1999, page 2, line 3, page 3, line 31, page 4, line 17, and page 4, line 20, to the longevity bonus grant program.

Chapter 75, SLA 2000, appropriated funds from the CBRF to the power cost equalization endowment fund, which is within the Alaska Energy Authority. Chapter 75, SLA 2000, also appropriated funds from the CBRF to the Alaska Energy Authority to cover the costs of completing the sale of the four dam pool hydroelectric project and of establishing and managing the power cost equalization endowment fund for FY 01.

#### **K. ANNUAL/PERSONAL AND SICK LEAVE**

The cost of annual/personal leave and sick leave for State employees is charged against agency appropriations when leave is used rather than when leave is earned. The one exception is the payment of the accumulated annual/personal leave balance for an employee terminating from State service. That amount is charged to a terminal leave liability account rather than the individual agency appropriation. This liability account is funded by a charge to each agency's operating budget.



Regulations governing annual/personal leave provide that State employees will receive time off or pay for hours accumulated; consequently, a liability exists with respect to accumulated annual/personal leave at any given time. Accumulated unpaid annual leave for college and university funds, internal service funds, and component units is reported as a current liability. The State's long-term liability at June 30, 2001, for all other accumulated unpaid annual or personal leave for the governmental funds is reported in the accompanying general long-term debt account group in the amount of \$102.7 million. The current liability for accumulated unpaid annual or personal leave is reported in general fund accounts payable in the amount of \$6.4 million. There is no liability in the accompanying financial statements for unpaid accumulated sick leave. See Note 9 for disclosure of the amount of the sick leave contingency.

**L. BUDGETARY REPORTING**

The legislature's legal authorization ("appropriations") to incur obligations is enacted on a basis inconsistent with GAAP. The reconciliation of the budgetary basis to GAAP is shown directly on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis. Both the annual operating budget and the net continuing total budget are included.

The types of differences are as follows:

- ◆ For the general fund and special revenue funds, encumbrances are included for total authorized expenditures although for GAAP purposes they are excluded.
- ◆ For the general fund only, there was certain financial activity related to reimbursable services agreements (RSA) and certain interfund transactions that were recorded both in the general fund and in other funds. For budgetary purposes, that activity was left in the general fund, but for GAAP purposes it was eliminated from the general fund.
- ◆ Basis differences arise when the budgetary basis of accounting differs from the basis of accounting applicable to fund type when reporting on operations in accordance with GAAP. This difference is comprised of the following in the general fund (in thousands):

Petroleum severance taxes and royalties	\$	(30,840)
Medical Assistance Program		(1,526)
Tobacco tax		369
Alcohol tax		247
<u>Total general fund basis difference</u>	<u>\$</u>	<u>(31,750)</u>

- ◆ Perspective differences result from the structure of financial information for budgetary purposes. The Group Health and Life Benefits Fund (Group Health and Life, and Retiree Health) and the Alaska Public Building Fund are established by statute as accounts within the general fund, but must be reported as internal service funds to conform to GAAP. The federal receipts/disbursements for PL 103-382, Title VIII (previously PL 81-874) are budgeted in the general fund but are accounted for as an agency fund.

Group Health and Life, and Retiree Health	\$	(23,532)
Alaska Public Building Fund		(1,640)
Federal receipts for PL 103-382 (Impact Aid)		1,773
<u>Total general fund perspective difference</u>	<u>\$</u>	<u>(23,399)</u>

**M. EQUITY AND OTHER CREDITS**

RESERVED OR DESIGNATED

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. A summary of the nature and purpose of these reserves of fund balances at June 30, 2001, by fund type follows (in millions):

Reserved for Specific Purposes	General	Special Revenue	Fiduciary	Component Units
Encumbrances	\$ 152.2	\$ 29.9	\$ -	\$ -
Nonliquid assets	21.1	-	-	-
Permanent Fund	-	-	24,814.9	-
Pension Benefits	-	-	10,977.3	-
Postemployment Healthcare Benefits	-	-	3,079.0	-
Budget Reserve	-	-	6,827.2	-
Mental Health Trust	-	-	-	333.6
Science & Technology	-	-	-	112.3
University Endowment	-	-	-	113.1
Other	19.3	-	2,070.3	35.7
<b>Total</b>	<b>\$ 192.6</b>	<b>\$ 29.9</b>	<b>\$ 47,768.7</b>	<b>\$ 594.7</b>

Designations of unreserved fund balances are established to reflect tentative plans for future utilization of current financial resources. A summary of the designations follows (in millions):

Designated for	General	Special Revenue
Continuing appropriations	\$ 176.0	\$ 4.6
Tax & royalty revenue accruals	110.0	-
Oil & hazardous substance release response	50.7	-
Other	11.9	6.1
<b>Total</b>	<b>\$ 348.6</b>	<b>\$ 10.7</b>

DEFICIT FUND BALANCES

At June 30, 2001, the general fund unreserved, undesignated fund balance was a deficit of \$3.7 billion. This deficit is due primarily to the general fund liability for the amounts appropriated from the Constitutional Budget Reserve Fund of \$3.8 billion.

In addition to the general fund, the following funds had deficit retained earnings at year-end (stated in thousands): Enterprise Funds - Mining Revolving Loan \$6,040, Rural Development Revolving Loan \$501, and Agriculture Revolving Loan \$31,918; and Internal Service Funds – Correctional Industries \$290. However, each of these funds had sufficient contributed capital to offset the deficit resulting in positive total fund equity.

The discretely presented component units with deficit fund balance/retained earnings were (stated in thousands): Alaska Student Loan Corporation, \$8,096, and Alaska Energy Authority, \$326,241. Each of these funds also had sufficient contributed capital to offset the deficit resulting in positive total fund equity.

**N. FUTURE CHANGES IN ACCOUNTING STANDARDS**

The Governmental Accounting Standards Board has issued Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, Statement No. 35, Basic Financial Statements—and Management’s Discussion and Analysis—for Public Colleges and Universities, Statement No. 37, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments: Omnibus, and Statement No. 38, Certain Financial Statement Note Disclosures. These new accounting and reporting standards will impact the State’s revenue and expenditure recognition, and assets, liabilities, and fund equity reporting.

The new standards will also require reformatting of the financial statements and the restating of beginning balances. The State will not be early-implementing these statements, and due to the significance of the changes required, it is not possible to present pro forma data prior to their implementation. These statements will be implemented in fiscal year 2002.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

The Governmental Accounting Standards Board (GASB) Statement No. 3 requires a disclosure regarding custodial credit risk to indicate the chance of loss in the event a financial institution or third party holding the deposits or securities fails. Deposits and those investments represented by specific, identifiable securities are classified into three categories of credit risk: Category 1 - Insured or registered, or securities held by the State or its custodian in the State's name; Category 2 - Uninsured or unregistered, with securities held by the counterparty's trust department or agent in the State's name; and Category 3 - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the State's name. Category 1 is the highest level of safekeeping security as defined by GASB.

**A. DEPOSITS AND INVESTMENTS UNDER THE CONTROL OF THE COMMISSIONER OF REVENUE**

By law, all deposits and investments are under the control of the Commissioner of the Department of Revenue (Commissioner) except where the legislature has delegated that responsibility to other individuals or boards responsible for separate subdivisions or component units of the State. Those agencies and component units that manage their own cash and investments are: Alaska Permanent Fund Corporation, Alaska Energy Authority, Alaska Housing Finance Corporation, Alaska Industrial Development and Export Authority, Alaska Municipal Bond Bank Authority, Alaska Railroad Corporation, Alaska Mental Health Trust Authority, Alaska Science and Technology Foundation, Alaska Student Loan Corporation, and the University of Alaska.

Invested assets under the fiduciary responsibility of the Commissioner are comprised of the General Fund and Other Non-segregated Investments, Constitutional Budget Reserve Fund, International Airports Fund, Retiree Health Insurance Fund, Power Cost Equalization Endowment Fund as well as the Public School, Alaska Children's, Investment Loss, and Supplemental Benefits System (SBS) trust funds (all collectively, Funds). Through contractual arrangements with the University of Alaska, the Commissioner also acts as custodian of the Alaska Advance College Tuition Savings Fund established under AS 14.40.803. Among other responsibilities, the custodian invests the assets of the fund in accordance with investment objectives and asset allocation guidelines established by the Board of Regents of the University of Alaska.

As the fiduciary, the Commissioner has the statutory authority (AS 37.10.070 - 37.10.071) to invest the assets under the Prudent Investor Rule which requires that investments shall be made with the judgement and care under circumstances then prevailing that an institutional investor of ordinary professional prudence, discretion, and intelligence exercises in managing large investment portfolios. Where possible, securities are managed in a pooled environment, unless required by statute or bond resolution to be held separately.

Certain types of investments are not subject to the custodial credit risk disclosure requirements in GASB Statement No. 3. The Short-term Fixed Income Pool, the Broad Market Fixed Income Pool, and the SOA International Equity Pool contain assets of other participants outside the control of the Commissioner of Revenue and, as such, cannot be categorized into one of the three risk categories because the amounts reported represent interests in the pool rather than ownership of specific, identifiable securities. The Nonretirement Domestic Equity Pool is an open-ended mutual fund-like pool and is therefore not categorized with regard to credit risk. The fixed income investment agreement and mortgage assets are not transferable financial instruments (securities) and therefore are not categorized with regard to credit risk.

Deposits and investments at June 30, 2001, are summarized as follows (in thousands):

Deposits	Category 1	Category 2	Category 3	Fair Value
Certificates of deposit	\$ 750	\$ -	\$ -	\$ 750
Noninterest bearing investments	3,028	-	-	3,028
Total	\$ 3,778	\$ -	\$ -	\$ 3,778

Investments	Category 1	Category 2	Category 3	Fair Value
Intermediate-term fixed income pool	\$ 2,513,640	\$ -	\$ -	\$ 2,513,640
Total categorized investments	\$ 2,513,640	\$ -	\$ -	2,513,640
Not categorized:				
Short-term fixed income pool				740,005
Broad market fixed income pool				1,065,727
SOA international equity pool				78,996
Nonretirement domestic equity pool				331,474
Fixed income investment agreement				46,970
Mortgage assets, net of allowance				6
Total				\$ 4,776,818

Additional investment information on the various pools and investments, as well as the Funds, may be obtained from the Department of Revenue, Treasury Division, P.O. Box 110405, Juneau, Alaska 99811-0405.

**B. DEPOSITS AND INVESTMENTS UNDER CONTROL OF THE ALASKA STATE PENSION INVESTMENT BOARD**

Invested assets of the pension trust funds (Public Employees', Teachers', Judicial, and the Alaska National Guard and Naval Militia Retirement Systems) as well as the Supplemental Benefits System and Deferred Compensation Plans are under the fiduciary responsibility of the Alaska State Pension Investment Board (ASPIB).

PENSION FUNDS

ASPIB has statutory responsibility for the pension trust funds' investments and the authority to invest the funds' moneys. As the fiduciary, ASPIB has the statutory authority to invest the assets under the Prudent Investor Rule. Alaska Statute provides that investments shall be made with the judgement and care under circumstances then prevailing that an institutional investor of ordinary professional prudence, discretion, and intelligence exercises in managing large investment portfolios. Actual investing is performed by investment officers in the Department of Revenue, Treasury Division or by contracted external investment managers. Specifically, external management companies manage the Retirement Fixed Income Pool, External Domestic Fixed Income Pool, International Fixed Income Pool, Domestic Equity Pool, International Equity Pool, Emerging Markets Equity Pool, Real Estate Pool, and Private Equity Pool investments. In addition to acting as oversight manager for all externally managed investments, Treasury Division staff manage all mortgage-related assets and cash holdings of certain external domestic equity managers.

Unless required by statute or bond resolution to be held separately, investments are managed in a pooled environment. With the exception of mortgage-related assets, investments are recorded at fair value as defined by GASB No. 31. Mortgage-related assets are valued at their principal balance (cost) less an allowance for loan loss, the result of which approximates fair value.

The funds' investments other than mortgage-related assets are represented by participation in investment pools rather than specific, identifiable securities. Although pooled investments represent the funds' share of ownership in the pool rather than ownership of specific securities, all of the underlying securities in the pools are considered to be Category 1 as defined by GASB Statement No. 3, except: those in the Emerging Markets Equity Pool which are considered to be Category 2, and shares in the Private Equity Pool and the Real Estate Equity Pool which, like the funds' mortgage-related assets, are not transferable financial instruments and therefore cannot be categorized with regard to custodial credit risk.

At June 30, 2001, the pension funds' investments are classified as follows (in thousands):

Investments	Category 1	Category 2	Category 3	Fair Value
<b>Marketable debt securities:</b>				
U.S. Government and municipal debt	\$ 614,673	\$ -	\$ -	\$ 614,673
Federal agency debt	108,390	-	-	108,390
Corporate debt	1,030,034	-	-	1,030,034
Yankees	109,053	-	-	109,053
Asset backed securities	109,871	-	-	109,871
Mortgage backed securities	1,258,148	-	-	1,258,148
International fixed income	297,185	-	-	297,185
<b>Equity securities:</b>				
Domestic equities	4,912,046	-	-	4,912,046
Emerging market equities	-	111,630	-	111,630
International equities	1,967,187	-	-	1,967,187
<b>Total categorized investments</b>	<b>\$10,406,587</b>	<b>\$ 111,630</b>	<b>\$ -</b>	<b>10,518,217</b>
<b>Not categorized:</b>				
Cash and cash equivalents				466,725
Private equity pool				310,127
Real estate equity pool				883,864
Mortgage-related assets				792
Interest and dividends receivable				59,510
<b>Total</b>				<b>\$12,239,235</b>
<b>Participant's Ownership in Pooled Investments</b>				
Public Employees' Trust Fund				\$ 8,081,538
Teachers' Trust Fund				4,076,094
Judicial Trust Fund				68,492
Alaska National Guard and Alaska Naval Militia Retirement Fund				13,111
<b>Total</b>				<b>\$12,239,235</b>

Additional investment information on the assets of the retirement systems may be obtained from the Department of Revenue, Treasury Division, P.O. Box 110405, Juneau, Alaska, 99811-0405.

#### DEFERRED COMPENSATION

The State's Internal Revenue Code Section 457 deferred compensation plan holds investments in an interest income fund and several collective investment funds: the International Index Fund, Small Cap Index Fund, S&P 500 Index Fund, Tactical Asset Allocation Fund, Global Balanced Fund, Government/Corporate Bond Fund, and the Intermediate Bond Index Fund. As of December 31, 2000, deferred compensation plan investments totaled \$398.0 million (fair value).

The interest income fund is increased by contributions and earnings, and decreased by investment expenses and participant withdrawals paid to terminated members. The interest income fund holds fully benefit responsive investment contracts (\$108.2 million) and shares in a short-term investment fund (\$3.5 million) comprised of cash and cash equivalents. The investment contracts are stated at contract values, which approximate fair value. The investment contracts cannot be categorized into one of the three risk categories. Residual cash is held by the custodian in a short-term investment fund in the State's name. Assets in the short-term investment fund are comprised of short-term debt instruments with maturities not to exceed 13 months and are valued at amortized cost, which approximates fair value given their short time horizon. The short-term investment fund is a commingled investment fund and, as such, cannot be categorized into one of the three risk categories because the amounts reported represent interests in the fund rather than ownership of specific, identifiable securities.

Investments in collective investment funds (\$286.3 million), held in trust, are stated at fair value based on the unit value as reported by the trustees multiplied by the number of units held. The unit value is determined by the trustees based on the fair market value of the underlying assets. Purchases and sales of assets within the collective investment funds are recorded on a trade-date basis. Investments in collective investment funds cannot be

categorized into one of the three risk categories because they represent interests (shares) in funds rather than ownership of specific, identifiable securities.

**SUPPLEMENTAL BENEFITS SYSTEM**

Supplemental Benefits System (SBS) holds shares in the following participant-directed investment options: Alaska Balanced Fund, Alaska Target 2005 Fund, Alaska Target 2010 Fund, Alaska Target 2015 Fund, Alaska Target 2020 Fund, S&P 500 Stock Index Fund, Tactical Asset Allocation Fund, Global Balanced Fund, Daily Government/Corporate Bond Fund, Citizens Core Growth Fund, and the Short-term Investment Fund. SBS also holds shares in the State of Alaska Short-term Fixed Income Pool. At January 31, 2001, SBS investments totaled \$1.79 billion (fair value). All assets are held in trust.

SBS investments in the Alaska Balanced Fund and the four Target 2000-series investment options are formed through combinations of six wholly-owned investment pools: the GNMA (fixed income) Pool, Government/Corporate (fixed income) Pool, Cash Pool, Large Cap Equity Pool, Small Cap Equity Pool, and the International Equity Pool. Purchases and sales of underlying securities within the six investment pools are recorded on a trade-date basis, and all assets are recorded at fair value. The State's custodian bank holds the underlying securities in the State's name. Residual cash is held in the Short-term Investment Fund.

SBS investments in the S&P 500 Stock Index Fund, Tactical Asset Allocation Fund, Global Balanced Fund, Daily Government/Corporate Bond Fund, Short-term Investment Fund, and the State of Alaska Short-term Fixed Income Pool are represented by shares in collective investment funds. All assets are stated at fair value based on the unit value as reported by the trustees multiplied by the number of units held by each of the respective investment pools. Unit value is determined by the trustees based on the fair value of the underlying assets. Purchases and sales of securities are recorded on a trade-date basis.

Investments in investment pools and collective investment funds cannot be categorized into one of the three risk categories because they represent interests (shares) in pools/funds rather than ownership of specific, identifiable securities.

**C. DEPOSITS AND INVESTMENTS MAINTAINED BY COMPONENT UNITS WHOSE ACCOUNTS ARE OUTSIDE OF THE STATE TREASURY**

**ALASKA PERMANENT FUND CORPORATION**

All Alaska Permanent Fund Corporation deposits and investments are classified in GASB Statement No. 3 risk category 1, the lowest risk category, except as noted.

**CASH AND TEMPORARY INVESTMENTS**

All cash and temporary investments bear interest at competitive rates, and are summarized as follows at June 30, 2001 (in thousands):

Cash (a)	\$	111,649
U.S. agencies (b)		60,839
Commercial paper (c)		371,526
<u>Total cash and temporary investments</u>	<u>\$</u>	<u>544,014</u>

- (a) Share ownership in a money market fund, payable on demand. Collateralized by underlying securities held by the Fund in the name of the custodian.
- (b) Debt obligation guaranteed by the U.S. government.
- (c) Commercial paper rated investment grade.

**MARKETABLE DEBT SECURITIES**

The Corporation is authorized by statute to invest Fund assets in (i) corporate bonds rated investment grade, (ii) obligations of the U.S. Treasury, its agencies and instrumentalities, and (iii) foreign obligations of comparable

quality. All marketable debt securities are held by custodian banks in the name of the Corporation on behalf of the Fund. Marketable debt securities at June 30, 2001, are summarized as follows (in thousands):

	Cost	Market	Unrealized Gains/(Losses)
Treasury notes/bonds	\$ 2,266,045	\$ 2,214,159	\$ (51,886)
Mortgage-backed securities	2,516,102	2,521,856	5,754
Other federal agencies	1,657,298	1,708,042	50,744
Corporate bonds	2,954,476	3,005,088	50,612
Nondomestic bonds	587,719	556,577	(31,142)
<b>Total marketable debt securities</b>	<b>\$ 9,981,640</b>	<b>\$ 10,005,722</b>	<b>\$ 24,082</b>

#### PREFERRED AND COMMON STOCK

The Corporation is authorized by statute to invest Fund assets in the preferred and common stock of United States and nondomestic corporations. All preferred and common stock investments are held by custodian banks in the name of the Corporation on behalf of the Fund.

The Corporation may invest Fund assets in (i) equity securities up to 55% of total Fund investments, and (ii) other investments, which meet the test of prudence, including those currently authorized by law, up to 5% of total Fund investments.

Preferred and common stock at June 30, 2001, are summarized as follows (in thousands):

	Cost	Market	Unrealized Gains/(Losses)
Domestic	\$ 7,608,189	\$ 8,924,945	\$ 1,316,756
Nondomestic	3,752,908	3,692,766	(60,142)
<b>Total preferred &amp; common stock</b>	<b>\$ 11,361,097</b>	<b>\$ 12,617,711</b>	<b>\$ 1,256,614</b>

#### ALASKA CERTIFICATES OF DEPOSIT

The Corporation is authorized by statute to invest Fund assets in certificates of deposit or the equivalent instruments of banks, savings and loan associations, mutual savings banks, and credit unions doing business in Alaska. Letters of credit from the Federal Home Loan Bank secure these investments. The market value of these certificates approximates cost.

#### REAL ESTATE

The Corporation is authorized by statute to invest Fund assets in real estate improved by substantially rented buildings located in the United States. Real estate investments may take the form of direct equity interests, real estate title-holding entities, real estate investment trusts, real estate operating companies, or other entities whose assets consist primarily of real property, debt obligations secured by real property, or similar entities. All real estate investments are held by the Corporation in its own name on behalf of the Fund, and are managed by professional real estate management firms. Real estate investment trusts and commercial mortgage-backed securities are held by custodian banks in the name of the Corporation on behalf of the Fund.

The carrying value of real estate at June 30, 2001, was \$2,504,466,000. Carrying value consists of the equity value of direct real estate investments, commingled funds and commercial mortgages, and the market value of real estate investment trusts and commercial mortgage-backed securities.

In the ordinary course of business, the Corporation has made commitments related to real estate investments. In the opinion of management, meeting these commitments will not have a material adverse effect on the Corporation's financial position, results of operation, or liquidity.

Real estate investments at June 30, 2001, are summarized as follows (in thousands):

	Book Value	Market Value	Unrealized Gains/(Losses)
Commingled funds	\$ 4,783	\$ 8,984	\$ 4,201
Real estate investment trusts	559,071	651,590	92,519
Commercial mortgages	72,035	72,035	-
Commercial mortgage-backed securities	221,026	223,773	2,747
Alaska residential mortgages	117	117	-
Direct investments -			
Retail	398,817	430,200	31,383
Office	625,644	725,416	99,772
Industrial	184,223	197,485	13,262
Residential	343,484	388,148	44,664
<b>Total real estate</b>	<b>\$ 2,409,200</b>	<b>\$ 2,697,748</b>	<b>\$ 288,548</b>

**DISCRETELY PRESENTED COMPONENT UNITS**

At June 30, 2001, the discretely presented component units' investments by risk category were (in thousands):

Investments	Category 1	Category 2	Category 3	Fair Value
U.S. Treasury securities	\$ 239,017	\$ 18,671	\$ -	\$ 257,688
U.S. Government agency securities:	474,597	86,218	-	560,815
Corporate securities	452,230	499,549	139,577	1,091,356
<b>Total categorized investments</b>	<b>\$ 1,165,844</b>	<b>\$ 604,438</b>	<b>\$ 139,577</b>	<b>1,909,859</b>
Not categorized				
Equity in State treasury				186,505
Equity in Permanent Fund Corporation				
Investments				418,733
Guaranteed Investment Contracts				9,340
Other				541,905
<b>Total</b>				<b>\$ 3,066,342</b>



**NOTE 3 - BONDS PAYABLE AND OTHER LONG-TERM OBLIGATIONS**

**A. SUMMARY OF CHANGES**

A summary of changes in general long-term debt for the fiscal year ended June 30, 2001, (in thousands) is:

	Balance July 1, 2000	Increases	Decreases	Balance June 30, 2001
Revenue Bonds Payable	\$ -	\$ 115,172	\$ -	\$ 115,172
Capital Leases Payable	88,783	41,759	14,013	116,529
Expendable Trust Fund	19,806	-	4,000	15,806
Accrued Vacation Leave	86,427	114,673	98,351	102,749
Claims and Judgements	92,268	41,696	32,013	101,951
<b>Total</b>	<b>\$ 287,284</b>	<b>\$ 313,300</b>	<b>\$ 148,377</b>	<b>\$ 452,207</b>

**B. GENERAL OBLIGATION BONDS, NORTHERN TOBACCO SECURITIZATION REVENUE BONDS, AND INTERNATIONAL AIRPORTS REVENUE BONDS**

The full faith, credit, and resources of the State are pledged to secure payment of general obligation bonds. As of June 30, 2001, there is no general obligation bond debt outstanding.

The Northern Tobacco Securitization Corporation (NTSC) bonds were issued to purchase the Tobacco Settlement Revenues (TSRs) from the State of Alaska. These revenue bonds are secured by and payable solely from the TSRs and investment earnings pledged under the Bond Indenture. Neither Alaska Housing Finance Corporation nor the State of Alaska is liable for any debt issued by NTSC. Debt service requirements for NTSC are (in thousands):

Year Ending June 30	Principal	Interest	Total
2002	\$ -	\$ 7,188	\$ 7,188
2003	-	7,188	7,188
2004	-	7,188	7,188
2005	-	7,188	7,188
2006	-	7,188	7,188
2007-2011	18,395	33,969	52,364
2012-2016	27,645	26,793	54,438
2017-2021	20,295	18,945	39,240
2022-2026	21,585	12,785	34,370
2027-2031	28,130	4,771	32,901
<b>Total debt service requirements</b>	<b>116,050</b>	<b>\$ 133,203</b>	<b>\$ 249,253</b>
<b>Unamortized discounts</b>	<b>(878)</b>		
<b>Total principal outstanding</b>	<b>\$ 115,172</b>		

Gross revenues derived from the operation of the international airports at Anchorage and Fairbanks are pledged to secure the payment of principal and interest on International Airports revenue bonds. All bonds authorized by the Alaska legislature have been issued. Debt service requirements are (in thousands):

Year Ending June 30	Principal	Interest	Total
2002	\$ 3,660	\$ 11,557	\$ 15,217
2003	6,300	11,384	17,684
2004	6,580	11,111	17,691
2005	6,865	10,824	17,689
2006	7,155	10,523	17,678
2007-2011	41,150	50,515	91,665
2012-2016	52,940	34,633	87,573
2017-2021	53,160	20,867	74,027
2022-2025	53,270	5,672	58,942
Total debt service requirements	231,080	\$ 167,086	\$ 398,166
Unamortized bond issuance costs and discounts	(4,104)		
Total principal outstanding	\$ 226,976		

**C. CAPITAL LEASES PAYABLE**

Debt service requirements for capital leases are (in thousands):

Year Ending June 30	Principal	Interest	Total
2002	\$ 19,753	\$ 4,823	\$ 24,576
2003	11,560	4,347	15,907
2004	11,069	3,876	14,945
2005	10,755	3,419	14,174
2006	11,260	2,938	14,198
2007-2011	30,809	9,365	40,174
2012-2016	20,636	3,027	23,663
2017	687	20	707
Total	\$ 116,529	\$ 31,815	\$ 148,344

**D. EXPENDABLE TRUST FUND LIABILITIES**

Debt service requirements for expendable trust fund liabilities are \$4.0 million in fiscal year 2002, with a final payment in fiscal year 2003 of \$11.8 million.

**E. DISCRETELY PRESENTED COMPONENT UNITS**

Debt service requirements are (in thousands):

Year Ending June 30	Principal	Interest	Total
2002	\$ 134,460	\$ 233,257	\$ 367,717
2003	149,041	226,962	376,003
2004	156,708	219,230	375,938
2005	181,974	214,198	396,172
2006	164,826	201,907	366,733
2007-2011	570,547	910,706	1,481,253
2012-2016	615,586	752,047	1,367,633
2017-2021	560,667	619,537	1,180,204
2022-2026	501,575	449,536	951,111
2027-2031	531,306	305,713	837,019
2032-2036	290,554	172,758	463,312
2037-2041	225,201	56,837	282,038
2042-2046	53,140	19,733	72,873
2047-2051	35,895	3,816	39,711
Total debt service requirements	4,171,480	\$ 4,386,237	\$ 8,557,717
Unamortized discounts, unexpended bond proceeds, accreted interest, & deferred amount on refunding	(15,823)		
Total principal outstanding	\$ 4,155,657		

The preceding table does not include \$226,000 of Alaska Energy Authority arbitrage interest payable.

**NOTE 4 - DEFINED BENEFIT PENSION PLANS**

**A. STATE ADMINISTERED PLANS**

DESCRIPTION OF PLANS

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

PERS is a defined benefit, agent, multiple-employer public employee retirement system established and administered by the State to provide pension and postemployment healthcare benefits for eligible State and local government employees. Benefit and contribution provisions are established by Chapter 35 of Alaska Statute Title 39, and may be amended only by the State legislature. PERS provides for normal pension benefits, as well as death, disability, and postemployment healthcare benefits.

PERS is considered a component unit of the State financial reporting entity. PERS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and PERS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

At June 30, 2001, the number of participating employers was:

State of Alaska	1
Municipalities	75
School Districts	47
Other	27
Total employers	150

Current employee contribution rates are 6.75 percent of compensation (7.5 percent for peace officers and firefighters). The employee contributions are deducted before federal income tax is withheld. The PERS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual-covered

payroll, are adequate to accumulate sufficient assets to pay both pension and postemployment health care benefits when due. Employer contribution rates are level percentages of payroll and are determined using the projected unit credit actuarial funding method. The employer rate for the State of Alaska for the year ended June 30, 2001, was 8.09 percent of compensation (7.69 for peace officers and firefighters).

The Schedule of Funding Progress for the State of Alaska for pension benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
1997	\$ 2,681,121	\$ 2,558,428	\$ (122,693)	104.8%	\$ 704,573	(17.4%)
1998	2,922,361	2,849,760	(72,601)	102.5%	706,711	(10.3%)
1999	3,064,962	2,902,304	(162,658)	105.6%	727,953	(22.3%)

Postemployment healthcare benefits are provided to retirees without cost for all employees first hired before July 1, 1986, and employees who are disabled or age sixty-five or older, regardless of initial hire dates. Employees first hired after June 30, 1986, with five years of credited service (or ten years of credited service for those first hired after July 1, 1996) may receive postemployment healthcare benefits prior to age sixty by paying the full monthly premium, and by paying half of the monthly premium if they are between the ages of sixty and sixty-five.

Prior to July 1, 1997, postemployment healthcare benefits were provided by the payment of premiums to an insurance company. Beginning July 1, 1997, the Retiree Health Fund (RHF), an internal service fund of the State, was established. The RHF is self-funded and provides major medical coverage to retirees. Retirees of three other State plans also participate in the RHF. The retirement plans retain the risk of loss of allowable claims. The RHF issues a financial report that may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

The Schedule of Funding Progress for the State of Alaska for postemployment healthcare benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
1997	\$ 999,283	\$ 953,554	\$ (45,729)	104.8%	\$ 704,573	(6.5%)
1998	1,165,476	1,136,524	(28,952)	102.5%	706,711	(4.1%)
1999	1,242,503	1,176,563	(65,940)	105.6%	727,953	(9.1%)

The State's annual required contributions for pension and postemployment healthcare benefits for the fiscal years ended June 30, 2001, 2000, and 1999 were \$53.4 million, \$51.6 million, and \$57.1 million respectively. The State contributed 100 percent for each of those years resulting in no net pension obligation (NPO).

#### THE TEACHERS' RETIREMENT SYSTEM (TRS)

TRS is a defined benefit, cost-sharing, multiple-employer public employee retirement plan established to provide pension benefits for teachers and other eligible participants.

At June 30, 2001, the number of participating employers was:

State of Alaska	1
School Districts	53
Other	7
<b>Total employers</b>	<b>61</b>

TRS is considered a component unit of the State financial reporting entity. TRS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and TRS is also reported

as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Benefit and contribution provisions are established by Chapter 25 of Alaska Statute Title 14 and may be amended only by the State legislature. TRS provides for normal pension benefits, as well as death, disability, and postemployment healthcare benefits.

Current employee contribution rate is 8.65 percent of their base salary. The employee contributions are deducted before federal income tax is withheld. Eligible employees contribute an additional 1 percent of their salary under the supplemental contribution provision. The TRS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual-covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Employer contribution rates are level percentages of payroll and are determined using the projected unit credit actuarial funding method. The employer rate for the State of Alaska for the year ended June 30, 2001, was 12 percent of compensation.

Postemployment healthcare benefits are provided without cost to all employees first hired before July 1, 1990, and employees who are disabled or age sixty-five or older, regardless of initial hire dates. Employees first hired after June 30, 1990, may receive postemployment healthcare benefits prior to age sixty-five by paying premiums.

Prior to July 1, 1997, postemployment healthcare benefits were provided by the payment of premiums to an insurance company. Beginning July 1, 1997, the Retiree Health Fund (RHF), an internal service fund of the State, was established. The RHF is self-funded and provides major medical coverage to retirees. Retirees of three other State plans also participate in the RHF. The retirement plans retain the risk of loss of allowable claims. The RHF issues a financial report that may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

The State's contributions to TRS for the fiscal years ended June 30, 2001, 2000, and 1999, were \$641,569, \$664,424, and \$685,703 respectively, equal to the required contributions for each year.

#### THE JUDICIAL RETIREMENT SYSTEM (JRS)

JRS is a defined benefit, single-employer retirement system established to provide pension and postemployment healthcare benefits for eligible State judges and justices.

JRS is considered a component unit of the State financial reporting entity. JRS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and JRS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Benefit and contribution provisions are established by Chapter 25 of Alaska Statute Title 22 and may be amended only by the State legislature. JRS provides for normal pension benefits, as well as death, disability, and postemployment healthcare benefits.

Members contribute 7 percent of their compensation to JRS. The contributions are deducted after federal income tax is withheld. Contributions are not required after members have made contributions for fifteen years, or from members first appointed before July 1, 1978. The JRS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual-covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Employer contribution rates are level percentages of payroll and are determined using the projected unit credit actuarial funding method. The employer rate for the State of Alaska for the year ended June 30, 2001, was 17.07 percent of compensation.

The Schedule of Funding Progress for pension benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
1996	\$ 49,303	\$ 52,374	\$ 3,071	94.1%	\$ 5,289	58.1%
1998	60,794	57,780	(3,014)	105.2%	5,716	(52.7%)
2000	68,116	68,889	772	98.9%	5,702	13.5%

Prior to July 1, 1997, postemployment healthcare benefits were provided by the payment of premiums to an insurance company. Beginning July 1, 1997, the Retiree Health Fund (RHF), an internal service fund of the State, was established. The RHF is self-funded and provides major medical coverage to retirees. Retirees of three other State plans also participate in the RHF. The retirement plans retain the risk of loss of allowable claims.

Postemployment healthcare benefits are provided without cost to retired JRS members. The Schedule of Funding Progress for postemployment healthcare benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
1996	\$ 2,479	\$ 2,634	\$ 155	94.1%	\$ 5,289	2.9%
1998	3,896	3,703	( 193)	105.2%	5,716	(3.4%)
2000	4,545	4,596	51	98.9%	5,702	0.9%

The annual required contributions for pension and postemployment healthcare benefits for the fiscal years ended June 30, 2001, 2000, and 1999 were \$984,011, \$1,510,516, and \$1,502,750. The State contributed 100 percent for each of those years resulting in no net pension obligation (NPO).

#### THE ALASKA NATIONAL GUARD AND ALASKA NAVAL MILITIA RETIREMENT SYSTEM (NGNMRS)

NGNMRS is a defined benefit, single-employer retirement system established and administered by the State to provide pension benefits for eligible members of the Alaska National Guard and Alaska Naval Militia.

NGNMRS is considered a component unit of the State financial reporting entity. NGNMRS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and the plan is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Benefit and contribution provisions are established by Chapter 5 of Alaska Statute Title 26 and may be amended only by the State legislature. NGNMRS provides for normal pension benefits and death benefits. Postemployment healthcare benefits are not provided.

No contributions are required from plan members. NGNMRS's funding policy provides for periodic contributions by Alaska Department of Military and Veterans' Affairs at actuarially determined amounts that are adequate to accumulate sufficient assets to pay benefits when due. State contributions are determined using the projected unit credit actuarial funding method.

The Schedule of Funding Progress for pension benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio
1996	\$ 9,948	\$ 12,512	\$ 2,564	79.5%
1998	12,671	14,252	1,581	88.9%
2000	13,734	17,967	4,233	76.4%

The annual required contributions for the fiscal years ended June 30, 2001, 2000, and 1999 were \$879,800, \$1,104,500, and \$1,104,519. The percentage contributed for each year was 100 percent.

**THE UNLICENSED VESSEL PERSONNEL ANNUITY RETIREMENT FUND (UVPARF)**

UVPARF is an employer-funded plan with defined benefits. The purpose of UVPARF is to provide retirement benefits to employees of the Alaska Marine Highway System on whose behalf the State made contributions to UVPARF for service during the period July 1, 1981, through October 1, 1983, and who retire under the terms of either the Northwest Marine Retirement Trust (NMRT) or the PERS.

As of June 30, 2001, UVPARF is fully funded and no State contributions were required in FY 01. The majority of UVPARF membership was merged into the Public Employees' Retirement System in FY 93. However, those not merged into PERS will remain in UVPARF.

**THE ELECTED PUBLIC OFFICERS RETIREMENT SYSTEM (EPORS)**

EPORS is a defined benefit retirement plan covering the Governor, the Lieutenant Governor, and all Legislators that participated in the System between January 1, 1976, and October 14, 1976. EPORS is funded by both employee contributions and an annual appropriation from the State general fund. Retirement benefits are based on the member's years of service and the current salary for the position from which they retired or an average of the three highest consecutive years' salaries. The pension benefit is equal to 5 percent for each year of service as governor, lieutenant governor, or a legislator, plus 2 percent for other covered service. The plan also provides death and disability benefits.

Plan members contribute 7 percent of their compensation to EPORS. Employee contributions earn interest at 4.5 percent per annum, compounded semiannually. The remaining amount required to pay EPORS benefits is funded by legislative appropriation. The FY 01 cost to the State for EPORS was \$1.1 million.

**ASSET VALUATION**

See Note 2 for information on pension funds' deposits and investments risk categories. The table below discloses the fair value of each pension plan's cash and investments. All amounts are in thousands.

Systems	Fair Value
Public Employees' Retirement System	\$ 8,081,538
Teachers' Retirement System	4,076,094
Judicial Retirement System	68,492
Alaska National Guard and Alaska Naval Militia Retirement System	13,111

**PLAN MEMBERSHIPS**

Plan membership consisted of:

Plan Membership	PERS	TRS	JRS	NGNMRS	UVPARF	EPORS
As of	6/30/99	6/30/99	6/30/00	6/30/00	6/30/01	6/30/01
Retirees & beneficiaries receiving benefits & terminated members with future benefits	19,580	7,636	72	968	15	32
Current active employees:						
Vested	19,035	5,256	43	*	-	4
Nonvested	13,179	4,140	14	3,832	-	-
<b>Total</b>	<b>51,794</b>	<b>17,032</b>	<b>129</b>	<b>4,800</b>	<b>15</b>	<b>36</b>

\* A breakdown of active employees between vested and nonvested was not available for NGNMRS.

FUNDING STATUS AND PROGRESS

ACTUARIAL METHOD AND ASSUMPTIONS

All systems use the "projected unit credit" method. The unfunded accrued benefit liability or funding surplus is amortized over a rolling 25 years (NGNMRS is 20 years).

The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, each participant's total pension projected to retirement with salary scale is broken down into units, each associated with a year of past or future service. The principle underlying the method is that each unit is funded in the year for which it is credited. Typically, when the method is introduced there will be an initial liability for benefits credited for service prior to that date, and to the extent that this liability is not covered by assets of the plan there is an unfunded liability to be funded over a chosen period in accordance with an amortization schedule.

The following main assumptions were used in the actuarial valuation.

System	Investment Return Compounded Annually	Salary Scale Increase	Health Cost Inflation	Consumer Price Index Inflation	Valuation Date
PERS	8.25%	5.5% first 5 years 4.5% thereafter	1999 - 9.5%; 2000 - 8.5%; 2001 - 7.5%; 2002 - 6.5%; 2003 - 5.5%; 2004-08 - 5.0%; thereafter - 4.5%	4%	6/30/99
TRS	8.25%	5.5% first 5 years 4.5% thereafter	1998 - 6.5%; thereafter - 5.5%	4%	6/30/99
JRS	8.25%	5.0% per year	FY 00 - 8.5%; FY 01 - 7.5%; FY 02 - 6.5%; FY 03 - 5.5%; FY 04-08 - 5.0%; FY 09-13 - 4.5%; FY 14 and thereafter - 4.0%	3.5%	6/30/00
NGNMRS	8.25%	-	-	-	6/30/00
UVPARF	8.0%	-	-	-	6/30/90
EPORS	9.0%	6.0% per year	9.0% per year	-	6/30/86

All assets are at fair value, with 20 percent of the investment gains or losses recognized in each of the current and preceding four years. Valuation assets cannot be outside a range of 80 to 120 percent of the fair value of assets.

RETIREMENT INCENTIVE PROGRAM

House Bill 354 was passed on June 18, 1996, and provided for a retirement incentive program (RIP) for members of school district employers and employees of Mt. Edgecumbe and the Alaska Vocational Technical Center. Senate Bill 1003 was passed on June 28, 1996, and provides for a RIP for employees of the State, the University of Alaska, and all employers other than school districts. The RIP encourages eligible employees to retire up to three years earlier than they had planned as a cost savings to the employer.

Employers who participate in either of the RIP programs are required to reimburse the retirement system for the actuarial equivalent of the difference between the benefits each employee receives after the addition of the retirement incentive under the program and the amount the employee would have received without the incentive, less any amount the employee was indebted as a result of retiring under the program. During fiscal year 2001, there were no additions to plan net assets for contributions from employers for required reimbursements for PERS or TRS under RIP.

When employees terminate employment to participate in RIP, PERS eligible employees are indebted for 20.25 percent of their annual compensation for the calendar year in which they terminate (22.5 percent for peace officers and firefighters) and TRS eligible employees are indebted for 25.95 percent. During fiscal year 2001, there were no additions to plan net assets for contributions from employees for required reimbursements for PERS or TRS.

Additional information is available in the PERS and TRS annual reports for the fiscal year ended June 30, 2001.



## **B. NON-STATE ADMINISTERED PLANS**

### THE MARINE ENGINEERS' BENEFICIAL ASSOCIATION (MEBA) PENSION PLAN

The MEBA plan is a defined benefit pension plan administered by MEBA for its members. Engineer Officers of the Alaska Marine Highway System participate in this program and the State contributes an amount (set by union contract) for each employee. The State assumes no liability for this pension plan or its participants other than the payment of required contributions. The State contributed \$449.3 thousand in FY 01.

## **NOTE 5 - DEFINED CONTRIBUTION PENSION PLANS**

### **A. STATE ADMINISTERED PLANS**

#### SUPPLEMENTAL BENEFITS SYSTEM

In addition to the pension plans (Note 4) and deferred compensation plan (Note 6), all State employees, as well as employees of political subdivisions, who have elected to participate in the program, are covered under the Alaska Supplemental Benefits System (SBS). SBS is comprised of the Supplemental Annuity Plan and the Supplemental Benefits Plans. The Supplemental Annuity Plan is a defined contribution plan that was created under Alaska statutes effective January 1, 1980, to provide benefits in lieu of those provided by the Federal Social Security System (Social Security). All State employees, who would have participated in Social Security if the State had not withdrawn, participate in SBS. Other employers whose employees participate in the State Public Employees' Retirement System and meet other requirements are eligible to have their employees participate in SBS as provided by Alaska Statute. The Division of Retirement and Benefits is responsible for administration and record keeping. The Alaska State Pension Investment Board is responsible for the specific investment of moneys in SBS.

As of January 31, 2001, there were fifteen other employers participating in SBS. There were approximately 29,000 participants in the Plan.

SBS is considered a component unit of the State financial reporting entity. SBS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and SBS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Mandatory contributions are made to the Supplemental Annuity Plan and voluntary contributions to the Supplemental Benefits Plan. Participating employees are vested at all times. Supplemental Annuity Plan contributions are made in lieu of contributions to Social Security. The State is required to contribute 12.26 percent of an employee's wages up to the taxable wage base in effect under Social Security regulations. Each employee is considered to have agreed to a wage reduction equal to one-half the contribution made on the employee's behalf. The State's mandatory contributions for the year ending January 31, 2001, were \$86.2 million. The State's covered payroll was approximately \$703.1 million.

Supplemental Benefit Plan contributions are voluntary based upon the optional benefits elected by each employee enrolled in SBS. Each employee agrees to a wage reduction based upon the benefit options selected. The benefit amounts are deducted from each employee's wages and remitted by the employer to SBS on the employee's behalf. State employee voluntary contributions for the year ending January 31, 2001, were approximately \$6.7 million.

Employees are eligible to withdraw from the Supplemental Annuity Plan sixty days after termination. Benefits are payable in the form of a lump sum annuity or one of various continuing annuities purchased from an insurance carrier. The SBS administrator issues lump-sum payments through its contracted record keeper.

Benefits available under the Supplemental Benefits Plan include supplemental health, death, disability, survivor benefits, and dependent care reimbursement. Selection of these benefits is at the discretion of the employee, with certain restrictions, and may be amended and/or changed on an annual basis or in conjunction with an employee change in status. The State maintains a separate self-insurance fund to provide for health benefits. All other supplemental benefits, except dependent care reimbursement, are provided through insurance policies. The State administers the dependent care reimbursement plan.

Supplemental annuity contributions were deposited with investment managers under contract with SBS for the year ended January 31, 2001. The amounts credited to each participant account include the appreciation or depreciation in the unit values of the investment funds, in addition to participant contributions received during the year and deductions for administrative fees.

Participant accounts under the Supplemental Annuity Plan are self-directed with respect to investment options. Each participant designates how contributions are allocated among the investment options. Each participant's account is credited with the contributions and the increase or decrease in unit value for the investment funds.

## **B. NON-STATE ADMINISTERED PLANS**

### THE NORTHWEST MARINE RETIREMENT TRUST (NMRT)

NMRT is an agent multiple-employer pension plan with defined contributions and is administered by the Pacific Northwest Marine Retirement Trust. The State assumes no liability for this pension plan or its participants other than the payment of required contributions. The State contributed \$533.5 thousand in FY 01.

## **NOTE 6 - DEFERRED COMPENSATION PLAN**

The State of Alaska Deferred Compensation Plan (Plan) was created by Alaska statutes. It is a deferred compensation plan under Section 457 of the Internal Revenue Code and is available to all permanent employees or elected officials of the State who have completed a full pay period of employment. Participants authorize the State to reduce their current salary so that they can receive the amount deferred at a later date. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency, within the definition allowed by the applicable Internal Revenue Code. As of December 31, 2000, the Plan had approximately 7,500 participants.

As a result of the passage of The Small Business Job Protection Act of 1996 (SBJPA), all amounts deferred, including amounts deferred before the effective date of the new law, under an eligible 457 plan must be held in a trust for the exclusive benefit of employees and beneficiaries. This new law repealed the requirement that a section 457 plan sponsored by a government be solely the property of the employer, subject only to the claims of the employer's general creditors. The trust requirement generally applies to assets and income held by a plan on and after the date of enactment of the SBJPA.

The Plan Document for the State of Alaska Deferred Compensation Plan was amended to recognize and establish the Trust requirement for the Plan.

The Division of Retirement and Benefits is responsible for Plan administration and recordkeeping. The Alaska State Pension Investment Board is responsible for the specific investment of moneys in the plan.

Participant accounts are self-directed with respect to investment options. Each participant designates how his or her contribution is to be allocated among the investment options. Each participant's account is credited with the participant's contributions and the increase or decrease in unit value for the investment funds.

The balance of deferred compensation as of December 31, 2000, was \$405.6 million. This balance has been reported in the accompanying financial statements as an expendable trust fund.

**NOTE 7 - INTERFUND TRANSACTIONS**

The following schedules summarize individual interfund and component unit receivable and payable balances at June 30, 2001, and fund transfers for the year then ended (in thousands):

RECEIVABLES

Fund or Component Unit	Interfund	Primary Government	Component Units	Total
Primary Government:				
General Fund	\$ 22,167	\$ -	\$ 7,230	\$ 29,397
Special Revenue Funds				
Disaster Relief	-	-	800	800
Training and Building	55	-	-	55
Enterprise Funds				
Commercial Assistance	16	-	-	16
Other Agencies	299	-	-	299
Internal Service Funds				
Highways Equipment Working Capital	2,944	-	-	2,944
Correctional Industries	322	-	-	322
Information Services	2,700	-	-	2,700
Group Health and Life	128	-	-	128
Retiree Health	241	-	-	241
Alaska Public Building	237	-	-	237
Trust and Agency Funds				
Expendable Trust	4,945,094	-	-	4,945,094
Nonexpendable Trust	44,628	-	-	44,628
Pension Trust	822	-	-	822
Agency	2,239	-	-	2,239
Component Units:				
Municipal Bond Bank - Special Revenue	-	-	1,669	1,669
Alaska Student Loan Corporation	-	829	-	829
Alaska Housing Finance Corporation	-	-	150,332	150,332
Alaska Energy Authority	-	1,607	25	1,632
Alaska Aerospace Development Corporation	-	281	-	281
Alaska Mental Health Trust Authority	-	306,406	-	306,406
Alaska Science & Technology Foundation Nonexpendable Trust	-	112,329	-	112,329
University of Alaska	-	260	33,302	33,562
Other*	3,091	320	5,689	9,100
TOTAL	\$ 5,024,983	\$ 422,032	\$ 199,047	\$ 5,646,062

PAYABLES

Fund or Component Unit	Interfund	Primary Government	Component Units	Total
<b>Primary Government:</b>				
General Fund	\$ 3,880,334	\$ -	\$ 2,433	\$ 3,882,767
<b>Special Revenue Funds</b>				
Disaster Relief	1,848	-	-	1,848
Training & Building	37	-	-	37
School	55	-	-	55
Fish & Game	1,874	-	-	1,874
Clean Air Protection	290	-	-	290
Northern Tobacco Securitization Corporation	-	-	-	320 320
<b>Enterprise Funds</b>				
Commercial Assistance	214	-	-	214
Energy Assistance	76	-	-	76
Other Agencies	12,460	-	-	12,460
<b>Internal Service Funds</b>				
Retiree Health	1,280	-	-	1,280
Alaska Public Building	10	-	-	10
<b>Trust and Agency Funds</b>				
Expendable Trust	1,831	-	-	1,831
Nonexpendable Trust	1,117,353	-	418,735	1,536,088
Pension Trust	109	-	-	109
Agency	70	-	-	70
<b>Component Units:</b>				
Municipal Bond Bank - Special Revenue	-	592	1,669	2,261
Alaska Student Loan Corporation	-	313	3,687	4,000
Alaska Housing Finance Corporation	-	-	150,332	150,332
Alaska Energy Authority	-	4,548	-	4,548
Alaska Aerospace Development Corporation	-	208	-	208
Alaska Mental Health Trust Authority	-	496	-	496
University of Alaska	-	-	33,302	33,302
Other*	7,142	4,159	285	11,586
<b>TOTAL</b>	<b>\$ 5,024,983</b>	<b>\$ 10,316</b>	<b>\$ 610,763</b>	<b>\$ 5,646,062</b>

OPERATING TRANSFERS IN

Fund or Component Unit	Interfund	Primary Government	Component Units	Total
<b>Primary Government:</b>				
General Fund	\$ 8,620	\$ -	\$ 16,738	\$ 25,358
<b>Special Revenue Funds</b>				
Disaster Relief	680	-	-	680
Fish & Game	1,077	-	-	1,077
<b>Debt Service Funds</b>				
Northern Tobacco Securitization Debt	18,926	-	-	18,926
<b>Enterprise Funds</b>				
Other Agencies	159	-	-	159
<b>Internal Service Funds</b>				
Alaska Public Building	103	-	-	103
Correctional Industries	1,172	-	-	1,172
<b>Trust and Agency Funds</b>				
Expendable Trust	1,113,223	-	-	1,113,223
Nonexpendable Trust	-	-	15,550	15,550
<b>Component Units:</b>				
Municipal Bond Bank - Special Revenue	-	-	2,449	2,449
Alaska Energy Authority	-	23,333	-	23,333
Alaska Aerospace Development Corporation	-	-	555	555
University of Alaska	-	190,987	-	190,987
Other*	1,063	-	6,136	7,199
<b>TOTAL</b>	<b>\$ 1,145,023</b>	<b>\$ 214,320</b>	<b>\$ 41,428</b>	<b>\$ 1,400,771</b>

OPERATING TRANSFERS OUT

Fund or Component Unit	Interfund	Primary Government	Component Units	Total
<b>Primary Government:</b>				
General Fund	\$ 3,814	\$ -	\$ 213,075	\$ 216,889
<b>Special Revenue Funds</b>				
Northern Tobacco Securitization Corporation	-	18,926	-	18,926
<b>Enterprise Funds</b>				
Commercial Assistance	276	-	-	276
Energy Assistance	76	-	-	76
Other Agencies	1,156	-	-	1,156
<b>Trust and Agency Funds</b>				
Expendable Trust	-	-	500	500
Nonexpendable Trust	1,116,444	-	-	1,116,444
<b>Component Units:</b>				
Municipal Bond Bank - Special Revenue	-	-	2,449	2,449
Municipal Bond Bank - Debt Service	-	-	592	592
<b>Alaska Industrial Development &amp; Export Authority - Revolving Fund</b>				
Alaska Energy Authority	-	18,500	-	18,500
Alaska Energy Authority	-	425	-	425
Alaska Mental Health Trust	-	11,366	-	11,366
<b>Alaska Science &amp; Technology Foundation - Endowment Fund - Nonexpendable Trust</b>				
International Trade & Business Endowment	-	3,984	3,185	7,169
Nonexpendable Trust	-	200	-	200
Other*	4,332	1,471	-	5,803
<b>TOTAL</b>	<b>\$ 1,145,024</b>	<b>\$ 35,946</b>	<b>\$ 219,801</b>	<b>\$ 1,400,771</b>

RESIDUAL EQUITY TRANSFERS IN

Fund or Component Unit	Interfund	Primary Government	Component Units	Total
Primary Government:				
General Fund	\$ 2,693	\$ -	\$ 70,577	\$ 73,270
Debt Service Funds				
General Obligation Bonds	102	-	-	102
Enterprise Funds				
Other Agencies	792	-	-	792
Internal Service Funds				
Alaska Public Building Fund	354	-	-	354
Trust and Agency Funds				
Expendable Trust	84	-	-	84
Nonexpendable Trust	339,347	-	-	339,347
Component Units:				
Alaska Industrial Development & Export Authority – Small Business Economic Development				
	-	-	390	390
Other*	160	-	13,946	14,106
<b>TOTAL</b>	<b>\$ 343,532</b>	<b>\$ -</b>	<b>\$ 84,913</b>	<b>\$ 428,445</b>

RESIDUAL EQUITY TRANSFERS OUT

Fund or Component Unit	Interfund	Primary Government	Component Units	Total
Primary Government:				
General Fund	\$ 334,600	\$ -	\$ -	\$ 334,600
Special Revenue Funds				
Training and Building	84	-	-	84
Debt Service Funds				
General Obligation Bonds	102	-	-	102
Capital Projects Funds	102	-	-	102
Enterprise Funds				
Commercial Assistance	20	-	-	20
Internal Service Funds				
Alaska Public Building	1,071	-	-	1,071
Highways Equipment Working Capital	1,500	-	-	1,500
Component Units:				
Alaska Student Loan Corporation	-	200	2,000	2,200
Alaska Housing Finance Corporation	-	64,226	10,805	75,031
Other*	6,053	-	7,682	13,735
<b>TOTAL</b>	<b>\$ 343,532</b>	<b>\$ 64,426</b>	<b>\$ 20,487</b>	<b>\$ 428,445</b>

\* The "Other" category is a combination (net) of various items that are not consistently reported in the three classifications identified above. This inconsistency results from: (1) a difference in the basis of accounting such as College and Universities are not on the same basis as the general fund and enterprise funds, enterprise funds are on the full accrual accounting basis while the governmental funds are on the modified accrual basis; (2) timing differences due to differing fiscal year ends; and (3) some inconsistent classifications as a result of the nature of the operation.

**NOTE 8 - SEGMENT INFORMATION - ENTERPRISE FUNDS**

The following schedule presents financial segment information for State-run enterprise funds (stated in millions) for the fiscal year ended June 30, 2001.

The State of Alaska International Airport System (AIAS) was created to equip, finance, maintain, and operate the two international airports located at Anchorage and Fairbanks, Alaska. The airports are under the administration of the Alaska Department of Transportation and Public Facilities.

The Commercial Fishing Revolving Loan Fund (CFRLF) was established to promote the development and continued maintenance of commercial fishing gear and vessels by means of long-term, low interest loans.

The Fisheries Enhancement Revolving Loan Fund (FERLF) was created to promote the enhancement of the State's fisheries by means of long-term, low interest loans for salmon hatchery planning, construction, and operation.

The Alaska Clean Water Fund (CWF) was established for the purpose of making loans for public water and sewage treatment facilities.

	AIAS	CFRLF	FERLF	CWF	All Other State Funds	Total State Operated
Operating Revenues	\$ 73.9	\$ 6.5	\$ 4.5	\$ 3.2	\$ 1.6	\$ 89.7
Operating Expenses:						
Depreciation	19.7	-	-	-	0.1	19.8
All Other	44.8	3.0	1.0	0.4	1.0	50.2
Total Expenses	64.5	3.0	1.0	0.4	1.1	70.0
Operating Income (Loss)	9.4	3.5	3.5	2.8	0.5	19.7
Nonoperating Revenue	10.0	-	-	3.3	1.0	14.3
Nonoperating Expenses	(3.5)	-	-	-	(0.3)	(3.8)
Gain (Loss) on Disposal of Fixed Assets	-	-	-	-	1.0	1.0
Operating Transfer In (Out) - net	-	(0.2)	-	-	(1.2)	(1.4)
Net Income (Loss)	\$ 15.9	\$ 3.3	\$ 3.5	\$ 6.1	\$ 1.0	\$ 29.8
Net Working Capital	\$ 244.1	\$ 24.6	\$ 12.9	\$ 46.1	\$ 24.1	\$ 351.8
Notes & Loans Receivable	-	79.3	62.0	88.8	25.2	255.3
Repossessed Property	-	0.2	-	-	0.4	0.6
Property, Plant, & Equipment - net	419.8	-	-	-	2.4	422.2
Total Assets	684.3	110.5	98.0	134.8	60.0	1,087.6
Revenue Bonds Payable	227.0	-	-	-	-	227.0
Fund Equity	437.0	110.2	98.0	134.8	59.5	839.5
Additions to Fixed Assets:						
Net Outlays (Abatements), Purchases, Bond Proceeds, or Appropriations	46.0	-	-	-	-	46.0
Equity Transfers In (Out)	-	-	-	-	0.7	0.7

## **NOTE 9 - COMMITMENTS AND CONTINGENCIES**

### **A. SICK LEAVE**

The cost of State employee sick leave is charged against agency appropriations when leave is used rather than when leave is earned. There is no recorded liability for sick leave in the financial records of the State. Accordingly, the statements in this report do not include an estimate of this obligation as either a liability or a reserve.

Accumulated sick leave may be used only for actual illness. When an employee separates from State service, any sick leave balance to their credit is reduced to zero without additional compensation to the employee.

The estimated amount of unused accumulated sick leave as of June 30, 2001, is \$48 million. This amount was calculated using the base pay on file for each employee as of June 30, 2001. It does not include an estimate of the cost of fringe benefits (supplemental benefits, retirement, group insurance, etc.) which can vary from 5 percent to 28 percent of gross pay depending on the status of the employee when leave is taken.

## **B. SCHOOL DEBT**

Under a program enacted in 1970 (AS 14.11.100), the State may reimburse municipalities up to 80, 90, or 100 percent of debt service on bonds issued to finance school construction. The percentage depends on the year in which the costs are incurred. The 80 percent limitation, enacted in 1985, applies to fiscal years after June 30, 1983. The higher percentages apply to earlier years.

Although the statute provides that the State may reimburse school districts 80, 90, or 100 percent of construction costs, the actual funding for the program is dependent on annual legislative appropriations to the school construction account. When amounts in the account are insufficient, the available funds are allocated pro rata among the eligible school districts. There is no contractual commitment by the State to make these payments. The amount for FY 01 expended for school debt was \$52.1 million, which was 100 percent of the entitlement. The total debt requirement assuming the State makes full payment of its share of school debt service would be approximately \$703.9 million. The State has in the past and may in the future appropriate less than the full amount to which the municipalities are entitled under statute.

## **C. RISK MANAGEMENT AND SELF-INSURANCE**

The State maintains a risk management program that is administered by the Department of Administration, Division of Risk Management. The Division of Risk Management's objective is to protect the financial assets and operations of the State of Alaska from accidental loss through a comprehensive self-insurance program for normal and expected property and casualty claims of high frequency and low severity, combined with high-limit, broad-form excess insurance protection for catastrophic loss exposures.

Risk Management acts as the insurance carrier for each State agency, funding all sudden and accidental property and casualty claims. The annual premiums allocated by Risk Management are the maximum each agency is called upon to pay. This planning for known and catastrophic losses forestalls the need for the affected agency to seek supplemental appropriation or disrupt vital State services after a major property loss, adverse civil jury award, or significant workers' compensation claim.

By effectively managing the State's property and liability exposures through a comprehensive self-insurance program, Risk Management expends fewer public funds than would be paid to private insurance companies at the same time providing streamlined claims services utilizing professional adjusting firms located throughout Alaska.

Property insurance with all-risk (including earthquake and flood) coverage is provided on a replacement cost basis for all State-owned or leased property; buildings (including contents, museum fine arts, etc.), aircraft, watercraft (Alaska Marine Highway System ferries and other agency vessels), large highway bridges, and hydroelectric power dams.

Casualty coverages protect each State agency and their personnel from third-party civil (tort) liability claims alleged to have arisen from combined liability - general (premises/operations), automobile, professional (errors and omissions), medical malpractice, aviation (aircraft and airport) or marine (crew and passenger injuries).

Additional specialty coverages include blanket public employee faithful performance and custom bonding, accidental death and disability (including medical expenses) for volunteers, computer fraud and foreign liability, etc. These insurance programs continually evolve, responding to new activities and special projects undertaken by each State agency. There has been no significant reduction in insurance coverage from previous years and the State has not incurred a loss in excess of its insurance program.

In FY 01, the State completely self-insured all statutory workers' compensation claims, while the following policies have Self-Insured Retention (SIR) levels (SIRs are the funds Risk Management contributes to a claim prior to our excess policies taking effect): \$5 million per occurrence for general (premises and operations) and professional liability (medical malpractice), \$2 million per loss in automobile liability, \$1 million per claim for property and marine risks, and \$250,000 per incident for airport and aviation liability exposures. Limits of excess insurance vary by risk, reaching up to \$250 million per occurrence for marine and \$500 million for aviation. Additional information concerning specific areas of coverage is available from the Division of Risk Management on request. The policies extend to cover all State agencies.



Approximately 50 insurance companies and various Lloyd's of London underwriting syndicates participate in the State of Alaska's excess insurance program. Marketing is provided by independent brokers. The State obtains an annual independent actuarial assessment of the State insurance program as required by AS 37.05.287 (b).

An unconstrained audit of the State of Alaska's overall property and casualty insurance program performed by an independent risk management consultant found the retention levels and excess insurance coverage purchased are appropriate.

Risk Management's budget is funded entirely through interagency receipts annually billed each agency through a "Cost of Risk" premium allocation system. The Risk Management information system generates the annual cost of risk allocation to each agency, reflecting their proportionate share of the State's overall cost of risk. Designed to achieve equitable distribution of the self-insurance program costs, it factors exposure values subject to loss and considers the past five years actual claims experience incurred by each department.

For most cost of risk allocations, 80 percent of the premium billing is based on the average of the past five years actual claims experience. This provides each agency a direct fiscal incentive to reduce or control their claim costs.

The program compiles a property inventory schedule of all owned or leased buildings used or occupied by State agencies, listing age and type of building construction, occupancy, fire protection services and sprinkler systems, and projected replacement cost value. Individual premiums are then determined and, in cases of multiple occupancy, allocated to each department on the basis of their square foot use.

The "Cost of Risk" premium is collected through two methods from individual State agency operating budgets. Reimbursable Services Agreements (RSAs) are used for all categories of insurance other than Workers' Compensation and Combined Liability (general, auto, and professional) which are assessed on a rate per \$100 payroll applied monthly to each agency's actual payroll until the allocated premium is paid.

Total payments made for insurance premiums and self-insured claims for FY 01 amounted to \$32,013,492. This amount compares with FY 99 and FY 00 as follows:

FY 99	\$ 27,131,169
FY 00	\$ 24,352,868
FY 01	\$ 32,013,492

The actuarial estimate of total outstanding loss liability arising from self-insured claims made in prior years through June 30, 2001, is \$91,266,893. This amount has been reported as long-term debt obligations. This amount compares with the actuarial estimate for FY 99 and FY 00 as follows:

FY 99	\$ 81,212,590
FY 00	\$ 81,626,449
FY 01	\$ 91,266,893

**D. LITIGATION**

The State is involved in a number of legal actions. The Department of Law estimates the probable maximum liability for the cases associated with the governmental fund types to be approximately \$10.7 million, with an additional possible liability of \$54.8 million. The probable loss amount has been reported as long-term debt obligations.

In October 2000, a complaint was filed in the Superior Court for the State of Alaska, Third Judicial District (Myers v. State of Alaska, Alaska Housing Finance Corporation, and Northern Tobacco Securitization Corporation), seeking a declaratory judgement determining that the sale of the 2000 Pledged Receipts by the State to AHFC or to NTSC is a dedication of State funds for a special purpose, in violation of Section 7, Article IX, of the Alaska Constitution. On October 24, 2000, Superior Court Judge Hensley ruled that such sale of the 2000 Pledged Receipts did not violate the Alaska Constitution. Plaintiff thereafter appealed to the Alaska Supreme Court; oral arguments have been heard. Any adverse decision in the Myers litigation will likely adversely affect the validity of the sale of the 2000 Pledged Receipts to NTSC, and NTSC's ability to repay bondholders.

## **E. FEDERAL GRANTS**

The State has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, it is believed that any required reimbursements will not be material.

## **F. DISASTER RELIEF FUND**

The State may be liable to reimburse communities for expenditures related to disasters in excess of the amount allocated by the State.

## **G. DISCRETELY PRESENTED COMPONENT UNITS**

Pursuant to Ch. 60, SLA 2000, the Alaska Energy Authority (AEA) has been authorized to sell the Four Dam Pool Projects to an entity formed by the City of Ketchikan, the City of Wrangell, the City of Petersburg, Copper Valley Electric Association, Inc., and Kodiak Electric Association, Inc. AEA may sell the projects pursuant to the terms of a Memorandum of Understanding between AEA and the purchasing utilities dated April 11, 2000, as amended in accordance with the legislation. Pursuant to the MOU, there are various conditions that must be satisfied prior to consummation of the sale. Assuming all conditions can be satisfied the parties anticipate the sale of the projects to be consummated on December 31, 2001. Pursuant to Ch. 75, SLA 2000, the proceeds of the sale along with certain other project funds have been appropriated to the Power Cost Equalization Endowment Fund established under the legislation. In accordance with Statement of Financial Accounting Standard No. 121, AEA wrote down its investment in the Four Dam Pool Projects by \$41,358,000 during the year ended June 30, 2000.

Pursuant to the above referenced legislation, the Alaska Industrial Development and Export Authority (AIDEA) has been authorized to issue bonds or otherwise extend financing to the entity formed by the City of Ketchikan, the City of Wrangell, the City of Petersburg, Copper Valley Electric Association, Inc., and Kodiak Electric Association, Inc. in connection with the sale of the Four Dam Pool Projects. Pursuant to the authorization, the principal amount of bonds and other financing AIDEA may provide may not exceed \$110,000,000. AIDEA expects to fund the loan using internal assets. The anticipated closing date is December 31, 2001.

At June 30, 2001, AIDEA held approximately \$122,082,000 of investments in trust for the construction of two intertie projects, and held approximately \$17,666,000 of investments in trust for others under various agreements. The moneys and related liability are not reflected in the accompanying financial statements. AIDEA also had extended commitments for loans of \$18,032,205 and loan guarantees of \$1,905,622.

## **NOTE 10 – SUBSEQUENT EVENTS**

### **EQUITY TRANSFER TO ASEA/AFSCME LOCAL 52 HEALTH BENEFIT TRUST**

Members of the General Government Unit (GGU) terminated their benefit coverage under the State's health benefit plan, effective July 1, 2001. Under the GGU collective bargaining agreement the ASEA/AFSCME Local 52 Health Benefit Trust (Trust) will provide health insurance to eligible employees and their dependents through a health trust. As of July 1, 2001, the Trust will be liable for administration and payments of health claims for eligible bargaining unit members, their qualified spouses, and dependent children. In accordance with the agreement between the State, ASEA/AFSCME Local 52 (Union), the Alaska State Employees Association, and the Trust, the State transferred from the Group Health and Life Fund \$4,350,000 to the Trust during 2001 to be used by the Trust for the benefit of eligible members and their dependents.

The State's Group Health and Life Fund will pay all claims incurred prior to July 1, 2001, by members and their eligible dependents. On or prior to March 1, 2002, if the cost of claims exceeds the cash reserve held by the State in the Group Health and Life Fund at June 30, 2001, on behalf of the members of the GGU, the State will bill the Trust for any shortage. If there are anticipated excess reserves, those reserves, and any interest earned on those reserves, will be transferred to the Trust on or before June 30, 2002.

**NORTHERN TOBACCO SECURITIZATION CORPORATION**

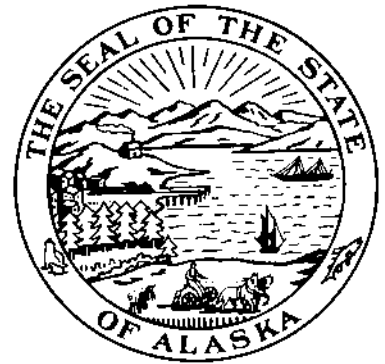
On August 2, 2001, the Northern Tobacco Securitization Corporation (NTSC) issued \$126,790,000 of Series 2001 revenue bonds to purchase the "2001 pledged receipts" consisting of an additional 40 percent of all amounts required to be paid to the State of Alaska beginning January 10, 2002, under the Master Settlement Agreement and the Consent Decree and Final Judgement, with interest rates on the bonds of 3.5 percent to 5.5 percent and maturity dates ranging from 2003 to 2029.

**ALASKA HOUSING FINANCE CORPORATION BONDS**

The Alaska Housing Finance Corporation (AHFC), on August 2, 2001, issued \$370,170,000 in Governmental Purpose Bonds 2001 Series A, B, C, and D. The 2001 Series A and B bonds mature on December 1, 2030, and the Series C and D bonds mature on December 1, 2032. The bonds initially will bear interest at a weekly rate; however, AHFC has the option to convert all or a portion of the 2001 bonds on any Effective Rate Date to fixed interest rate. On August 2, 2001, AHFC entered into interest rate swap agreements relating to the Series A and B bonds. Under these agreements, AHFC pays a fixed rate of 4.14% to the counterparty in Series A and B and the swap counterparty pays the variable rate received by the bondholders.

# Combining and Individual Fund Financial Statements

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# General Fund

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The general fund is the State's primary operating fund. All public monies and revenues coming into the State treasury not specifically authorized by statute to be placed in a special fund constitute the general fund. Unlike other funds held in the name of the State, the general fund has become a fundamental component of our fund structure without benefit of formal creation by the Constitution or the Alaska Statutes.

There are several accounts and funds that have been created by law which are considered a part of the general fund. These are treated as subfunds of the general fund and are accounted for as individual funds for accounting purposes but they are included in the general fund for annual financial reporting purposes. The following lists those funds and accounts.

- Alaska Clean Water Administrative Fund (11167) – AS 46.03.034 – Administered by Department of Environmental Conservation. The fund is composed of two accounts, the Alaska clean water administrative operating account; and the Alaska clean water administrative income account. The administrative operating account may be used for operational and administrative costs to manage the Alaska Clean Water Fund (AS 46.03.032). Money received in payment of fees in connection with making and servicing loans from the Alaska Clean Water Fund and earnings on the administrative fund shall be deposited in the administrative income account.
- Alaska Debt Retirement Fund (11138) - AS 37.15.011 - The fund consists of all money appropriated to it. The fund was established to help meet the general fund debt obligations of the State and its political subdivisions, to fund lease-purchases, and to finance capital projects with money remaining after debt obligations are paid.
- Alaska Drinking Water Administrative Fund (11170) – AS 46.03.038 – Administered by Department of Environmental Conservation. The fund is composed of two accounts, the Alaska drinking water administrative operating account; and the Alaska drinking water administrative income account. The administrative operating account may be used for operational and administrative costs to manage the Alaska Drinking Water Fund (AS 46.03.036). Money received in payment of fees in connection with making and servicing loans from the Alaska Drinking Water Fund and earnings on the administrative fund shall be deposited in the administrative income account.
- Alaska Historical Commission Receipts Account (11111) - AS 41.35.380 - Administered by Department of Natural Resources. Consists of all monetary gifts, grants, bequests, royalties, and other income received by the Alaska Historical Commission and is used for commission projects.
- Alaska Marine Highway System Fund (12135) - AS 19.65.060 - Administered by Department of Transportation and Public Facilities, Alaska Marine Highway System. Gross revenues of the Alaska Marine Highway System are deposited into the fund. The fund also consists of legislative appropriations of amounts necessary to provide stable services to the public, after consideration of gross revenue.
- Alaska Marine Highway System Vessel Replacement Fund (11137) - AS 37.05.550 - Managed by Department of Revenue. The fund consists of money appropriated to it by the Legislature. The legislature may appropriate money from the fund for refurbishment of existing State ferry vessels, acquisition of additional State ferry vessels, or replacement of retired or outmoded State ferry vessels.
- Alaska Surplus Property Fund (11112) - AS 37.05.500(a)(2), AS 44.68.130 - Administered by Department of Administration. This fund is to account for revenues from the users or purchasers of excess federal property that the State has acquired and is used to pay the administrative expenses incurred in managing this property.
- Alaska Technical and Vocational Education Program Fund (11166) – AS 23.15.830 – Administered by Department of Labor and Workforce Development. The account consists of amounts collected under AS 23.15.835. The legislature may appropriate the annual estimated balance in the account to the Alaska Human Resource Investment Council to implement AS 23.15.820 – 23.15.850. The legislature may appropriate the lapsing balance of the account to the unemployment compensation fund established in AS 23.20.130.

- Alaska Transportation Infrastructure Bank (21653) – Section 350 of the National Highway System Designation Act of 1995 Federal Law – Managed by the Department of Transportation and Public Facilities. This fund was established as a pilot program with the U.S. Department of Transportation to increase infrastructure investment in the private sector. The fund has the ability to make loans and provide other forms of credit assistance to public and private entities to carry out highway construction and transit capital projects.
- Art in Public Places Fund (11124) - AS 44.27.060 - Administered by Alaska State Council on the Arts. This fund consists of one percent of the construction cost of buildings exempt from AS 35.27. The money is used to commission or purchase art for public State-owned or leased buildings or facilities.
- Assistive Technology Loan Guarantee Fund (11154) - AS 23.15.125 - Administered by Department of Labor and Workforce Development, Division of Vocational Rehabilitation (DVR). The fund consists of money appropriated to it. DVR may solicit and accept available public and private money for distribution from the fund. Money in the fund may be used to guarantee 90 percent of the principal amount of a loan or to subsidize the interest rate of a loan guaranteed by DVR for appropriate assistive technology.
- Donated Commodity Fee Fund (11120) - USC 7 CFR, Part 250 - Administered by Department of Education and Early Development. This fund consists of monies from federal agencies and recipients of goods. It is intended to cover the cost of the distribution of federal surplus food to schools, childcare institutions, nonprofit camps for children, charitable institutions for minors, nutrition programs for the elderly, and assistance to needy persons.
- Educational Facilities Maintenance and Construction Fund (11142) - AS 37.05.560 - Money in the fund may be appropriated to finance the design, construction, and maintenance of public school facilities and for maintenance of the University of Alaska facilities.
- Employment Assistance and Training Program Account (11134) -AS 23.15.625 - Administered by Department of Labor and Workforce Development. The account consists of amounts collected under the provision of AS 23.15.630. The annual estimated balance in the account may be appropriated by the legislature to the department to implement AS 23.15.620 - 23.15.660. The legislature may appropriate the lapsing balance of the account to the unemployment compensation fund established in AS 23.20.130.
- Exxon Valdez Oil Spill Unincorporated Rural Community Grant Fund (11161) – AS 44.33.115 – Administered by Department of Community and Economic Development. The department may use the fund to make grants to unincorporated rural communities in the area affected by the Exxon Valdez oil spill for capital projects for purposes of restoring, replacing, or enhancing subsistence resources or services or other services damaged or lost as a result of the Exxon Valdez oil spill.
- FHWA - Airspace Leases Fund (11126) - Section 156 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 requires that the State shall charge fair market value for the sale, use, or lease rentals of right-of-way airspace and that the federal share of these net incomes be used by the State for highway projects. This fund accounts for those revenues. The revenues are available for appropriation by the legislature for highway projects.
- FICA Administration Fund (11110) - AS 39.30.050 - Administered by Department of Administration. The fund consists of the pro rata share of expenses incurred in the administration of 39.30.010 – 39.30.080 and collected from participating political subdivisions and from the state.
- Fishermen’s Fund (11119) - AS 23.35.060 - Administered by Department of Labor and Workforce Development. This fund is composed of 39 percent of the money derived by the State from all commercial fishermen's licenses and money appropriated by the legislature to pay for emergency treatment, transportation, medical care, and hospitalization of commercial fishermen.
- Fuel Emergency Fund (11125) - AS 26.23.400 - Administered by Office of the Governor. This fund is used when the governor determines that a shortage of fuel is sufficiently severe to justify State assistance to make grants to a city or borough, or to a village or unincorporated community to purchase emergency supplies of fuel.
- Fund for the Improvement of School Performance (11145) - AS 14.03.125 - Administered by Department of Education and Early Development. It is used to make grants to a district located in the State for the purpose of improving school performance.
- Major Maintenance Grant Fund (11144) - AS 14.11.007 - Administered by Department of Education and Early Development. The fund is used to make grants for the cost of school major maintenance.

- Municipal Capital Project Matching Grant Fund (11146) - AS 37.06.010 - Administered by Department of Administration. The money in the fund is held by the department in custody for each municipality. Each fiscal year the department allocates individual grants for each municipality.
- Oil and Hazardous Substance Release Prevention Mitigation Account (11139) - AS 46.08.020(b) - Administered by Department of Environmental Conservation. This account consists of money received from other State sources, from federal or other sources, or from a private donor; money recovered or otherwise received from parties responsible for the containment and cleanup of oil or a hazardous substance; and fines, penalties, or damages recovered under AS 46.08.005-46.08.080. The legislature may appropriate the amount received in this account (during the preceding calendar year) to the prevention account in the Oil and Hazardous Substance Release Prevention and Response Fund.
- Oil and Hazardous Substance Release Response Mitigation Account (11153) - AS 46.08.025(b) - Administered by Department of Environmental Conservation. This account consists of money received from other State sources, from federal or other sources, or from a private donor; money recovered or otherwise received from parties responsible for the containment and cleanup of oil or a hazardous substance at a specific site for which the State expended money from the former oil and hazardous substance release response fund before October 2, 1994, or for which the State expended money from the response account. The legislature may appropriate the amount received in this account (during the preceding calendar year) to the response account in the Oil and Hazardous Substance Release Prevention and Response Fund.
- Oil and Hazardous Substance Release Prevention and Response Fund (11128) - AS 46.08.010 - Administered by Department of Environmental Conservation. This fund is composed of two accounts: (1) the prevention account and (2) the response account. The fund consists of appropriations by the legislature of money from private donors, money recovered from parties responsible for cleanup of oil or a hazardous substance, and fines, penalties, or damages recovered under chapter 46. This money is for the containment and cleanup of oil or a hazardous substance; monitoring, assessing, investigating, and evaluating the release or threatened release of oil or a hazardous substance; and recovery of the cost to the State of the containment and cleanup of oil or a hazardous substance.
- Railbelt Energy Fund (11123) - AS 37.05.520 - Managed by Department of Revenue. The legislature may appropriate money from the fund for programs, projects, and other expenditures to assist in meeting Railbelt energy needs, including projects for retrofitting State-owned buildings and facilities for energy conservation.
- Randolph-Sheppard Small Business Fund (11118) - AS 23.15.130; 20 USC 107-107(f) - Administered by Department of Education and Early Development. This fund consists of receipts from vending facilities on federal properties and is used to aid only blind licensees in operating vending machine facilities.
- Real Estate Surety Fund (11121) - AS 08.88.450 - Administered by Department of Community and Economic Development. This fund is composed of payments made by real estate licensees under AS 08.88.455 and filing fees under AS 08.88.460, income earned on investment of the money in the fund, and money deposited in the fund under AS 08.88.450(c). Amounts in the fund may be appropriated for claims against the fund, for hearing and legal expenses directly related to fund operations and claims, and real estate educational purposes.
- School Construction Grant Fund (11143) - AS 14.11.005 - Administered by Department of Education and Early Development. The fund shall be used to make grants for the costs of school construction. Legislative appropriations for school construction shall be deposited in the fund and the proceeds from the sale of general obligation bonds for school construction may be deposited in the fund.
- School Trust Land Sales (11162) - Established per Attorney General memo regarding Public School Trust Litigation. Used to separately account for the sales of 21 parcels of public school trust land the status of which is in litigation.
- Second Injury Fund (11117) - AS 23.30.040 - Administered by Department of Labor and Workforce Development. The second injury fund consists of all amounts collected under AS 23.30.040(b) and (c), and as civil penalties under AS 23.30.155(c). Money in the fund may only be paid for the benefit of those persons entitled to payment of benefits from the Second Injury Fund under AS 23.30.
- State Insurance Catastrophe Reserve Account (11133) - AS 37.05.289 - Administered by Department of Administration. Assets of the account may be used to obtain insurance, to establish reserves for the self-insurance program, and to satisfy claims or judgements arising under the program.



- State Land Disposal Income Fund (11164) – AS 38.04.022(a) – Administered by Department of Natural Resources. The fund consists of revenue from the state land disposal program.
- Storage Tank Assistance Fund (11136) - AS 46.03.410 - Administered by Department of Environmental Conservation. The fund consists of money appropriated to it by the legislature. The receipts of the fund may be used for certain costs as defined in AS 46.03.410(a) relating to underground petroleum storage tank systems and for grants and loans.
- TAPS Rebate Fund (11163) – Federal Public Law 101-380, sec. 8102(a)(B)(I). – The federal government has rebated the pro rata share of the federal TAPS (Trans-Alaska Pipeline Liability Fund) to the State of Alaska for its contributions as an owner of oil. The funds are to be used for the remediation of above-ground storage tanks.
- Unincorporated Community Capital Project Matching Grant Fund (11147) - AS 37.06.020 - Administered by Department of Community and Economic Development. This fund was created for unincorporated communities to acquire or improve an asset with an anticipated life exceeding one year and includes land acquisition, construction, repair or structural improvement of a facility, engineering and design for a facility, and acquisition or repair of equipment.
- Vocational Rehabilitation Small Business Enterprise Revolving Fund (11116) - AS 23.15.130 - Administered by Department of Labor and Workforce Development, Division of Vocational Rehabilitation. This fund consists of receipts from the net proceeds of vending facilities on public property. The annual estimated receipts of the fund may be used by the legislature to make appropriations to the department to aid licensees in operating vending machine facilities.
- Workers' Safety and Compensation Administration Account (11173) – AS 23.05.067 – Administered by Department of Labor and Workforce Development. This fund is used to account for the annual service fees collected from employers for the administrative expenses of the state for workers' safety programs under AS 18.60 and the workers' compensation program under AS 23.30.

STATE OF ALASKA  
BALANCE SHEET  
GENERAL FUND  
June 30, 2001  
(Stated in Thousands)

STATEMENT 2.01

	June 30, 2001
<b>ASSETS:</b>	
<b>CASH AND INVESTMENTS:</b>	
Cash in Transit	\$ 937
Imprest Cash	381
Deposits with State Treasurer	672,153
<b>TOTAL CASH AND INVESTMENTS</b>	<b>673,471</b>
<b>RECEIVABLES:</b>	
Accounts Receivable	149,041
Due from Federal Government	248,878
Interest Receivable	998
Due from Other Funds	22,167
Due from Component Units	7,230
Loans and Notes Receivable	8,524
<b>TOTAL RECEIVABLES</b>	<b>436,838</b>
Inventories, at Cost	9,710
Other Assets	11,145
<b>TOTAL ASSETS</b>	<b>\$ 1,131,164</b>
<b>LIABILITIES AND FUND BALANCE:</b>	
<b>LIABILITIES:</b>	
Warrants Outstanding	\$ 67,825
Accounts Payable	158,566
Payroll and Taxes Withheld	58,022
Due to Federal Government	73,408
Due to Other Funds	3,880,334
Due to Component Units	2,433
Deferred Revenues	63,557
Other Liabilities	2,883
<b>TOTAL LIABILITIES</b>	<b>4,307,028</b>
<b>FUND BALANCE:</b>	
Reserved:	
Reserved for Encumbrances	152,231
Reserved for Nonliquid Assets	21,136
Reserved for Other	19,243
<b>TOTAL RESERVED</b>	<b>192,610</b>
Unreserved, Designated:	
Designated for Continuing Appropriations	176,025
Designated for Other	172,568
<b>TOTAL UNRESERVED, DESIGNATED</b>	<b>348,593</b>
Unreserved, Undesignated (See Note 1.M.)	(3,717,067)
<b>TOTAL FUND BALANCE</b>	<b>(3,175,864)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,131,164</b>

STATE OF ALASKA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GENERAL FUND  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 2.02

	Totals Year Ended
	June 30, 2001
<b>REVENUES:</b>	
Taxes	\$ 1,301,910
Licenses and Permits	52,468
Charges for Services	161,330
Fines and Forfeitures	33,615
Rents and Royalties	
General Fund	799,938
Alaska Permanent Fund	333,262
Interest and Investment Income	77,995
Federal	1,297,840
Other	128,787
<b>TOTAL REVENUES</b>	<b>4,187,145</b>
<b>EXPENDITURES:</b>	
Current Operating	
General Government	163,107
Education	850,248
Health and Social Services	1,283,436
Law, Justice, and Public Protection	515,266
Natural Resources	110,073
Development	19,404
Transportation	165,551
Capital Outlay	570,976
Intergovernmental	79,832
<b>TOTAL EXPENDITURES</b>	<b>3,757,893</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>429,252</b>
<b>OTHER FINANCING SOURCES (USES):</b>	
Operating Transfers (Out to) Other Funds	(3,814)
Operating Transfers (Out to) Component Units	(213,075)
Operating Transfers In from Other Funds	8,620
Operating Transfers In from Component Units	16,738
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(191,531)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>237,721</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>(3,154,284)</b>
Residual Equity Fund Transfers (Out to) Other Funds	(334,600)
Residual Equity Fund Transfers In from Other Funds	2,693
Residual Equity Fund Transfers In from Component Units	70,577
Prior Period Adjustment	2,029
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ (3,175,864)</b>

# Special Revenue Funds

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Special revenue funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The following are the State's special revenue funds.

- Disaster Relief Fund (12125) - AS 26.23.300 - Administered by Office of the Governor and Department of Military and Veterans Affairs. This fund provides resources to alleviate the effects of disasters wherever and whenever they may occur in the State.
- Training and Building Fund (12121) - AS 23.20.130(d) - Administered by Department of Labor and Workforce Development. This fund consists of interest and penalties for failure to file timely reports and pay contributions to the Unemployment Compensation Fund. It may be used for the administration of the Employment Security Act when federal funds are not available; participation in programs of manpower training; and acquisition of land and buildings for the purpose of providing office space for the department.
- School Fund (12123) - AS 43.50.140 - Administered by Department of Revenue and Department of Education and Early Development. This fund receives the revenue from the payment of cigarette taxes, fees, and penalties. It can only be used to rehabilitate, construct, and repair the State's school facilities, and for costs of insurance on buildings comprising school facilities.
- Fish and Game Fund (12122) - AS 16.05.100 - Administered by Department of Fish and Game. Statutory revenue in this fund can only be used for the purpose of protection, propagation, investigation, and restoration of sport fish and game resources and the expenses of administering the sport fish and wildlife divisions of Department of Fish and Game. These monies are received from the sale of State sport fishing and hunting licenses and special permits; sale of furs, skins, and specimens taken by predator hunters; money received in settlement of a claim or loss caused by damage to fish and game purposes; and donations. In addition to the statutory revenues, federal revenues, crewmember license fees, and other sources are appropriated to the fund for purposes related to fish and wildlife.
- National Petroleum Reserve Fund (12131) - AS 37.05.530 - Administered by Department of Community and Economic Development. This fund consists of all money disbursed to the State by the federal government under 42 U.S.C. 6508 since December 12, 1980, less the amount deposited in the general fund and expended by the State by general fund appropriations before June 9, 1984. The monies are spent by municipalities to alleviate the impact from oil and gas development within the National Petroleum Reserve.
- Reclamation Bonding Pool Fund (12132) - AS 27.19.040 - Administered by Department of Natural Resources. A miner is required to have an approved reclamation plan and to file a performance bond before mining operations may commence. This fund is established as a statewide bonding pool as an alternative to individual performance bonds.
- Clean Air Protection Fund (12133) - AS 46.14.260 and Federal Clean Air Act - Administered by Department of Environmental Conservation. The fund is established to collect and account for permit fees under the federal clean air act. Monies collected may only be used to cover reasonable costs required to support the permit program.
- Northern Tobacco Securitization Corporation [NTSC] Fund (21664) - AS 18.56.086 – Subsidiary of Alaska Housing Finance Corporation (AHFC). The purpose of this fund is to purchase Tobacco Settlement Revenues from the State in order to provide financing of construction of public school facilities, facilities for the University of Alaska, public housing facilities of AHFC and facilities for ports and harbors. NTSC is authorized to issue bonds necessary to provide sufficient funds for carrying out its purpose.

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL SPECIAL REVENUE FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 3.01

	Disaster Relief	Training and Building	School	Fish and Game
<b>ASSETS:</b>				
Cash and Investments	\$ 5,512	\$ 30	\$ 5,475	\$ 13,438
Accounts Receivable			2,831	1,264
Due from Federal Government	2,088			
Due from Other Funds		55		
Due from Component Units	800			
Loans Receivable - Net	47			
Advances	3,345			
<b>TOTAL ASSETS</b>	<b>\$ 11,792</b>	<b>\$ 85</b>	<b>\$ 8,306</b>	<b>\$ 14,702</b>

**LIABILITIES AND FUND BALANCES:**

<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 234	\$ 1	\$ 1,491	\$ 461
Accounts Payable	40	5	2,601	1,229
Due to Other Funds	1,848	37	55	1,874
Due to Component Units				
Deferred Revenues				9
Other Liabilities				
<b>TOTAL LIABILITIES</b>	<b>2,122</b>	<b>43</b>	<b>4,147</b>	<b>3,573</b>

**FUND BALANCES:**

<b>Reserved:</b>				
Reserved for Encumbrances	3,087			1,540
Reserved for Loans and Advances	47			
<b>TOTAL RESERVED</b>	<b>3,134</b>	<b>0</b>	<b>0</b>	<b>1,540</b>
Unreserved, Designated	6,010			2,693
Unreserved, Undesignated	526	42	4,159	6,896
<b>TOTAL FUND BALANCES</b>	<b>9,670</b>	<b>42</b>	<b>4,159</b>	<b>11,129</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 11,792</b>	<b>\$ 85</b>	<b>\$ 8,306</b>	<b>\$ 14,702</b>
LEGAL REFERENCE: Alaska Statute	26.23.300	23.20.130	43.50.140	16.05.100

STATEMENT 3.01

National Petroleum Reserve	Reclamation Bonding Pool	Clean Air Protection	Northern Tobacco Securitization Corporation	Totals June 30, 2001
\$ 27,632	\$ 956	\$ 530	\$ 618	\$ 54,191
				4,095
				2,088
				55
				800
				47
				3,345
<u>\$ 27,632</u>	<u>\$ 956</u>	<u>\$ 530</u>	<u>\$ 618</u>	<u>\$ 64,621</u>
				2,188
685	1			4,560
		290		4,104
			320	320
				9
	332			332
685	333	290	320	11,513
25,263				29,890
				47
<u>25,263</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,937</u>
1,684			298	10,685
	623	240		12,486
<u>26,947</u>	<u>623</u>	<u>240</u>	<u>298</u>	<u>53,108</u>
<u>\$ 27,632</u>	<u>\$ 956</u>	<u>\$ 530</u>	<u>\$ 618</u>	<u>\$ 64,621</u>
37.05.530	27.19.040	46.14.260	18.56.086	

STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**ALL SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 3.02

	Disaster Relief	Training and Building	School	Fish and Game
<b>REVENUES:</b>				
Taxes	\$	\$	\$ 30,662	\$
Licenses and Permits				23,882
Charges for Services				88
Fines and Forfeitures				65
Rents and Royalties				
Interest and Investment Income	37			1,369
Federal	10,836			16,085
Other		524		132
<b>TOTAL REVENUES</b>	<u>10,873</u>	<u>524</u>	<u>30,662</u>	<u>41,621</u>
<b>EXPENDITURES:</b>				
Current Operating				
General Government			126	1,307
Education			29,336	
Health and Social Services		582		
Law, Justice, and Public Protection	11,410			
Natural Resources	11			40,381
Capital Outlay	1,209			1,506
Intergovernmental				
<b>TOTAL EXPENDITURES</b>	<u>12,630</u>	<u>582</u>	<u>29,462</u>	<u>43,194</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,757)	(58)	1,200	(1,573)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers (Out to) Other Funds				
Operating Transfers In from Other Funds	680			1,077
Bond Proceeds - Net				
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(1,077)	(58)	1,200	(496)
FUND BALANCES, BEGINNING OF YEAR	10,798	184	2,959	11,625
Residual Equity Fund Transfers (Out to) Other Funds		(84)		
Prior Period Adjustment	(51)			
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 9,670</u>	<u>\$ 42</u>	<u>\$ 4,159</u>	<u>\$ 11,129</u>

STATEMENT 3.02

National Petroleum Reserve	Reclamation Bonding Pool	Clean Air Protection	Northern Tobacco Securitization Corporation	Totals Year Ended June 30, 2001
\$	\$	\$	\$	\$
		2,017		30,662
				25,899
				88
				65
1,684				1,684
				1,406
				26,921
	44			700
1,684	44	2,017	0	87,425
			95,948	97,381
				29,336
				582
				11,410
		2,225		42,617
2,687				2,715
2,687				2,687
2,687	0	2,225	95,948	186,728
(1,003)	44	(208)	(95,948)	(99,303)
			(18,926)	(18,926)
				1,757
			115,172	115,172
(1,003)	44	(208)	298	(1,300)
27,950	579	448	0	54,543
				(84)
				(51)
\$ 26,947	\$ 623	\$ 240	\$ 298	\$ 53,108



STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - BUDGETARY BASIS**  
**ALL SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 3.03

	Disaster Relief		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES:</b>			
Unrestricted			
Taxes	\$	\$	\$
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Rents and Royalties			
Interest and Investment Income	0	37	37
Other			
<b>TOTAL UNRESTRICTED</b>	<u>0</u>	<u>37</u>	<u>37</u>
Restricted			
Federal	49,268	10,836	(38,432)
Interagency Receipts			
Other			
<b>TOTAL RESTRICTED</b>	<u>49,268</u>	<u>10,836</u>	<u>(38,432)</u>
<b>TOTAL REVENUES</b>	<u>49,268</u>	<u>10,873</u>	<u>(38,395)</u>
<b>EXPENDITURES:</b>			
Current Operating			
General Government			
Education			
Health and Social Services			
Law, Justice, and Public Protection	59,039	23,045	35,994
Natural Resources	11	11	0
Capital Outlay	1,371	1,371	0
Intergovernmental			
<b>TOTAL EXPENDITURES</b>	<u>60,421</u>	<u>24,427</u>	<u>35,994</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(11,153)	(13,554)	(2,401)
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers (Out to) Other Funds			
Operating Transfers In from Other Funds	680	680	0
Bond Proceeds - Net			
Residual Equity Fund Transfers (Out to) Other Funds			
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS</b>	<u>\$ (10,473)</u>	<u>(12,874)</u>	<u>\$ (2,401)</u>
<b>RECONCILIATION OF BUDGETARY / GAAP REPORTING:</b>			
Adjust Expenditures for Encumbrances		11,797	
Basis Difference			
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS</b>		(1,077)	
<b>FUND BALANCES, BEGINNING OF YEAR</b>		10,798	
Prior Period Adjustment		(51)	
<b>FUND BALANCES, END OF YEAR</b>		<u>\$ 9,670</u>	

Training and Building			School		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$	\$	\$	\$ 29,463	\$ 30,654	\$ 1,191
582	524	(58)	29,463	30,654	1,191
582	524	(58)	29,463	30,654	1,191
0	0	0	0	0	0
582	524	(58)	29,463	30,654	1,191
			125	126	(1)
582	582	0	29,337	29,336	1
582	582	0	29,462	29,462	0
0	(58)	(58)	1	1,192	1,191
0	(84)	(84)			
<u>\$ 0</u>	<u>(142)</u>	<u>\$ (142)</u>	<u>\$ 1</u>	<u>1,192</u>	<u>\$ 1,191</u>
				8	
	(142)			1,200	
	184			2,959	
	<u>\$ 42</u>			<u>\$ 4,159</u>	

This statement continued on next page.

STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)**  
**ALL SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 3.03

	Fish and Game		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES:</b>			
Unrestricted			
Taxes	\$	\$	\$
Licenses and Permits	23,500	23,882	382
Charges for Services	70	88	18
Fines and Forfeitures	61	65	4
Rents and Royalties			
Interest and Investment Income	900	1,369	469
Other	0	1	1
<b>TOTAL UNRESTRICTED</b>	<b>24,531</b>	<b>25,405</b>	<b>874</b>
Restricted			
Federal	16,578	16,085	(493)
Interagency Receipts	193	130	(63)
Other	221	1	(220)
<b>TOTAL RESTRICTED</b>	<b>16,992</b>	<b>16,216</b>	<b>(776)</b>
<b>TOTAL REVENUES</b>	<b>41,523</b>	<b>41,621</b>	<b>98</b>
<b>EXPENDITURES:</b>			
Current Operating			
General Government	1,307	1,307	0
Education			
Health and Social Services			
Law, Justice, and Public Protection			
Natural Resources	42,387	40,975	1,412
Capital Outlay	7,277	3,322	3,955
Intergovernmental			
<b>TOTAL EXPENDITURES</b>	<b>50,971</b>	<b>45,604</b>	<b>5,367</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(9,448)</b>	<b>(3,983)</b>	<b>5,465</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers (Out to) Other Funds			
Operating Transfers In from Other Funds	1,077	1,077	0
Bond Proceeds - Net			
Residual Equity Fund Transfers (Out to) Other Funds			
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS</b>	<b>\$ (8,371)</b>	<b>(2,906)</b>	<b>\$ 5,465</b>
<b>RECONCILIATION OF BUDGETARY / GAAP REPORTING:</b>			
Adjust Expenditures for Encumbrances		2,410	
Basis Difference			
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS</b>		<b>(496)</b>	
<b>FUND BALANCES, BEGINNING OF YEAR</b>		<b>11,625</b>	
Prior Period Adjustment			
<b>FUND BALANCES, END OF YEAR</b>		<b>\$ 11,129</b>	

National Petroleum Reserve			Reclamation Bonding Pool		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$	\$	\$	\$	\$	\$
1,684	1,684	0			
			0	44	44
<u>1,684</u>	<u>1,684</u>	<u>0</u>	<u>0</u>	<u>44</u>	<u>44</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,684</u>	<u>1,684</u>	<u>0</u>	<u>0</u>	<u>44</u>	<u>44</u>
<u>29,634</u>	<u>27,950</u>	<u>1,684</u>			
<u>29,634</u>	<u>27,950</u>	<u>1,684</u>	<u>0</u>	<u>0</u>	<u>0</u>
(27,950)	(26,266)	1,684	0	44	44
<u>\$ (27,950)</u>	<u>(26,266)</u>	<u>\$ 1,684</u>	<u>\$ 0</u>	<u>44</u>	<u>\$ 44</u>
	25,263				
	(1,003)			44	
	27,950			579	
	<u>\$ 26,947</u>			<u>\$ 623</u>	

This statement continued on next page.

STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)**  
**ALL SPECIAL REVENUE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 3.03

	Clean Air Protection		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES:</b>			
Unrestricted			
Taxes	\$	\$	\$
Licenses and Permits	2,382	2,017	(365)
Charges for Services			
Fines and Forfeitures			
Rents and Royalties			
Interest and Investment Income			
Other			
<b>TOTAL UNRESTRICTED</b>	<u>2,382</u>	<u>2,017</u>	<u>(365)</u>
Restricted			
Federal			
Interagency Receipts			
Other			
<b>TOTAL RESTRICTED</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL REVENUES</b>	<u>2,382</u>	<u>2,017</u>	<u>(365)</u>
<b>EXPENDITURES:</b>			
Current Operating			
General Government			
Education			
Health and Social Services			
Law, Justice, and Public Protection			
Natural Resources	2,382	2,225	157
Capital Outlay			
Intergovernmental			
<b>TOTAL EXPENDITURES</b>	<u>2,382</u>	<u>2,225</u>	<u>157</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>0</b>	<b>(208)</b>	<b>(208)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers (Out to) Other Funds			
Operating Transfers In from Other Funds			
Bond Proceeds - Net			
Residual Equity Fund Transfers (Out to) Other Funds			
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS</b>	<u>\$ 0</u>	<u>(208)</u>	<u>\$ (208)</u>
<b>RECONCILIATION OF BUDGETARY / GAAP REPORTING:</b>			
Adjust Expenditures for Encumbrances			
Basis Difference			
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS</b>		<b>(208)</b>	
<b>FUND BALANCES, BEGINNING OF YEAR</b>		<b>448</b>	
Prior Period Adjustment			
<b>FUND BALANCES, END OF YEAR</b>		<u>\$ 240</u>	

Northern Tobacco Securitization Corporation			Totals		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$	\$	\$	\$ 29,463	\$ 30,654	\$ 1,191
			25,882	25,899	17
			70	88	18
			61	65	4
			1,684	1,684	0
			900	1,406	506
			582	569	(13)
0	0	0	58,642	60,365	1,723
			65,846	26,921	(38,925)
			193	130	(63)
			221	1	(220)
0	0	0	66,260	27,052	(39,208)
0	0	0	124,902	87,417	(37,485)
95,948	95,948	0	97,380	97,381	(1)
			29,337	29,336	1
			582	582	0
			59,039	23,045	35,994
			44,780	43,211	1,569
			8,648	4,693	3,955
			29,634	27,950	1,684
95,948	95,948	0	269,400	226,198	43,202
(95,948)	(95,948)	0	(144,498)	(138,781)	5,717
(18,926)	(18,926)	0	(18,926)	(18,926)	0
			1,757	1,757	0
115,172	115,172	0	115,172	115,172	0
			0	(84)	(84)
\$ 298	298	\$ 0	\$ (46,495)	(40,862)	\$ 5,633
				39,470	
				8	
	298			(1,384)	
	0			54,543	
				(51)	
	\$ 298			\$ 53,108	



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# Debt Service Funds

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The debt service funds account for the accumulation of resources for, and the payment of, principal, interest, and related costs of general long-term debt. The following are the State's debt service funds.

- General Obligation Bond Redemption Fund (14100) – Accounts for accumulation of resources for, and the payment of, principal, interest, and related costs of general obligation bonds.
- Northern Tobacco Securitization Corporation (NTSC) Bond Redemption Fund (14120) – AS 18.56.086 – Accounts for accumulation of resources for, and the payment of, principal, interest, and related costs of revenue bonds issued by NTSC.



STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL DEBT SERVICE FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 4.01

	<u>General Obligation Bonds</u>	<u>Northern Tobacco Securization Corporation</u>	<u>Totals June 30, 2001</u>
<b>ASSETS:</b>			
Cash and Investments	\$ 0	\$ 15,406	\$ 15,406
<b>FUND BALANCE:</b>			
Reserved for NTSC Bonds	\$ 0	\$ 15,406	\$ 15,406

STATE OF ALASKA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 ALL DEBT SERVICE FUNDS  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 4.02

	General Obligation Bonds	Northern Tobacco Securitization Corporation	Totals June 30, 2001
<b>REVENUES:</b>			
Interest and Investment Income	\$	\$ 774	\$ 774
<b>EXPENDITURES:</b>			
Debt Service		4,294	4,294
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			
	0	(3,520)	(3,520)
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In from Other Funds		18,926	18,926
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			
	0	15,406	15,406
FUND BALANCE, BEGINNING OF YEAR	0	0	0
Residual Equity Fund Transfers (Out to) Other Funds	(102)		(102)
Residual Equity Fund Transfers In from Other Funds	102		102
FUND BALANCE, END OF YEAR	\$ 0	\$ 15,406	\$ 15,406



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# Capital Projects Funds

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Capital projects funds account for general obligation bond proceeds and other financial resources appropriated to the capital projects funds to be used for the acquisition, construction, or improvement of major capital facilities (other than those financed by the general fund, proprietary funds, and trust funds). The following are the State's capital projects funds.

- 1978 Transportation Facilities Construction Fund (13303) - Chapter 138, SLA 1978 - This fund consists of the proceeds from the sale of \$88,450,000 of bonds and is to be used for the purpose of paying the cost of highway, ferry, airport, local service roads, and trails construction.
- 1980 Transportation Construction Fund (13305) - Chapter 118, SLA 1980 - This fund consists of the proceeds from the sale of \$156,992,700 of bonds and is to be used for the purpose of paying the cost of highway, ferry, airport, port, harbor, local service roads, and trails construction.

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL CAPITAL PROJECTS FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 5.01

	1978 Transportation Facilities Construction	1980 Transportation Construction	Totals  June 30, 2001
<b>ASSETS:</b>			
Cash and Investments	\$ 0	\$ 0	\$ 0
<b>TOTAL ASSETS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>			
Unreserved, Designated	\$ 0	\$ 0	\$ 0
	Chapter 138 SLA 1978	Chapter 118 SLA 1980	

STATE OF ALASKA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 ALL CAPITAL PROJECTS FUNDS  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 5.02

	1978 Transportation Facilities Construction	1980 Transportation Construction	Totals Year Ended June 30, 2001
<b>REVENUES:</b>	\$	\$	\$ 0
<b>EXPENDITURES:</b>			0
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	0	0	0
FUND BALANCES, BEGINNING OF YEAR	100	2	102
Residual Equity Fund Transfers (Out to) Other Funds	(100)	(2)	(102)
FUND BALANCES, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



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# Enterprise Funds

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Enterprise funds account for business-like State activities that provide goods and/or services to the public and are financed primarily through user charges. The following are the State's enterprise funds.

## Commercial Assistance Enterprise Funds

- Alaska World War II Veterans' Revolving Fund (21605) - AS 26.15.090 - Administered by Department of Community and Economic Development (DCED). The fund was created for the purpose of making home, education, or personal loans to eligible veterans. However, no loans are currently being made from the fund.
- Small Business Revolving Loan Fund (21607) - AS 45.95.060 - Administered by DCED. AS 45.95 authorizes the Commissioner of DCED to make small business loans. Loans may be used to acquire, finance, or refinance or equip businesses, which includes mining, fishing, and farming equipment.
- Commercial Fishing Revolving Loan Fund (21608) - AS 16.10.340 - Administered by DCED. The purpose of the fund is to promote the development and continued maintenance of commercial fishing gear and vessels by means of long-term, low interest loans.
- Child Care Facility Revolving Loan Fund (21612) - AS 44.33.240 - Administered by DCED. The purpose of this fund is to make loans for the construction, renovation, and equipping of child care facilities in order to enable such facilities to comply with the requirements for certification by the Department of Education and Early Development or for licensing by the Department of Health and Social Services.
- Historical District Revolving Loan Fund (21614) - AS 45.98.010 - Administered by DCED. The purpose of this fund is to make loans for the restoration or rehabilitation of structures within the boundaries of a historical district. These structures are identified as important to State or national history and are suitable for superficial modification to conform to the period or motif of the surrounding area.
- Fisheries Enhancement Revolving Loan Fund (21615) - AS 16.10.505 - Administered by DCED. The purpose of this fund is to promote the enhancement of the State's fisheries by means of long-term, low interest loans for salmon hatchery planning, construction, and operation.
- Mining Revolving Loan Fund (21625) - AS 27.09.010 - Administered by DCED. This fund consists of money appropriated by the legislature for loans to underwrite advanced mineral exploration, development, or mining.

## Energy Assistance Enterprise Funds

- Alternative Energy Revolving Loan Fund (21619) - AS 45.88.010 - Administered by DCED. This fund consists of monies appropriated by the legislature for the purpose of developing energy production from sources other than fossil or nuclear fuel.
- Residential Energy Conservation Fund (21623) - AS 45.89.010 - Administered by DCED. This fund consists of money appropriated by the legislature for refunds, grants, and loans to purchase, construct, or install energy conservation improvements.



## Other Agencies Enterprise Funds

- Alcoholism and Drug Abuse Revolving Loan Fund (21642) - AS 44.29.210 - Administered by Department of Health and Social Services. This fund is required under 42 U.S.C. 300x-4a to qualify the State to receive block grant money from the United States Department of Health and Human Services under 42 U.S.C. 300x – 2. Money in the fund may be used to make loans to private nonprofit organizations for the cost of establishing programs to help pay the living expenses of individuals recovering from alcohol or drug abuse who may reside in groups.
- Rural Economic Development Initiative Fund (21644) - AS 44.33.765 - Administered by Department of Community and Economic Development. The purpose of the fund is to provide loans of up to \$100,000 to communities with a population of 5,000 or less. The loans may be used for working capital, equipment, construction, or other commercial purposes.
- International Airports Fund (21602) - AS 37.15.410-550 - Administered by the Department of Transportation and Public Facilities. This fund consists of all revenues, fees, charges, and rentals derived by the State from the ownership, lease, use, and operation of the airports.
- Agricultural Revolving Loan Fund (21606) - AS 03.10.040 - Administered by the Department of Natural Resources. The Alaska Agricultural Loan Act is a declaration of policy to promote the development of agriculture as an industry throughout the State by means of long-term low interest loans. The Agricultural Revolving Loan Fund was created to fulfill this purpose.
- Alaska Clean Water Fund (21658) - AS 46.03.032 - Administered by Department of Environmental Conservation. This fund consists of money appropriated by the legislature to meet federal matching requirements for public water and sewage treatment facilities.
- Alaska Drinking Water Fund (21659) - AS 46.03.036 - Administered by Department of Environmental Conservation. The fund consists of federal capitalization grant. The capitalization grant is divided between two purposes: part of each capitalization grant is to be deposited into the DWF for providing loans for drinking water infrastructure projects; the other part is to be used for set-side or nonproject activities. Set aside funds must be maintained in a separate account from the project fund.

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL ENTERPRISE FUNDS BY FUND GROUP  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.01

	Commercial Assistance	Energy Assistance	Other Agencies	Totals June 30, 2001
<b>ASSETS:</b>				
Cash and Investments	\$ 32,721	\$ 379	\$ 315,696	\$ 348,796
Accounts Receivable - Net	211		13,822	14,033
Federal Grants Receivable			715	715
Interest Receivable	35,373	2	2,938	38,313
Due from Other Funds	16		299	315
Loans Receivable - Net	141,454	278	112,651	254,383
Notes Receivable			279	279
Judgements	629		9	638
Repossessed Property	169		362	531
Fixed Assets (Net of Accumulated Depreciation)			422,224	422,224
Investments in Partnership or Corporations			7,373	7,373
<b>TOTAL ASSETS</b>	<b>\$ 210,573</b>	<b>\$ 659</b>	<b>\$ 876,368</b>	<b>\$ 1,087,600</b>
<b>LIABILITIES AND FUND EQUITY:</b>				
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 274	\$	\$ 16	\$ 290
Accounts Payable	41		1,552	1,593
Due to Other Funds	214	76	12,460	12,750
Interest Payable			3,199	3,199
Deferred Revenues			3,253	3,253
Revenue Bonds Payable			226,976	226,976
Undistributed Receipts	49	2	3	54
Other Liabilities			1	1
<b>TOTAL LIABILITIES</b>	<b>578</b>	<b>78</b>	<b>247,460</b>	<b>248,116</b>
<b>FUND EQUITY:</b>				
Contributed Capital	112,887		302,861	415,748
Retained Earnings:				
Reserved	5,985	301	6,060	12,346
Unreserved	91,123	280	319,987	411,390
<b>TOTAL RETAINED EARNINGS</b>	<b>97,108</b>	<b>581</b>	<b>326,047</b>	<b>423,736</b>
<b>TOTAL FUND EQUITY</b>	<b>209,995</b>	<b>581</b>	<b>628,908</b>	<b>839,484</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 210,573</b>	<b>\$ 659</b>	<b>\$ 876,368</b>	<b>\$ 1,087,600</b>

STATE OF ALASKA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
 ALL ENTERPRISE FUNDS BY FUND GROUP  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.02

	Commercial Assistance	Energy Assistance	Other Agencies	Totals Year Ended June 30, 2001
<b>OPERATING REVENUES:</b>				
Charges for Services	\$ 219	\$	\$ 73,618	\$ 73,837
Fines and Forfeitures	98	1		99
Interest Income	10,775	32	3,922	14,729
Other			1,068	1,068
<b>TOTAL OPERATING REVENUES</b>	<b>11,092</b>	<b>33</b>	<b>78,608</b>	<b>89,733</b>
<b>OPERATING EXPENSES:</b>				
Operating	2,964	151	46,007	49,122
Provision for Loan Losses and Forgiveness	853	(41)	(61)	751
Write-Down and Net (Income) Expense of Real Estate Owned	362			362
Depreciation			19,772	19,772
<b>TOTAL OPERATING EXPENSES</b>	<b>4,179</b>	<b>110</b>	<b>65,718</b>	<b>70,007</b>
<b>OPERATING INCOME (LOSS)</b>	<b>6,913</b>	<b>(77)</b>	<b>12,890</b>	<b>19,726</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Revenues			14,301	14,301
Expenses			(3,869)	(3,869)
Gain (Loss) on Disposal of Fixed Assets			976	976
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>0</b>	<b>0</b>	<b>11,408</b>	<b>11,408</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>6,913</b>	<b>(77)</b>	<b>24,298</b>	<b>31,134</b>
<b>OPERATING TRANSFERS:</b>				
Operating Transfers (Out to) Other Funds	(276)	(76)	(1,156)	(1,508)
Operating Transfers In From Other Funds			159	159
<b>NET INCOME (LOSS)</b>	<b>6,637</b>	<b>(153)</b>	<b>23,301</b>	<b>29,785</b>
Capital Contributions			28,024	28,024
Depreciation on Fixed Assets Acquired by Grants or Contribution			7,082	7,082
<b>INCREASE (DECREASE) IN RETAINED EARNINGS</b>	<b>6,637</b>	<b>(153)</b>	<b>58,407</b>	<b>64,891</b>
RETAINED EARNINGS, BEGINNING OF YEAR	90,403	734	267,709	358,846
Prior Period Adjustment	68		(69)	(1)
<b>RETAINED EARNINGS, END OF YEAR</b>	<b>\$ 97,108</b>	<b>\$ 581</b>	<b>\$ 326,047</b>	<b>\$ 423,736</b>



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STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL ENTERPRISE FUNDS BY FUND GROUP**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 6.03

	Commercial Assistance	Energy Assistance	Other Agencies	Totals Year Ended June 30, 2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ 6,913	\$ (77)	\$ 12,890	\$ 19,726
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Amortization			19,772	19,772
Provision for Loan Losses and Forgiveness	852	(39)	(60)	753
Principal Collections on Loans and Notes	15,451	193	14,016	29,660
Loans Originated	(11,573)		(17,161)	(28,734)
Write-Down and Net (Gain) Loss of Owned Property	(362)		33	(329)
Nonoperating Activity			658	658
(Increase) Decrease in Assets:				
Accounts Receivable - Net	(600)		(4,985)	(5,585)
Federal Grants Receivable			611	611
Interest Receivable	(4,491)	1	(1,313)	(5,803)
Due from Other Funds	(5)		21	16
Judgements	451			451
Repossessed Property	142		1,485	1,627
Increase (Decrease) in Liabilities:				
Warrants Outstanding	(1,069)		(146)	(1,215)
Accounts Payable	(9)		316	307
Due to Other Funds	161	(2)	(7,721)	(7,562)
Deferred Revenues			909	909
Undistributed Receipts	(147)	1	2	(144)
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>5,714</b>	<b>77</b>	<b>19,327</b>	<b>25,118</b>
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Advances and Contributions			12,602	12,602
Residual Equity Fund Transfers (to) Other Funds	(105)			(105)
Residual Equity Fund Transfers from Other Funds			792	792
Operating Transfers (Out to) Other Funds	(526)	(196)	(997)	(1,719)
Proceeds from Issuance of Short-Term Debt			2,208	2,208
Payments on Short-Term Debt			(2,208)	(2,208)
Interest and Fees Paid on Borrowings			(47)	(47)
<b>NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<b>(631)</b>	<b>(196)</b>	<b>12,350</b>	<b>11,523</b>

This statement continued on next page.

STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS (CONTINUED)**  
**ALL ENTERPRISE FUNDS BY FUND GROUP**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 6.03

	Commercial Assistance	Energy Assistance	Other Agencies	Totals Year Ended June 30, 2001
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital Contributions and Advances	\$	\$	\$ 13,145	\$ 13,145
Payments on Long-Term Debt			(800)	(800)
Interest and Fees Paid on Borrowings			(11,958)	(11,958)
Acquisition and Construction of Fixed Assets and Deferred Costs			(46,015)	(46,015)
<b>NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>(45,628)</b>	<b>(45,628)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Proceeds from Sales/Maturities of Investments			5,664	5,664
Purchase of Investments			(18,059)	(18,059)
Income Received on Investments			25,646	25,646
Change in Restricted Cash and Investments			18,649	18,649
<b>NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>31,900</b>	<b>31,900</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>5,083</b>	<b>(119)</b>	<b>17,949</b>	<b>22,913</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>27,638</b>	<b>498</b>	<b>60,118</b>	<b>88,254</b>
<b>CASH, END OF YEAR</b>	<b>\$ 32,721</b>	<b>\$ 379</b>	<b>\$ 78,067</b>	<b>\$ 111,167</b>
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>				
Total Cash and Investments per the Balance Sheet	\$ 32,721	\$ 379	\$ 315,696	\$ 348,796
Less: Investments not Meeting the Definition of Cash or Cash Equivalents			(85,335)	(85,335)
Restricted Cash and Investments			(152,294)	(152,294)
<b>CASH, END OF YEAR</b>	<b>\$ 32,721</b>	<b>\$ 379</b>	<b>\$ 78,067</b>	<b>\$ 111,167</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>				
Residual Equity Fund Transfer (Out to) Other Funds	\$ (20)	\$	\$	\$ (20)
Operating Transfers (Out to) Other Funds	(101)	(76)		(177)
Contributed Fixed Assets			16,000	16,000
Net Income (Loss) on Investment			354	354

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 COMMERCIAL ASSISTANCE ENTERPRISE FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.04

	World War II Veterans' Revolving Loan	Small Business Revolving Loan	Commerical Fishing Revolving Loan	Child Care Facilities Loan
<b>ASSETS:</b>				
Cash and Investments	\$ 251	\$ 269	\$ 21,061	\$ 143
Accounts Receivable - Net	207		4	
Interest Receivable	1		3,825	
Deferred Interest Receivable			6,178	
Due from Other Funds			16	
Loans Receivable - Net	174	125	78,636	70
Judgements			629	
Repossessed Property			169	
<b>TOTAL ASSETS</b>	<b><u>\$ 633</u></b>	<b><u>\$ 394</u></b>	<b><u>\$ 110,518</u></b>	<b><u>\$ 213</u></b>
<b>LIABILITIES AND FUND EQUITY:</b>				
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 32	\$	\$ 242	\$
Accounts Payable	39		2	
Due to Other Funds	93	19		43
Undistributed Receipts	2		47	
<b>TOTAL LIABILITIES</b>	<b><u>166</u></b>	<b><u>19</u></b>	<b><u>291</u></b>	<b><u>43</u></b>
<b>FUND EQUITY:</b>				
Contributed Capital, Unrestricted			23,196	
Retained Earnings:				
Reserved	85	250	2,600	100
Unreserved	382	125	84,431	70
<b>TOTAL RETAINED EARNINGS</b>	<b><u>467</u></b>	<b><u>375</u></b>	<b><u>87,031</u></b>	<b><u>170</u></b>
<b>TOTAL FUND EQUITY</b>	<b><u>467</u></b>	<b><u>375</u></b>	<b><u>110,227</u></b>	<b><u>170</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 633</u></b>	<b><u>\$ 394</u></b>	<b><u>\$ 110,518</u></b>	<b><u>\$ 213</u></b>

STATEMENT 6.04

Historical Districts Revolving Loan	Fisheries Enhancement Revolving Loan	Mining Revolving Loan	Totals June 30, 2001
\$ 139	\$ 10,588	\$ 270	\$ 32,721
			211
1	2,291		6,118
	23,077		29,255
			16
348	62,010	91	141,454
			629
			169
<u>\$ 488</u>	<u>\$ 97,966</u>	<u>\$ 361</u>	<u>\$ 210,573</u>
\$	\$	\$	\$ 274
			41
39		20	214
			49
<u>39</u>	<u>0</u>	<u>20</u>	<u>578</u>
	83,310	6,381	112,887
100	2,600	250	5,985
<u>349</u>	<u>12,056</u>	<u>(6,290)</u>	<u>91,123</u>
449	14,656	(6,040)	97,108
<u>449</u>	<u>97,966</u>	<u>341</u>	<u>209,995</u>
<u>\$ 488</u>	<u>\$ 97,966</u>	<u>\$ 361</u>	<u>\$ 210,573</u>



STATE OF ALASKA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
 COMMERCIAL ASSISTANCE ENTERPRISE FUNDS  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.05

	World War II Veterans' Revolving Loan	Small Business Revolving Loan	Commerical Fishing Revolving Loan	Child Care Facilities Loan
<b>OPERATING REVENUES:</b>				
Charges for Services	\$ 29	\$	\$ 170	\$
Fines and Forfeitures	6		91	1
Interest Income	11	15	6,233	8
<b>TOTAL OPERATING REVENUES</b>	<b>46</b>	<b>15</b>	<b>6,494</b>	<b>9</b>
<b>OPERATING EXPENSES:</b>				
Operating	94	4	2,513	6
Provision for Loan Losses and Forgiveness	(2)	1	187	(13)
Write-down and Net (Income) Expense of Real Estate Owned			362	
<b>TOTAL OPERATING EXPENSES</b>	<b>92</b>	<b>5</b>	<b>3,062</b>	<b>(7)</b>
<b>OPERATING INCOME (LOSS)</b>				
BEFORE OPERATING TRANSFERS	(46)	10	3,432	16
<b>OPERATING TRANSFERS:</b>				
Operating Transfers (Out to) Other Funds		(19)	(175)	(43)
<b>NET INCOME (LOSS)</b>	<b>(46)</b>	<b>(9)</b>	<b>3,257</b>	<b>(27)</b>
RETAINED EARNINGS, BEGINNING OF YEAR	513	384	83,706	197
Prior Period Adjustment			68	
<b>RETAINED EARNINGS, END OF YEAR</b>	<b>\$ 467</b>	<b>\$ 375</b>	<b>\$ 87,031</b>	<b>\$ 170</b>

STATEMENT 6.05

Historical Districts Revolving Loan	Fisheries Enhancement Revolving Loan	Mining Revolving Loan	Totals Year Ended <u>June 30, 2001</u>
\$	\$ 20	\$	\$ 219
28	4,472	8	98
<u>28</u>	<u>4,492</u>	<u>8</u>	<u>10,775</u>
3	339	5	2,964
	680		853
			<u>362</u>
<u>3</u>	<u>1,019</u>	<u>5</u>	<u>4,179</u>
25	3,473	3	6,913
<u>(39)</u>			<u>(276)</u>
(14)	3,473	3	6,637
463	11,183	(6,043)	90,403
			<u>68</u>
<u>\$ 449</u>	<u>\$ 14,656</u>	<u>\$ (6,040)</u>	<u>\$ 97,108</u>

STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS**  
**COMMERCIAL ASSISTANCE ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 6.06

	World War II Veterans' Revolving Loan	Small Business Revolving Loan	Commerical Fishing Revolving Loan	Child Care Facilities Loan
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ (46)	\$ 10	\$ 3,432	\$ 16
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Provision for Loan Losses and Forgiveness	(2)		187	(13)
Principal Collections on Loans	16	8	8,908	40
Loans Originated			(10,308)	
Write-Down and Net (Gain) Loss of Owned Property			(362)	
(Increase) Decrease in Assets:				
Accounts Receivable - Net	12		(612)	
Interest Receivable	3	1	459	1
Deferred Interest Receivable			(594)	
Due from Other Funds			(5)	
Judgements			451	
Repossessed Property			142	
Increase (Decrease) in Liabilities:				
Warrants Outstanding	(116)		(375)	
Accounts Payable	(8)		(1)	
Due to Other Funds	93		68	
Undistributed Receipts	(30)		(117)	
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<u>(78)</u>	<u>19</u>	<u>1,273</u>	<u>44</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Residual Equity Fund Transfers (Out to) Other Funds				(8)
Operating Transfers (Out to) Other Funds		(192)	(175)	(31)
<b>NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<u>0</u>	<u>(192)</u>	<u>(175)</u>	<u>(39)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(78)</b>	<b>(173)</b>	<b>1,098</b>	<b>5</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>329</b>	<b>442</b>	<b>19,963</b>	<b>138</b>
<b>CASH, END OF YEAR</b>	<b><u>\$ 251</u></b>	<b><u>\$ 269</u></b>	<b><u>\$ 21,061</u></b>	<b><u>\$ 143</u></b>
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>				
Total Cash and Investments per the Balance Sheet	\$ 251	\$ 269	\$ 21,061	\$ 143
<b>CASH, END OF YEAR</b>	<b><u>\$ 251</u></b>	<b><u>\$ 269</u></b>	<b><u>\$ 21,061</u></b>	<b><u>\$ 143</u></b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>				
Residual Equity Fund Transfers (Out to) Other Funds	\$	\$	\$	\$
Operating Transfers (Out to) Other Funds		(19)		(43)

STATEMENT 6.06

Historical Districts Revolving Loan	Fisheries Enhancement Revolving Loan	Mining Revolving Loan	Totals Year Ended June 30, 2001
\$ 25	\$ 3,473	\$ 3	\$ 6,913
	680		852
14	6,449	16	15,451
	(1,265)		(11,573)
			(362)
			(600)
	495	1	960
	(4,857)		(5,451)
			(5)
			451
			142
	(578)		(1,069)
			(9)
			161
			(147)
39	4,397	20	5,714
		(97)	(105)
(128)			(526)
(128)	0	(97)	(631)
(89)	4,397	(77)	5,083
228	6,191	347	27,638
<u>\$ 139</u>	<u>\$ 10,588</u>	<u>\$ 270</u>	<u>\$ 32,721</u>
\$ 139	\$ 10,588	\$ 270	\$ 32,721
\$ 139	\$ 10,588	\$ 270	\$ 32,721
\$ (39)	\$	\$ (20)	\$ (20)
			(101)

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ENERGY ASSISTANCE ENTERPRISE FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.07

	Alternative Technology and Power Resources Revolving Loan	Residential Energy Conservation	Totals  June 30, 2001
<b>ASSETS:</b>			
Cash and Investments	\$ 378	\$ 1	\$ 379
Interest Receivable	2		2
Loans Receivable - Net	278		278
<b>TOTAL ASSETS</b>	<b>\$ 658</b>	<b>\$ 1</b>	<b>\$ 659</b>
<b>LIABILITIES AND FUND EQUITY:</b>			
<b>LIABILITIES:</b>			
Due to Other Funds	76		76
Undistributed Receipts	2		2
<b>TOTAL LIABILITIES</b>	<b>78</b>	<b>0</b>	<b>78</b>
<b>FUND EQUITY:</b>			
Retained Earnings:			
Reserved	300	1	301
Unreserved	280		280
<b>TOTAL RETAINED EARNINGS</b>	<b>580</b>	<b>1</b>	<b>581</b>
<b>TOTAL FUND EQUITY</b>	<b>580</b>	<b>1</b>	<b>581</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 658</b>	<b>\$ 1</b>	<b>\$ 659</b>

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

## ENERGY ASSISTANCE ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2001

(Stated in Thousands)

	Alternative Technology and Power Resources Revolving Loan	Residential Energy Conservation	Totals Year Ended June 30, 2001
<b>OPERATING REVENUES:</b>			
Fines and Forfeitures	\$ 1	\$	\$ 1
Interest Income	31	1	32
<b>TOTAL OPERATING REVENUES</b>	<b>32</b>	<b>1</b>	<b>33</b>
<b>OPERATING EXPENSES:</b>			
Operating	151		151
Provision for Loan Losses and Forgiveness	(41)		(41)
<b>TOTAL OPERATING EXPENSES</b>	<b>110</b>	<b>0</b>	<b>110</b>
<b>OPERATING INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>(78)</b>	<b>1</b>	<b>(77)</b>
<b>OPERATING TRANSFERS:</b>			
Operating Transfers (Out to) Other Funds	(76)		(76)
<b>NET INCOME (LOSS)</b>	<b>(154)</b>	<b>1</b>	<b>(153)</b>
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<b>734</b>	<b>0</b>	<b>734</b>
<b>RETAINED EARNINGS, END OF YEAR</b>	<b>\$ 580</b>	<b>\$ 1</b>	<b>\$ 581</b>

STATE OF ALASKA  
 COMBINING STATEMENT OF CASH FLOWS  
 ENERGY ASSISTANCE ENTERPRISE FUNDS  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.09

	Alternative Technology and Power Resources Revolving Loan	Residential Energy Conservation	Totals Year Ended June 30, 2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Operating Income (Loss)	\$ (78)	\$ 1	\$ (77)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Provision for Loan Losses and Forgiveness	(39)		(39)
Principal Collections on Loans	193		193
(Increase) Decrease in Assets:			
Interest Receivable	1		1
Increase (Decrease) in Liabilities:			
Due to Other Funds	(2)		(2)
Undistributed Receipts	1		1
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>76</b>	<b>1</b>	<b>77</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Operating Transfers (Out to) Other Funds	(194)	(2)	(196)
<b>NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<b>(194)</b>	<b>(2)</b>	<b>(196)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(118)</b>	<b>(1)</b>	<b>(119)</b>
CASH, BEGINNING OF YEAR	496	2	498
<b>CASH, END OF YEAR</b>	<b>\$ 378</b>	<b>\$ 1</b>	<b>\$ 379</b>
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>			
Total Cash and Investments per the Balance Sheet	\$ 378	\$ 1	\$ 379
<b>CASH, END OF YEAR</b>	<b>\$ 378</b>	<b>\$ 1</b>	<b>\$ 379</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>			
Operating Transfers (Out to) Other Funds	\$ (76)	\$	\$ (76)



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STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 OTHER AGENCIES ENTERPRISE FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 6.10

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
<b>ASSETS:</b>			
Cash and Investments	\$ 173	\$ 239	\$ 253,077
Accounts Receivable - Net			10,432
Federal Grants Receivable			627
Interest Receivable		8	184
Due from Other Funds			104
Loans Receivable - Net		405	
Notes Receivable			
Judgements			
Repossessed Property			
Fixed Assets (Net of Accumulated Depreciation)			419,828
Investment in Corporations			
<b>TOTAL ASSETS</b>	<b>\$ 173</b>	<b>\$ 652</b>	<b>\$ 684,252</b>
<b>LIABILITIES AND FUND EQUITY:</b>			
<b>LIABILITIES:</b>			
Warrants Outstanding	\$	\$	\$
Accounts Payable			1,531
Due to Other Funds			12,337
Interest Payable			3,199
Deferred Revenues			3,253
Revenue Bonds Payable			226,976
Undistributed Receipts		3	
Other Liabilities			
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>3</b>	<b>247,296</b>
<b>FUND EQUITY:</b>			
Contributed Capital	100	1,150	114,415
Retained Earnings:			
Reserved			6,060
Unreserved	73	(501)	316,481
<b>TOTAL RETAINED EARNINGS</b>	<b>73</b>	<b>(501)</b>	<b>322,541</b>
<b>TOTAL FUND EQUITY</b>	<b>173</b>	<b>649</b>	<b>436,956</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 173</b>	<b>\$ 652</b>	<b>\$ 684,252</b>

STATEMENT 6.10

Department of Natural Resources	Department of Environmental Conservation		Totals
Agriculture	Alaska Clean Water	Alaska Drinking Water	June 30, 2001
\$ 7,142	\$ 43,564	\$ 11,501	\$ 315,696
3,390			13,822
	33	55	715
194	2,375	177	2,938
	88	107	299
6,953	88,781	16,512	112,651
279			279
9			9
362			362
2,396			422,224
7,373			7,373
<u>\$ 28,098</u>	<u>\$ 134,841</u>	<u>\$ 28,352</u>	<u>\$ 876,368</u>
\$ 16			\$ 16
21			1,552
123			12,460
			3,199
			3,253
			226,976
			3
1			1
161	0	0	247,460
59,855	105,371	21,970	302,861
			6,060
(31,918)	29,470	6,382	319,987
(31,918)	29,470	6,382	326,047
27,937	134,841	28,352	628,908
<u>\$ 28,098</u>	<u>\$ 134,841</u>	<u>\$ 28,352</u>	<u>\$ 876,368</u>

STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**OTHER AGENCIES ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 6.11

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
<b>OPERATING REVENUES:</b>			
Charges for Services	\$	\$	\$ 73,611
Interest Income		41	
Other			311
<b>TOTAL OPERATING REVENUES</b>	<b>0</b>	<b>41</b>	<b>73,922</b>
<b>OPERATING EXPENSES:</b>			
Operating	2	2	44,798
Provision for Loan Losses and Forgiveness		(1)	
Depreciation			19,673
<b>TOTAL OPERATING EXPENSES</b>	<b>2</b>	<b>1</b>	<b>64,471</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(2)</b>	<b>40</b>	<b>9,451</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Interest Income	14		
Interest Expense			(1,760)
Bond Fees			
Income (Loss) from Rents and Royalties			
Income (Loss) from Investment			8,243
Gain (Loss) on Disposal of Fixed Assets			
Environmental Services Income			1,744
Environmental Services Expense			(1,744)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>14</b>	<b>0</b>	<b>6,483</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>12</b>	<b>40</b>	<b>15,934</b>
<b>OPERATING TRANSFERS:</b>			
Operating Transfers (Out to) Other Funds		(100)	
Operating Transfers In From Other Funds			
<b>NET INCOME (LOSS)</b>	<b>12</b>	<b>(60)</b>	<b>15,934</b>
Capital Contributions			28,024
Depreciation on Fixed Assets Acquired by Grants or Contribution			7,082
<b>INCREASE (DECREASE) IN RETAINED EARNINGS</b>	<b>12</b>	<b>(60)</b>	<b>51,040</b>
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<b>61</b>	<b>(441)</b>	<b>271,501</b>
Prior Period Adjustment			
<b>RETAINED EARNINGS, END OF YEAR</b>	<b>\$ 73</b>	<b>\$ (501)</b>	<b>\$ 322,541</b>

## STATEMENT 6.11

Department of Natural Resources	Department of Environmental Conservation		Totals Year Ended June 30, 2001
Agriculture	Alaska Clean Water	Alaska Drinking Water	
\$ 7	\$	\$	\$ 73,618
594	2,925	362	3,922
4	316	437	1,068
605	3,241	799	78,608
390	374	441	46,007
(60)			(61)
99			19,772
429	374	441	65,718
176	2,867	358	12,890
		609	623
	(34)	(13)	(1,760)
(318)			(47)
354	3,337		(318)
976			11,934
			976
			1,744
			(1,744)
1,012	3,303	596	11,408
1,188	6,170	954	24,298
(1,056)			(1,156)
		159	159
132	6,170	1,113	23,301
			28,024
			7,082
132	6,170	1,113	58,407
(32,050)	23,340	5,298	267,709
	(40)	(29)	(69)
\$ (31,918)	\$ 29,470	\$ 6,382	\$ 326,047

STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS**  
**OTHER AGENCIES ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 6.12

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Operating Income (Loss)	\$ (2)	\$ 40	\$ 9,451
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Amortization			19,673
Provision for Loan Losses and Forgiveness		(1)	
Principal Collections on Loans and Notes		23	
Loans Originated			
Write-Down and Net (Gain) Loss of Owned Property			
Nonoperating Activity			
(Increase) Decrease in Assets:			
Accounts Receivable - Net			(3,429)
Federal Grants Receivable			
Interest Receivable		(5)	
Due from Other Funds			
Repossessed Property			
Increase (Decrease) in Liabilities:			
Warrants Outstanding			
Accounts Payable			336
Due to Other Funds			(7,628)
Deferred Revenues			909
Undistributed Receipts		3	
<b>NET CASH PROVIDED BY (USED FOR)</b>			
<b>OPERATING ACTIVITIES</b>	<b>(2)</b>	<b>60</b>	<b>19,312</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Advances and Contributions			
Residual Equity Fund Transfers In from Other Funds			
Operating Transfers (Out to) Other Funds		(100)	
Proceeds from Issuance of Short-Term Debt			
Payments on Short-Term Debt			
Interest and Fees Paid on Borrowings			
<b>NET CASH PROVIDED BY (USED FOR)</b>			
<b>NONCAPITAL FINANCING ACTIVITIES</b>	<b>0</b>	<b>(100)</b>	<b>0</b>

STATEMENT 6.12

Department of Natural Resources	Department of Environmental Conservation		Totals Year Ended June 30, 2001
Agriculture	Alaska Clean Water	Alaska Drinking Water	
\$ 176	\$ 2,867	\$ 358	\$ 12,890
99			19,772
(59)			(60)
2,641	5,505	5,847	14,016
(1,886)	(7,695)	(7,580)	(17,161)
33			33
658			658
(1,556)			(4,985)
	282	329	611
5	(1,398)	85	(1,313)
	(5)	26	21
1,485			1,485
(146)			(146)
(20)			316
(93)			(7,721)
			909
(1)			2
1,336	(444)	(935)	19,327
	6,414	6,188	12,602
(1,056)		792	792
		159	(997)
	1,608	600	2,208
	(1,608)	(600)	(2,208)
	(34)	(13)	(47)
(1,056)	6,380	7,126	12,350

This statement continued on next page.

STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS (CONTINUED)**  
**OTHER AGENCIES ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 6.12

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Advances and Contributions	\$	\$	\$ 13,145
Payments on Long-Term Debt			(800)
Interest and Fees Paid on Borrowings			(11,958)
Acquisition and Construction of Fixed Assets			(46,015)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	0	0	(45,628)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from Sales/Maturities of Investments			5,664
Purchase of Investments			(18,059)
Income Received on Investments	12		21,688
Change in Restricted Cash and Investments			18,649
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	12	0	27,942
NET INCREASE (DECREASE) IN CASH	10	(40)	1,626
CASH, BEGINNING OF YEAR	163	279	13,822
CASH, END OF YEAR	\$ 173	\$ 239	\$ 15,448
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>			
Total Cash and Investments per the Balance Sheet	\$ 173	\$ 239	\$ 253,077
Less: Investments not Meeting the Definition of Cash or Cash Equivalents			(85,335)
Restricted Cash and Investments			(152,294)
CASH, END OF YEAR	\$ 173	\$ 239	\$ 15,448
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>			
Contributed Fixed Assets	\$	\$	\$ 16,000
Net Income (Loss) from Investment in Matanuska Maid			

STATEMENT 6.12

Department of Natural Resources	Department of Environmental Conservation		Totals Year Ended
Agriculture	Alaska Clean Water	Alaska Drinking Water	June 30, 2001
\$	\$	\$	\$ 13,145
			(800)
			(11,958)
			(46,015)
0	0	0	(45,628)
			5,664
			(18,059)
	3,337	609	25,646
			18,649
0	3,337	609	31,900
280	9,273	6,800	17,949
6,862	34,291	4,701	60,118
\$ 7,142	\$ 43,564	\$ 11,501	\$ 78,067
\$ 7,142	\$ 43,564	\$ 11,501	\$ 315,696
			(85,335)
			(152,294)
\$ 7,142	\$ 43,564	\$ 11,501	\$ 78,067
\$ 354			\$ 16,000
			354





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# Internal Service Funds

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Internal service funds account for the operations of State agencies which render services to other State agencies, institutions, or other governmental units on a cost-reimbursement basis. The following are the State's internal service funds.

- Alaska Public Building Fund (11165) - AS 37.05.570 - Administered by the Department of Administration. Effective July 1, 2000, the Department of Administration began to manage the maintenance and operations of eight (8) State-owned buildings. The goals are to manage these buildings, in good order and a functional state, while providing cost effective and efficient space for State agencies and private tenants (until private tenant leases expire and space is converted to State agency use), to retain maximum value of these state assets, and to maximize revenue from non-General Fund sources.
- Highways Equipment Working Capital Fund (22600) - AS 44.68.210 - Administered by the Department of Transportation and Public Facilities. This fund is used for necessary expenses resulting from the centralization of equipment maintenance and for the operation of supply depots.
- Correctional Industries Fund (22654) - AS 33.32.020 - Administered by the Department of Corrections. The fund accounts for correctional industries program activities which include a commercial laundry service and a furniture manufacturing enterprise. The correctional industries program provides employment for inmates at several of the State's correctional institutions. All expenses of the correctional industries program, except salaries and benefits of State employees, are financed from the correctional industries program and budgeted in accordance with the Executive Budget. Salary and benefits of State employees of the program are financed by other funding sources.
- Information Services Fund (22500) - AS 44.21.045 - During the 1990 Legislative Session, the Legislature established the Information Services Fund (ISF) in the Department of Administration and classified it as an internal service fund. The ISF is used to account for the operation and financing of computing and telecommunication services for the State of Alaska. Included in these services is operation of the State's mainframe computer; the statewide consolidated data network; the telephone system in Juneau, Anchorage, and Fairbanks; and the microwave communications infrastructure.
- Group Health and Life Benefits Fund (11155) - AS 39.30.095 - Administered by the Department of Administration. Effective July 1, 1997, the State began a self-insurance program to provide health care coverage for State employees and for retirees covered by the retirement programs administered by the State. This fund consists of accumulated assets held for the purpose of paying health care claims for employees and retirees and accounts for transactions pertaining to the self-insurance program.

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL INTERNAL SERVICE FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 7.01

	Alaska Public Building	Highways Equipment Working Capital	Correctional Industries
<b>ASSETS:</b>			
Cash and Investments	\$ 1,783	\$ 15,683	\$ 321
Accounts Receivable - Net			
Intergovernmental Receivable		11	3
Due from Other Funds	237	2,944	322
Inventories		2,503	975
Fixed Assets	57,147	145,101	2,728
Less: Accumulated Depreciation	(25,084)	(79,275)	(1,703)
Other Assets			
<b>TOTAL ASSETS</b>	<b>\$ 34,083</b>	<b>\$ 86,967</b>	<b>\$ 2,646</b>
<b>LIABILITIES AND FUND EQUITY:</b>			
<b>LIABILITIES:</b>			
Warrants Outstanding	\$ 11	\$ 166	\$ 51
Accounts Payable	359	661	414
Due to Other Funds	10		
Interest Payable		116	
Notes Payable		9,397	
Capital Lease Obligations			
Other Liabilities	25	1,757	179
<b>TOTAL LIABILITIES</b>	<b>405</b>	<b>12,097</b>	<b>644</b>
<b>FUND EQUITY:</b>			
Contributed Capital	32,609	60,823	2,292
Retained Earnings:			
Reserved	495	11,159	
Unreserved	574	2,888	(290)
<b>TOTAL RETAINED EARNINGS</b>	<b>1,069</b>	<b>14,047</b>	<b>(290)</b>
<b>TOTAL FUND EQUITY</b>	<b>33,678</b>	<b>74,870</b>	<b>2,002</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 34,083</b>	<b>\$ 86,967</b>	<b>\$ 2,646</b>
LEGAL REFERENCE: Alaska Statute	37.05.570	44.68.210	33.32.020

STATEMENT 7.01

Information Services	Group Health and Life Benefits		Totals
	Group Health and Life	Retiree Health	June 30, 2001
\$ 11,743	\$ 17,494	\$ 115,260	\$ 162,284
27	590	1,708	2,298
2,700	128	241	41
980			6,572
48,784			4,458
(38,930)			253,760
654			(144,992)
			654
<u>\$ 25,958</u>	<u>\$ 18,212</u>	<u>\$ 117,209</u>	<u>\$ 285,075</u>
\$ 902	\$	\$	\$ 1,130
959	17,253	38,481	58,127
		1,280	1,290
			116
			9,397
2,820			2,820
1,511			3,472
<u>6,192</u>	<u>17,253</u>	<u>39,761</u>	<u>76,352</u>
<u>11,816</u>			<u>107,540</u>
745			12,399
7,205	959	77,448	88,784
<u>7,950</u>	<u>959</u>	<u>77,448</u>	<u>101,183</u>
<u>19,766</u>	<u>959</u>	<u>77,448</u>	<u>208,723</u>
<u>\$ 25,958</u>	<u>\$ 18,212</u>	<u>\$ 117,209</u>	<u>\$ 285,075</u>
44.21.045	39.30.095		

STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**ALL INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 7.02

	Alaska Public Building	Highways Equipment Working Capital	Correctional Industries
<b>OPERATING REVENUES:</b>			
Charges for Goods and Services	\$ 7,391	\$ 29,814	\$ 3,710
Premiums			
<b>TOTAL OPERATING REVENUES</b>	<b>7,391</b>	<b>29,814</b>	<b>3,710</b>
<b>OPERATING EXPENSES:</b>			
Costs of Goods and Services			2,488
Operating	4,631	21,401	2,379
Provision for Loan Losses and Forgiveness		3	
Depreciation	1,794	8,823	46
Benefits			
<b>TOTAL OPERATING EXPENSES</b>	<b>6,425</b>	<b>30,227</b>	<b>4,913</b>
<b>OPERATING INCOME (LOSS)</b>	<b>966</b>	<b>(413)</b>	<b>(1,203)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Net Increase (Decrease) in Fair Value of Investments			
Interest Income		184	
Interest Expense		(253)	
Gain (Loss) on Disposal of Fixed Assets		(47)	
Other Revenues		31	
Other Expenses			
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>0</b>	<b>(85)</b>	<b>0</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>966</b>	<b>(498)</b>	<b>(1,203)</b>
<b>OPERATING TRANSFERS:</b>			
Operating Transfers In from Other Funds	103		1,172
<b>NET INCOME (LOSS)</b>	<b>1,069</b>	<b>(498)</b>	<b>(31)</b>
RETAINED EARNINGS, BEGINNING OF YEAR	0	14,545	(259)
Prior Period Adjustment			
<b>RETAINED EARNINGS, END OF YEAR</b>	<b>\$ 1,069</b>	<b>\$ 14,047</b>	<b>\$ (290)</b>

STATEMENT 7.02

Information Services	Group Health and Life Benefits		Totals
	Group Health and Life	Retiree Health	Year Ended
			June 30, 2001
\$ 22,841	\$ 95,625	\$ 180,814	\$ 63,756
			276,439
22,841	95,625	180,814	340,195
			2,488
21,051	6,174	9,031	64,667
			3
3,032			13,695
	90,097	147,286	237,383
24,083	96,271	156,317	318,236
(1,242)	(646)	24,497	21,959
		(3,295)	(3,295)
	2,119	5,207	7,510
(261)			(514)
(2)			(49)
			31
	(4,350)		(4,350)
(263)	(2,231)	1,912	(667)
(1,505)	(2,877)	26,409	21,292
			1,275
(1,505)	(2,877)	26,409	22,567
9,455	3,836	51,039	78,616
			-
\$ 7,950	\$ 959	\$ 77,448	\$ 101,183

**STATE OF ALASKA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

**STATEMENT 7.03**

	Alaska Public Building	Highways Equipment Working Capital
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating Income (Loss)	\$ 966	\$ (413)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	1,794	8,823
(Increase) Decrease in Assets:		
Accounts Receivable - Net		
Intergovernmental Receivable		10
Due from Other Funds	(237)	1,431
Inventories		40
Other Assets		
Increase (Decrease) in Liabilities:		
Warrants Outstanding	11	(43)
Accounts Payable	359	37
Due to Other Funds	10	
Other Liabilities	25	445
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>2,928</b>	<b>10,330</b>
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Advances & Contributions		
Residual Equity Transfers (Out to) Other Funds	(1,071)	(1,500)
Operating Transfers In from Other Funds	103	
<b>NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<b>(968)</b>	<b>(1,500)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from Issuance of Long-Term Debt		9,184
Payments on Long-Term Debt		(1,503)
Interest and Fees Paid on Borrowings		(154)
Acquisition and Construction of Fixed Assets	(177)	(6,403)
Proceeds from Sale of Fixed Assets		749
Payments on Capital Lease Obligations		
<b>NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(177)</b>	<b>1,873</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net Purchases of Investments		
Interest Received on Investments		
<b>NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>	<b>0</b>	<b>0</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>1,783</b>	<b>10,703</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>0</b>	<b>4,980</b>
<b>CASH, END OF YEAR</b>	<b>\$ 1,783</b>	<b>\$ 15,683</b>
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>		
Total Cash and Investments per the Balance Sheet	\$ 1,783	\$ 15,683
Less: Investments not Meeting the Definition of Cash or Cash Equivalents		
<b>CASH, END OF YEAR</b>	<b>\$ 1,783</b>	<b>\$ 15,683</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>		
Residual Equity Transfer In from Other Fund	\$ 354	\$
Contributed Fixed Assets	33,326	1,579
Fixed Assets Transferred to General Fixed Assets Account Group		(244)

Correctional Industries	Information Services	Group Health and Life Benefits		Totals
		Group Health and Life	Retiree Health	Year Ended
June 30, 2001				
\$ (1,203)	\$ (1,242)	\$ (646)	\$ 24,497	\$ 21,959
46	3,032			13,695
18		(590)	(1,634)	(2,206)
39	81			130
48	254	(10)	(91)	1,395
(252)	(19)			(231)
	(40)			(40)
(31)	(271)			(334)
167	98	(4,183)	(852)	(4,374)
			(507)	(497)
76	458			1,004
<u>(1,092)</u>	<u>2,351</u>	<u>(5,429)</u>	<u>21,413</u>	<u>30,501</u>
		(4,350)		(4,350)
				(2,571)
1,172				1,275
1,172	0	(4,350)	0	(5,646)
				9,184
	(261)			(1,503)
(48)	(900)			(415)
				(7,528)
	(676)			749
				(676)
(48)	(1,837)	0	0	(189)
			(25,097)	(25,097)
		2,119	5,207	7,326
0	0	2,119	(19,890)	(17,771)
32	514	(7,660)	1,523	6,895
289	11,229	25,154	4,532	46,184
<u>\$ 321</u>	<u>\$ 11,743</u>	<u>\$ 17,494</u>	<u>\$ 6,055</u>	<u>\$ 53,079</u>
\$ 321	\$ 11,743	\$ 17,494	\$ 115,260	\$ 162,284
			(109,205)	(109,205)
<u>\$ 321</u>	<u>\$ 11,743</u>	<u>\$ 17,494</u>	<u>\$ 6,055</u>	<u>\$ 53,079</u>
\$	\$	\$	\$	\$ 354
				34,905
				(244)





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# Trust and Agency Funds

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Trust and agency funds are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as a trustee or agent. The following are the State's trust and agency funds.

## Expendable Trust Funds

- Memorial Scholarship Revolving Loan Fund (21611) - AS 14.43.255 – Administered by the Department of Education and Early Development. The fund was created to honor Alaskans who, by example of their lives, or by their distinguished contribution and service to the State, their community, or their profession, have exemplified the best that is the challenge of “The Great Land.” Memorial scholarships are established in the fund to pay tribute to these distinguished Alaskans.
- Permanent Fund Dividend Fund (33020) - AS 43.23.045 – Administered by the Department of Revenue. This fund consists of 50 percent of the income earned by the Alaska Permanent Fund during the fiscal year ending on June 30 that is paid out to eligible Alaska residents.
- Unemployment Compensation Fund (33030) – AS 23.20.130 - Administered by the Department of Labor and Workforce Development. This federal trust fund is established and maintained in the U.S. Treasury. It is used to account for unemployment contributions from employers and unemployment benefits paid to eligible claimants.
- Constitutional Budget Reserve Fund (33041) - Alaska Constitution, article IX, section 17; AS 37.13 - Administered by the Department of Revenue. All money received by the State as a result of the termination of administrative proceedings or litigation in a State or federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property are deposited in the fund, except for the share of those proceeds that are deposited into the Alaska Permanent Fund.
- Public Advocacy Trust Fund (32012) - AS 44.21.410 – Administered by the Department of Administration. The Public Advocacy Trust Fund holds in trust funds for individuals under the guardianship of the Office of Public Advocacy.
- Exxon Valdez Settlement Trust Fund (33070) - AS 37.14.400 - Memorandum of Agreement and Consent Decree between the United States (U.S.) and the State of Alaska to maximize the funds available for restoration of natural resources and to resolve the governments' claims against one another relating to the Exxon Valdez Oil Spill, which occurred on the night of March 23-24, 1989, in Prince William Sound, Alaska. The funds are administered by the trustee council which consists of the Secretaries of the U.S. Departments of the Interior and Agriculture and the Administrator of the National Oceanic and Atmospheric Administration (the federal trustees) and the Commissioners of the Departments of Environmental Conservation and Fish & Game and the Attorney General of the State of Alaska (State trustees). The trustee council determines which projects shall be financed by monies from the trust. The Exxon Valdez Settlement Trust Fund established in the State accounting system accounts for those monies transferred to the State for projects approved by the trustee council. These projects are for the purpose of restoring, replacing, enhancing, rehabilitating, or acquiring the equivalent of natural resources injured, lost, or destroyed as a result of the oil spill.
- Alyeska Settlement Trust Fund (33080) - Consent Decree between the United States, the State of Alaska, and Alyeska Pipeline Service Company – Administered by the Department of Revenue. The fund was created for the purpose of receiving, holding, and disbursing settlement proceeds from Alyeska under the Consent Decree. The funds are to be used to clean up oil spills and for other projects specified in the Consent Decree.
- Exxon Valdez Oil Spill Restoration Fund (11140) - U.S. District Court judgement in the criminal case U.S. v. Exxon Shipping Company and Exxon Corporation resulted in \$50 million restitution being received by the State to be used exclusively for restoration projects related to the Exxon Valdez oil spill. Administered by the Department of Revenue.

- Deferred Compensation (32014) - AS 39.45.010 – Administered by the Department of Administration. This fund consists of compensation deferred by employees under the State’s deferred compensation plan allowed under Section 457 of the Internal Revenue Code.

### **Nonexpendable Trust Funds**

- Alaska Children’s Trust Fund (34050) - AS 37.14.200 – Administered by the Department of Health and Social Services, and the Alaska Children’s Trust Board established in the Office of the Governor. The income from this endowment is used to provide a continuing source of revenue for grants to community-based programs for the prevention of child abuse and neglect.
- Public School Trust Fund (34010) - AS 37.14.110 – Administered by the Departments of Revenue and Natural Resources. The principal consists of the July 1, 1978 balance from the public school permanent fund and one-half of one percent of the receipts derived from the management of State lands. The income from the trust is used exclusively for the support of the State public school program.
- Alaska Permanent Fund (34030) - Alaska Constitution, article IX, section 15 - Administered by the Alaska Permanent Fund Corporation. The Alaska Constitution provides that at least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments, and bonuses received by the State shall be placed in the Permanent Fund. Subsequent legislation increased the Permanent Fund’s share to fifty percent for rents and royalties on mineral leases issued after December 1, 1979, and for bonuses on mineral leases issued after February 15, 1980.

### **Pension Trust Funds**

- Public Employees’ Retirement System (35010) - AS 39.35.020 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Public Employees’ Retirement System.
- Teachers’ Retirement System (35020) - AS 14.25.010 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Teachers’ Retirement System.
- Judicial Retirement System (35025) - AS 22.25.048 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Judicial Retirement System.
- Alaska National Guard and Alaska Naval Militia Retirement System (35030) - AS 26.05.222 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Alaska National Guard and Alaska Naval Militia Retirement System.
- Supplemental Benefits System (35041) - AS 39.30.150 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Supplemental Benefits System.

### **Agency Funds**

- Impact Aid PL 103-382 (32017) – Administered by the Department of Education and Early Development. These monies are received from the federal government and are distributed to the local school districts. The funds provide financial assistance to local school districts where enrollment or availability of revenue is adversely affected by federal activities.
- Wage and Hour (32011) - Administered by the Department of Labor and Workforce Development. This fund was established to account for receipts and disbursements for wage and hour violations.
- Deposits, Suspense, and Miscellaneous (32005) - Administered by the Department of Administration. This fund is used to account for refundable deposits and other receipts held in trust until the State has the right to transfer them to operating funds, or until there is a proper authorization to disburse them directly to others.
- EVOS Investment Trust Fund (32020) – Public Law 106-113 – Administered by the Exxon Valdez Oil Spill (EVOS) Trustee Council. Consists of assets of a joint federal/state trust fund established to receive, hold, disburse and manage all natural resource damage recoveries obtained by the United States government and the State of Alaska under the Clean Water Act, arising out of the Exxon Valdez oil spill.

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL TRUST AND AGENCY FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.01

	Expendable Trust	Nonexpendable Trust	Pension Trust	Agency	Totals June 30, 2001
<b>ASSETS:</b>					
Cash and Investments	\$ 3,657,301	\$ 26,532,116	\$ 14,036,118	\$ 206,367	\$ 44,431,902
Accounts Receivable - Net	11,018	166,157	34,138	13	211,326
Interest and Dividends Receivable	83	162,021			162,104
Due from Other Funds	4,945,094	44,628	822	2,239	4,992,783
Loans Receivable - Net	2,633				2,633
Notes Receivable - Net		36			36
<b>TOTAL ASSETS</b>	<b>\$ 8,616,129</b>	<b>\$ 26,904,958</b>	<b>\$ 14,071,078</b>	<b>\$ 208,619</b>	<b>\$ 49,800,784</b>

**LIABILITIES AND FUND BALANCES:**

**LIABILITIES:**

Warrants Outstanding	\$ 4,568	\$ 13	\$	\$ 1,231	\$ 5,812
Accounts Payable	7,648	258,193	14,661	3,305	283,807
Due to Other Funds	1,831	1,117,353	109	70	1,119,363
Due to Component Units		418,735			418,735
Deferred Revenues	117	248			365
Amounts Held in Custody for Others	28			204,013	204,041
Other Liabilities			8		8
<b>TOTAL LIABILITIES</b>	<b>14,192</b>	<b>1,794,542</b>	<b>14,778</b>	<b>208,619</b>	<b>2,032,131</b>

**FUND BALANCES:**

Reserved for Nonexpendable					
Trust Corpus		21,324,855			21,324,855
Reserved for Employees'					
Pension Benefits			10,977,340		10,977,340
Reserved for Employees'					
Postemployment Healthcare Benefits			3,078,960		3,078,960
Reserved for Other Specific					
Trust Purposes	8,601,937	3,785,561			12,387,498
<b>TOTAL FUND BALANCES</b>	<b>8,601,937</b>	<b>25,110,416</b>	<b>14,056,300</b>	<b>0</b>	<b>47,768,653</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 8,616,129</b>	<b>\$ 26,904,958</b>	<b>\$ 14,071,078</b>	<b>\$ 208,619</b>	<b>\$ 49,800,784</b>

STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 EXPENDABLE TRUST FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.02

	Memorial Scholarship	Permanent Fund Dividend	Unemployment Compensation	Constitutional Budget Reserve
<b>ASSETS:</b>				
Cash and Investments	\$ 1,488	\$ 21,083	\$ 763	\$ 2,994,721
Cash in U.S. Treasury			207,693	
Accounts Receivable - Net		11	9,857	
Contributions Receivable				
Interest and Dividends Receivable	83			
Due from Alaska Permanent Fund		1,112,601		
Due from General Fund	1			3,832,484
Due from Employment Assistance and Training Fund			4	
Due from Alaska Technical and Vocational Education Program Fund			4	
Loans Receivable - Net	2,633			
<b>TOTAL ASSETS</b>	<b>\$ 4,205</b>	<b>\$ 1,133,695</b>	<b>\$ 218,321</b>	<b>\$ 6,827,205</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Warrants and Checks Outstanding	\$ 3	\$ 2,371	\$ 2,069	\$ 5
Accounts Payable		608	6,680	29
Due to General Fund		1,409	182	
Due to Training and Building Fund			55	
Deferred Revenues and Credits	117			
Trust Deposits Payable		3	25	
<b>TOTAL LIABILITIES</b>	<b>120</b>	<b>4,391</b>	<b>9,011</b>	<b>34</b>
<b>FUND BALANCES:</b>				
Reserved for Memorial Scholarship Loans	4,085			
Reserved for Permanent Fund Dividends		1,129,304		
Reserved for Unemployment Compensation Benefits			209,310	
Reserved for Constitutional Budget Reserve				6,827,171
Reserved for Public Advocacy Trust				
Reserved for Exxon Valdez Settlement Trust				
Reserved for Alyeska Settlement Trust				
Reserved for Exxon Valdez Oil Spill Restoration				
Reserved for Deferred Compensation Plan Benefits				
<b>TOTAL FUND BALANCES</b>	<b>4,085</b>	<b>1,129,304</b>	<b>209,310</b>	<b>6,827,171</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,205</b>	<b>\$ 1,133,695</b>	<b>\$ 218,321</b>	<b>\$ 6,827,205</b>

<u>Public Advocacy Trust</u>	<u>Exxon Valdez Settlement Trust</u>	<u>Alyeska Settlement Trust</u>	<u>Exxon Valdez Oil Spill Restoration</u>	<u>Deferred Compensation</u>	<u>Totals June 30, 2001</u>
\$ 6,082	\$ 8,123	\$ 7,245	\$ 5,666	\$ 404,437	\$ 3,449,608
					207,693
					9,868
				1,150	1,150
					83
					1,112,601
					3,832,485
					4
					4
					2,633
<u>\$ 6,082</u>	<u>\$ 8,123</u>	<u>\$ 7,245</u>	<u>\$ 5,666</u>	<u>\$ 405,587</u>	<u>\$ 8,616,129</u>
\$	\$ 69	\$	\$ 51	\$	\$ 4,568
	287		44		7,648
	90		95		1,776
					55
					117
					28
<u>0</u>	<u>446</u>	<u>0</u>	<u>190</u>	<u>0</u>	<u>14,192</u>
					4,085
					1,129,304
					209,310
					6,827,171
6,082					6,082
	7,677				7,677
		7,245			7,245
			5,476		5,476
				405,587	405,587
<u>6,082</u>	<u>7,677</u>	<u>7,245</u>	<u>5,476</u>	<u>405,587</u>	<u>8,601,937</u>
<u>\$ 6,082</u>	<u>\$ 8,123</u>	<u>\$ 7,245</u>	<u>\$ 5,666</u>	<u>\$ 405,587</u>	<u>\$ 8,616,129</u>

STATE OF ALASKA  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**EXPENDABLE TRUST FUNDS**  
**June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 8.03

	<u>Memorial Scholarship</u>	<u>Permanent Fund Dividend</u>	<u>Unemployment Compensation</u>	<u>Constitutional Budget Reserve</u>
<b>REVENUES:</b>				
Taxes	\$	\$	\$	\$ 27,789
Charges for Services		295		
Rents and Royalties				7,844
Contributions	271		127,316	
Interest and Investment Income	108		13,842	188,368
Net Increase (Decrease) in the Fair Value of Investments				27,934
Federal		61	880	
Other		412		
<b>TOTAL REVENUES</b>	<u>379</u>	<u>768</u>	<u>142,038</u>	<u>251,935</u>
<b>EXPENDITURES:</b>				
Current Operating				
General Government		4,924	26	122
Education	14			
Health and Social Services		1,157,204	130,636	
Law, Justice, and Public Protection		7,752		
Natural Resources				
Capital Outlay		47		
<b>TOTAL EXPENDITURES</b>	<u>14</u>	<u>1,169,927</u>	<u>130,662</u>	<u>122</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	365	(1,169,159)	11,376	251,813
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers (Out to) Component Units				(500)
Operating Transfers In from Other Funds		1,112,601		622
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>1,112,601</u>	<u>0</u>	<u>122</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	365	(56,558)	11,376	251,935
<b>FUND BALANCES, BEGINNING OF YEAR</b>	3,720	1,185,862	197,850	6,575,236
Residual Equity Fund Transfers In from Other Funds			84	
Prior Period Adjustment				
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 4,085</u>	<u>\$ 1,129,304</u>	<u>\$ 209,310</u>	<u>\$ 6,827,171</u>

<u>Public Advocacy Trust</u>	<u>Exxon Valdez Settlement Trust</u>	<u>Alyeska Settlement Trust</u>	<u>Exxon Valdez Oil Spill Restoration</u>	<u>Deferred Compensation</u>	<u>Totals Year Ended June 30, 2001</u>
\$	\$	\$	\$	\$	\$ 27,789
					295
					7,844
	26,826			24,626	179,039
363	994	578	498	6,995	211,746
				(21,554)	6,380
11,282					941
					11,694
<u>11,645</u>	<u>27,820</u>	<u>578</u>	<u>498</u>	<u>10,067</u>	<u>445,728</u>
				875	5,947
					14
9,671				22,983	1,320,494
235					7,987
	4,574		110		4,684
	<u>27,014</u>	<u>195</u>	<u>986</u>		<u>28,242</u>
<u>9,906</u>	<u>31,588</u>	<u>195</u>	<u>1,096</u>	<u>23,858</u>	<u>1,367,368</u>
1,739	(3,768)	383	(598)	(13,791)	(921,640)
					(500)
					1,113,223
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,112,723</u>
1,739	(3,768)	383	(598)	(13,791)	191,083
4,303	10,634	6,862	5,436	419,378	8,409,281
					84
<u>40</u>	<u>811</u>		<u>638</u>		<u>1,489</u>
<u>\$ 6,082</u>	<u>\$ 7,677</u>	<u>\$ 7,245</u>	<u>\$ 5,476</u>	<u>\$ 405,587</u>	<u>\$ 8,601,937</u>



STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 NONEXPENDABLE TRUST FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.04

	Alaska Children's Trust	Public School	Alaska Permanent	Totals June 30, 2001
<b>ASSETS:</b>				
Cash and Investments	\$ 9,440	\$ 285,259	\$ 26,237,417	\$ 26,532,116
Accounts Receivable - Net		411	165,746	166,157
Interest and Dividends Receivable	13	370	161,638	162,021
Due from General Fund	36	1,173	43,419	44,628
Notes Receivable - Net		36		36
<b>TOTAL ASSETS</b>	<b>\$ 9,489</b>	<b>\$ 287,249</b>	<b>\$ 26,608,220</b>	<b>\$ 26,904,958</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 6	\$ 7	\$	\$ 13
Accounts Payable	34	8	258,151	258,193
Due to Alaska Permanent Fund Dividend Fund			1,112,601	1,112,601
Due to General Fund	9	900	3,843	4,752
Due to Mental Health Trust Fund			306,406	306,406
Due to Alaska Science and Technology Endowment Fund			106,682	106,682
Due to International Trade and Business Endowment Fund			5,647	5,647
Deferred Revenues		248		248
<b>TOTAL LIABILITIES</b>	<b>49</b>	<b>1,163</b>	<b>1,793,330</b>	<b>1,794,542</b>
<b>FUND BALANCES:</b>				
Reserved for Nonexpendable Trust Corpus	9,180	268,096	21,047,579	21,324,855
Reserved for Other Specific Trust Purposes	260	17,990	3,767,311	3,785,561
<b>TOTAL FUND BALANCES</b>	<b>9,440</b>	<b>286,086</b>	<b>24,814,890</b>	<b>25,110,416</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 9,489</b>	<b>\$ 287,249</b>	<b>\$ 26,608,220</b>	<b>\$ 26,904,958</b>

STATE OF ALASKA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES  
 NONEXPENDABLE TRUST FUNDS  
 For the Fiscal Year Ended June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.05

	Alaska Children's Trust	Public School	Alaska Permanent	Totals Year Ended June 30, 2001
<b>OPERATING REVENUES:</b>				
Interest and Investment Income	\$ 422	\$ 13,154	\$ 1,091,078	\$ 1,104,654
Net Increase (Decrease) in the Fair Value of Investments			(1,975,480)	(1,975,480)
<b>TOTAL OPERATING REVENUES</b>	<b>422</b>	<b>13,154</b>	<b>(884,402)</b>	<b>(870,826)</b>
<b>OPERATING EXPENSES:</b>				
Operating	443	8,519	39,490	48,452
<b>TOTAL OPERATING EXPENSES</b>	<b>443</b>	<b>8,519</b>	<b>39,490</b>	<b>48,452</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(21)</b>	<b>4,635</b>	<b>(923,892)</b>	<b>(919,278)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Net Increase (Decrease) in the Fair Value of Investments	(459)	(12,728)		(13,187)
Net Increase (Decrease) in Fair Value of Investments Held for Component Units			(33,074)	(33,074)
Earnings of Investments held for Component Units			17,524	17,524
Other Revenue	136	5,788		5,924
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(323)</b>	<b>(6,940)</b>	<b>(15,550)</b>	<b>(22,813)</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>(344)</b>	<b>(2,305)</b>	<b>(939,442)</b>	<b>(942,091)</b>
<b>OPERATING TRANSFERS:</b>				
Operating Transfers (Out to) Other Funds			(1,116,444)	(1,116,444)
Operating Transfers In From Component Units			15,550	15,550
<b>NET INCOME (LOSS)</b>	<b>(344)</b>	<b>(2,305)</b>	<b>(2,040,336)</b>	<b>(2,042,985)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>9,752</b>	<b>288,391</b>	<b>26,515,911</b>	<b>26,814,054</b>
Residual Equity Fund Transfers In from Other Funds	32		339,315	339,347
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 9,440</b>	<b>\$ 286,086</b>	<b>\$ 24,814,890</b>	<b>\$ 25,110,416</b>

STATE OF ALASKA  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONEXPENDABLE TRUST FUNDS**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 8.06

	Alaska Children's Trust	Public School	Alaska Permanent	Totals Year Ended June 30, 2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ (21)	\$ 4,635	\$ (923,892)	\$ (919,278)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Investment Activity	(422)	(13,154)	884,402	870,826
Non-Operating Activity	136	5,788		5,924
(Increase) Decrease in Assets:				
Accounts Receivable - Net		(114)		(114)
Due from General Fund	19			19
Notes Receivable - Net		(72)		(72)
Increase (Decrease) in Liabilities:				
Warrants Outstanding	(12)	7		(5)
Accounts Payable	2	(1)	(2,894)	(2,893)
Due to General Fund		(7,623)		(7,623)
Deferred Revenues		77		77
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>(298)</b>	<b>(10,457)</b>	<b>(42,384)</b>	<b>(53,139)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Residual Equity Fund Transfers In from Other Funds	32		345,382	345,414
Operating Transfers (Out to) Other Funds			(1,175,231)	(1,175,231)
Operating Transfers (Out to) Component Units			(18,664)	(18,664)
Operating Transfers In from Component Units			2,015	2,015
<b>NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<b>32</b>	<b>0</b>	<b>(846,498)</b>	<b>(846,466)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of Investments			(552,776)	(552,776)
Undistributed Real Estate Income			(34,697)	(34,697)
Income (Loss) on Investments	(43)	613	1,269,002	1,269,572
<b>NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>	<b>(43)</b>	<b>613</b>	<b>681,529</b>	<b>682,099</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(309)</b>	<b>(9,844)</b>	<b>(207,353)</b>	<b>(217,506)</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>9,749</b>	<b>295,103</b>	<b>760,886</b>	<b>1,065,738</b>
<b>CASH, END OF YEAR</b>	<b>\$ 9,440</b>	<b>\$ 285,259</b>	<b>\$ 553,533</b>	<b>\$ 848,232</b>
<b>RECONCILIATION OF CASH TO THE BALANCE SHEET:</b>				
Total Cash and Investments per Balance Sheet	\$ 9,440	\$ 285,259	\$ 26,237,417	\$ 26,532,116
Less: Investments not Meeting the Definition of Cash or Cash Equivalents			(25,683,884)	(25,683,884)
<b>CASH, END OF YEAR</b>	<b>\$ 9,440</b>	<b>\$ 285,259</b>	<b>\$ 553,533</b>	<b>\$ 848,232</b>



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STATE OF ALASKA  
 COMBINING STATEMENT OF PLAN NET ASSETS  
 PENSION TRUST FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.07

	Public Employees' Retirement System		
	Pension	Postemployment Healthcare	Total
<b>ASSETS:</b>			
Cash and Investments	\$ 5,791,323	\$ 2,290,215	\$ 8,081,538
Contributions Receivable	10,354	4,208	14,562
Other Receivables	1	1	2
Due from General Fund	585	237	822
Investment Loss Trust Fund Assets			-
<b>TOTAL ASSETS</b>	<b>5,802,263</b>	<b>2,294,661</b>	<b>8,096,924</b>
<b>LIABILITIES:</b>			
Accounts Payable	6,068	2,466	8,534
Payable to Plan Participants			-
Due to General Fund			-
Other Liabilities	6	2	8
<b>TOTAL LIABILITIES</b>	<b>6,074</b>	<b>2,468</b>	<b>8,542</b>
<b>FUND BALANCES:</b>			
Reserved for Employees' Pension Benefits and Postemployment Healthcare Benefits	\$ 5,796,189	\$ 2,292,193	\$ 8,088,382

Teachers' Retirement System			Judicial Retirement System		
Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare	Total
\$ 3,293,782	\$ 782,312	\$ 4,076,094	\$ 66,004	\$ 2,488	\$ 68,492
12,130	2,718	14,848	51	3	54
		-			-
		-			-
		-			-
<u>3,305,912</u>	<u>785,030</u>	<u>4,090,942</u>	<u>66,055</u>	<u>2,491</u>	<u>68,546</u>
3,286	736	4,022	74	5	79
		-			-
59	13	72	3		3
		-			-
<u>3,345</u>	<u>749</u>	<u>4,094</u>	<u>77</u>	<u>5</u>	<u>82</u>
<u>\$ 3,302,567</u>	<u>\$ 784,281</u>	<u>\$ 4,086,848</u>	<u>\$ 65,978</u>	<u>\$ 2,486</u>	<u>\$ 68,464</u>

This statement continued on next page.

STATE OF ALASKA  
 COMBINING STATEMENT OF PLAN NET ASSETS (CONTINUED)  
 PENSION TRUST FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.07

	National Guard and Naval Militia	Supplemental Benefits System
	Pension	Pension
<b>ASSETS:</b>		
Cash and Investments	\$ 13,111	\$ 1,796,079
Contributions Receivable		4,672
Other Receivables		
Due from General Fund		
Investment Loss Trust Fund Assets		804
<b>TOTAL ASSETS</b>	<b>13,111</b>	<b>1,801,555</b>
<b>LIABILITIES:</b>		
Accounts Payable	115	1,107
Payable to Plan Participants		804
Due to General Fund	34	
Other Liabilities		
<b>TOTAL LIABILITIES</b>	<b>149</b>	<b>1,911</b>
<b>FUND BALANCES:</b>		
Reserved for Employees' Pension Benefits and Postemployment Healthcare Benefits	<u>\$ 12,962</u>	<u>\$ 1,799,644</u>

STATEMENT 8.07

Totals		
June 30, 2001		
Pension	Postemployment Healthcare	Total
\$ 10,960,299	\$ 3,075,015	\$ 14,035,314
27,207	6,929	34,136
1	1	2
585	237	822
804	0	804
<u>10,988,896</u>	<u>3,082,182</u>	<u>14,071,078</u>
10,650	3,207	13,857
804	0	804
96	13	109
6	2	8
<u>11,556</u>	<u>3,222</u>	<u>14,778</u>
<u>\$ 10,977,340</u>	<u>\$ 3,078,960</u>	<u>\$ 14,056,300</u>



STATE OF ALASKA  
 COMBINING BALANCE SHEET  
 ALL AGENCY FUNDS  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 8.08

	Impact Aid PL 103-382	Wage and Hour	Deposits, Suspense, and Miscellaneous	EVOS Investment	Totals June 30, 2001
<b>ASSETS:</b>					
Cash and Investments	\$ 2,509	\$ 155	\$ 72,444	\$ 131,259	\$ 206,367
Accounts Receivable			13		13
Due from General Fund	485		1,754		2,239
<b>TOTAL ASSETS</b>	<b>\$ 2,994</b>	<b>\$ 155</b>	<b>\$ 74,211</b>	<b>\$ 131,259</b>	<b>\$ 208,619</b>
<b>LIABILITIES:</b>					
Warrants Outstanding	\$ 0	\$ 51	\$ 1,180	\$ 0	\$ 1,231
Accounts Payable	1,252	1	2,052		3,305
Due to General Fund		45	1	24	70
Amounts Held in Custody for Others	1,742	58	70,978	131,235	204,013
<b>TOTAL LIABILITIES</b>	<b>\$ 2,994</b>	<b>\$ 155</b>	<b>\$ 74,211</b>	<b>\$ 131,259</b>	<b>\$ 208,619</b>

STATE OF ALASKA  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**For the Fiscal Year Ended June 30, 2001**  
**(Stated in Thousands)**

STATEMENT 8.09

	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
<b>IMPACT AID PL103-382</b>				
<b>ASSETS:</b>				
Cash and Investments	\$ 7,867	\$ 44,716	\$ 50,074	\$ 2,509
Due from General Fund		485		485
<b>TOTAL ASSETS</b>	<b>\$ 7,867</b>	<b>\$ 45,201</b>	<b>\$ 50,074</b>	<b>\$ 2,994</b>
<b>LIABILITIES:</b>				
Warrants Outstanding	\$	\$ 50,074	\$ 50,074	\$ 0
Accounts Payable	4,352	1,252	4,352	1,252
Amounts Held in Custody for Others	3,515	44,716	46,489	1,742
<b>TOTAL LIABILITIES</b>	<b>\$ 7,867</b>	<b>\$ 96,042</b>	<b>\$ 100,915</b>	<b>\$ 2,994</b>
<b>WAGE AND HOUR</b>				
<b>ASSETS:</b>				
Cash and Investments	\$ 194	\$ 249	\$ 288	\$ 155
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 20	\$ 335	\$ 304	\$ 51
Accounts Payable	12	1	12	1
Due to General Fund	1	45	1	45
Amounts Held in Custody for Others	161	207	310	58
<b>TOTAL LIABILITIES</b>	<b>\$ 194</b>	<b>\$ 588</b>	<b>\$ 627</b>	<b>\$ 155</b>
<b>DEPOSITS, SUSPENSE, AND MISCELLANEOUS</b>				
<b>ASSETS:</b>				
Cash and Investments	\$ 59,530	\$ 73,575	\$ 60,661	\$ 72,444
Accounts Receivable		13		13
Due from General Fund		1,754		1,754
<b>TOTAL ASSETS</b>	<b>\$ 59,530</b>	<b>\$ 75,342</b>	<b>\$ 60,661</b>	<b>\$ 74,211</b>
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 1,093	\$ 29,161	\$ 29,074	\$ 1,180
Accounts Payable	2,308	2,060	2,316	2,052
Due to General Fund	2,077	1	2,077	1
Amounts Held in Custody for Others	54,052	80,511	63,585	70,978
<b>TOTAL LIABILITIES</b>	<b>\$ 59,530</b>	<b>\$ 111,733</b>	<b>\$ 97,052</b>	<b>\$ 74,211</b>
<b>EVOS INVESTMENT</b>				
<b>ASSETS:</b>				
Cash and Investments	\$ 0	\$ 188,114	\$ 56,855	\$ 131,259
<b>LIABILITIES:</b>				
Warrants Outstanding	\$	\$ 56,855	\$ 56,855	\$ 0
Due to General Fund		24		24
Amounts Held in Custody for Others		188,090	56,855	131,235
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>\$ 244,969</b>	<b>\$ 113,710</b>	<b>\$ 131,259</b>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>ASSETS:</b>				
Cash and Investments	\$ 67,591	\$ 306,654	\$ 167,878	\$ 206,367
Accounts Receivable		13		13
Due from General Fund		2,239		2,239
<b>TOTAL ASSETS</b>	<b>\$ 67,591</b>	<b>\$ 308,906</b>	<b>\$ 167,878</b>	<b>\$ 208,619</b>
<b>LIABILITIES:</b>				
Warrants Outstanding	\$ 1,113	\$ 136,425	\$ 136,307	\$ 1,231
Accounts Payable	6,672	3,313	6,680	3,305
Due to General Fund	2,078	70	2,078	70
Amounts Held in Custody for Others	57,728	313,524	167,239	204,013
<b>TOTAL LIABILITIES</b>	<b>\$ 67,591</b>	<b>\$ 453,332</b>	<b>\$ 312,304</b>	<b>\$ 208,619</b>



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# General Fixed Assets Account Group

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The general fixed assets account group (41000) accounts for the land, buildings, and machinery and equipment of the governmental funds.

STATE OF ALASKA  
**STATEMENT OF GENERAL FIXED ASSETS BY SOURCE**  
 June 30, 2001  
 (Stated in Thousands)

STATEMENT 9.01

	<u>June 30, 2001</u>
<b>GENERAL FIXED ASSETS:</b>	
Land	\$ 279,545
Buildings	1,718,179
Equipment	530,140
Construction in Progress	<u>177,226</u>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ <u>2,705,090</u></b>
<b>INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE:</b>	
General Obligation Bonds	\$ 1,173,137
Alaska State Housing Authority Bonds	106,150
Federal Grants	89,476
General Fund Revenues	1,038,102
Federal Land Grants (See Note 1.H.)	88,850
Exxon Valdez Oil Spill Funds	205,375
Other	<u>4,000</u>
<b>TOTAL INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE</b>	<b>\$ <u>2,705,090</u></b>

# General Long-Term Debt Account Group

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The general long-term debt account group (42000) accounts for the long-term obligations of the governmental funds.

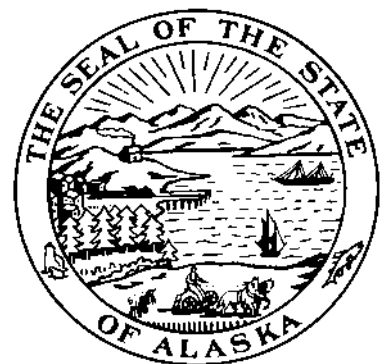
STATE OF ALASKA  
**STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT**  
For the Fiscal Year Ended June 30, 2001  
(Stated in Thousands)

STATEMENT 10.01

	Balance July 1, 2000	Issuances and Other Increases	Retirements and Other Decreases	Balance June 30, 2001
<b>AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM DEBT:</b>				
Amount Available in Debt Service Fund	\$	\$ 102	\$ 102	\$ 0
Amount to be Provided for Retirement of General Long-Term Debt	287,284	313,198	148,275	452,207
<b>TOTAL AMOUNT AVAILABLE AND TO BE PROVIDED</b>	<b>\$ 287,284</b>	<b>\$ 313,300</b>	<b>\$ 148,377</b>	<b>\$ 452,207</b>
<b>GENERAL LONG-TERM DEBT:</b>				
Revenue Bonds Payable	\$	\$ 115,172	\$	\$ 115,172
Capital Leases Payable	88,783	41,759	14,013	116,529
Expendable Trust Fund Liabilities	19,806		4,000	15,806
Accrued Vacation Leave	86,427	114,673	98,351	102,749
Claims and Judgements	92,268	41,696	32,013	101,951
<b>TOTAL GENERAL LONG-TERM DEBT</b>	<b>\$ 287,284</b>	<b>\$ 313,300</b>	<b>\$ 148,377</b>	<b>\$ 452,207</b>

# Statistical Section

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STATE OF ALASKA  
**GOVERNMENTAL EXPENDITURES BY FUNCTION**  
 Last Ten Fiscal Years  
 June 30, 2001  
 (Stated in Thousands)

TABLE 1

Fiscal Year	General Government	Education	Health and Social Services	Law, Justice, and Public Protection	Natural Resources
1992	\$ 199,034	\$ 813,584	\$ 637,313	\$ 350,259	\$ 184,794
1993	197,504	868,915	707,275	359,012	166,150
1994	207,096	827,888	780,790	387,798	156,971
1995	214,945	843,547	896,398	447,738	155,698
1996	216,672	832,363	980,166	433,336	157,787
1997	209,207	821,375	1,012,349	431,166	152,231
1998	200,392	827,794	1,031,507	425,328	150,547
1999	197,154	866,346	1,069,948	449,256	151,480
2000	189,026	876,890	1,170,063	462,056	144,762
2001	260,488	879,584	1,284,018	526,676	152,690

NOTE: Expenditures include all governmental funds.

TABLE 1

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<u>Development</u>	<u>Transportation</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Intergovernmental</u>	<u>Totals</u>
\$ 39,529	\$ 165,958	\$ 401,779	\$ 76,954	\$ 190,248	\$ 3,059,452
30,155	158,753	447,752	68,157	178,308	3,181,981
33,189	155,728	603,028	33,819	178,889	3,365,196
48,674	154,609	470,847	22,917	134,314	3,389,687
52,229	153,373	477,696	21,305	114,994	3,439,921
39,566	163,569	430,677	16,496	108,634	3,385,270
35,641	152,607	416,681	14,220	91,700	3,346,417
38,336	155,715	479,070	8,839	95,448	3,511,592
18,634	156,117	549,345	2,433	73,783	3,643,109
19,404	165,551	573,691	4,294	82,519	3,948,915

STATE OF ALASKA  
 AVAILABLE FUND BALANCE  
 GENERAL FUND  
 Fiscal Years 1959 - 2001  
 June 30, 2001  
 (Stated in Thousands)

TABLE 2

Fiscal Year	Available Fund Balance
1959	\$ 4,211
1960	10,804
1961	9,761
1962	24,372
1963	36,987
1964	20,244
1965	28,408
1966	29,292
1967	23,762
1968	22,585
1969	7,410
1970	789,994
1971	836,535
1972	761,270
1973	644,461
1974	516,940
1975	379,306
1976	504,851
1977	668,165
1978	651,093
1979	684,281
1980	1,549,357
1981	821,117
1982	(1,777,400)
1983	(520,095)
1984	(133,471)
1985	(213,941)
1986	(196,033)
1987	13,694
1988	224,012
1989	162,715
1990	300,133
1991	696,257
1992	0
1993	(56,711)
1994	(1,418,774)
1995	(1,561,428)
1996	(1,875,814)
1997	(1,792,463)
1998	(2,293,066)
1999	(3,359,397)
2000	(3,720,424)
2001	(3,717,067)

**STATE OF ALASKA  
REVENUES BY SOURCE  
GENERAL FUND  
Last Ten Fiscal Years  
June 30, 2001  
(Stated in Thousands)**

**TABLE 3**

Fiscal Year	Taxes	Licenses and Permits	Federal	Charges for Services	Rents and Royalties	Other	Totals
1992	\$ 1,458,741	\$ 32,436	\$ 657,082	\$ 137,805	\$ 1,053,320	\$ 158,382	\$ 3,497,766
1993	1,376,052	49,843	776,877	72,332	1,094,793	145,435	3,515,332
1994	954,119	59,632	774,467	72,258	741,402	90,292	2,692,170
1995	1,205,072	60,546	814,251	76,672	966,129	150,824	3,273,494
1996	1,228,102	61,172	926,980	75,121	909,514	112,674	3,313,563
1997	1,438,838	69,020	942,567	78,116	1,077,892	120,766	3,727,199
1998	1,032,737	71,419	957,272	82,938	738,791	134,967	3,018,124
1999	761,586	63,914	1,029,328	91,401	512,115	97,284	2,555,628
2000	1,132,510	69,233	1,216,447	122,670	1,043,416	141,032	3,725,308
2001	1,301,910	52,468	1,297,840	161,330	1,133,200	240,397	4,187,145

**STATE OF ALASKA  
TAX REVENUES BY SOURCE  
GENERAL FUND  
Last Ten Fiscal Years  
June 30, 2001  
(Stated in Thousands)**

**TABLE 4**

Fiscal Year	Income Tax	Fuel Tax	Severance Tax	Cigarette Tax	Property Tax	Other Taxes	Totals
1992	\$ 199,396	\$ 43,247	\$ 1,090,704	\$ 14,251	\$ 69,048	\$ 42,095	\$ 1,458,741
1993	192,563	40,743	1,019,082	14,043	66,918	42,703	1,376,052
1994	62,066	40,507	731,787	14,133	61,466	44,160	954,119
1995	195,482	39,601	852,833	14,396	57,250	45,510	1,205,072
1996	227,062	37,740	846,873	14,158	55,993	46,276	1,228,102
1997	317,846	35,318	972,124	13,652	53,567	46,331	1,438,838
1998	253,480	35,645	621,495	15,400	51,254	55,463	1,032,737
1999	198,856	37,725	412,757	15,233	48,840	48,175	761,586
2000	218,958	42,137	760,711	16,312	45,038	49,354	1,132,510
2001	397,582	37,737	745,435	16,350	45,087	59,719	1,301,910

STATE OF ALASKA  
 STATE AID AND SHARED REVENUE TO DISTRICT SCHOOLS  
 Last Ten Fiscal Years  
 June 30, 2001  
 (Stated in Thousands)

TABLE 5

Fiscal Year	Education Foundation Program	Cigarette Tax	Transportation Aid	Debt Retirement	Non-Resident Pupil Tuition
1992	\$ 561,096	\$ 2,500	\$ 28,572	\$ 127,672	\$ 2,529
1993	613,072	2,700	28,317	124,948	2,371
1994	617,354	2,721	29,360	98,649	1,743
1995	627,468	2,668	31,564	93,742	1,825
1996	639,464	2,655	32,842	80,322	1,732
1997	648,175	2,690	32,842	62,476	2,100
1998	653,155	2,608	35,195	61,640	2,068
1999	676,511	-	38,071	61,991	2,021
2000	672,309	-	41,915	64,350	2,117
2001	666,204	-	46,814	52,099	2,225

(a) Other Aids include:

1. Instructional services in handicapped schools	\$ 4,315
2. Instructional programs for youth in detention	1,100
3. Support of children attending school in Canada	-
	<u>\$ 5,415</u>

(b) Data for 1994 through 2001 includes State Correspondence School and Mt. Edgecumbe Boarding School.

(c) Not stated in thousands.

**TABLE 5**

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<u>Other Aids (a)</u>	<u>Totals</u>	<u>Average Daily Membership (1st Qtr) (b)(c)</u>	<u>State Aid Cost Ratio Per Pupil (b) (c)</u>
\$ 3,929	\$ 726,298	113,348	\$ 6,408
4,014	775,422	116,653	6,647
3,989	753,816	121,429	6,208
4,143	761,410	122,511	6,215
4,539	761,554	124,753	6,104
4,651	752,934	126,464	5,954
4,750	759,416	129,425	5,868
4,724	783,318	132,905	5,894
4,747	785,438	131,696	5,964
5,415	772,757	132,256	5,843

STATE OF ALASKA  
 ASSESSED AND FULL VALUE OF TAXABLE PROPERTY  
 Last Ten Fiscal Years  
 June 30, 2001  
 (Stated in Thousands)

TABLE 6

Calendar Year	Values Within Cities & Boroughs			
	Real Property		Personal Property	
	Assessed Value	Full Value	Assessed Value	Full Value
1991	\$ 17,297,540	\$ 18,219,506	\$ 2,434,417	\$ 4,215,680
1992	18,725,444	19,667,968	2,560,998	4,370,161
1993	19,263,773	20,411,013	2,621,355	4,418,487
1994	20,147,234	21,476,740	2,679,371	4,694,996
1995	21,274,993	22,622,971	2,560,465	4,602,147
1996	22,285,757	23,653,953	2,599,057	4,756,612
1997	23,820,717	25,691,808	2,666,315	4,852,884
1998	25,215,942	26,459,540	2,575,780	4,918,058
1999	26,536,533	28,127,982	2,582,718	5,272,520
2000	27,984,864	29,816,433	2,992,356	5,605,481

NOTE: Information obtained from Alaska Taxable 2000, published by Department of Community and Economic Development, Division of Community and Business Development, Office of the State Assessor.

TABLE 6

Total		All Areas	Ratio of Total Assessed to Total Full Value	
Assessed Value	Full Value	Full Value	Cities & Boroughs	All Areas
\$ 19,731,957	\$ 22,435,186	\$ 40,933,544	88.0%	48.2%
21,286,442	24,038,129	42,278,195	88.6%	50.3%
21,885,128	24,829,500	42,357,481	88.1%	51.7%
22,826,605	26,171,736	43,829,908	87.2%	52.1%
23,835,458	27,225,118	44,394,000	87.5%	53.7%
24,884,814	28,410,565	45,265,505	87.6%	55.0%
26,487,032	30,544,692	47,013,312	86.7%	56.3%
27,791,722	31,377,598	47,541,072	88.6%	58.5%
29,119,251	33,400,502	49,157,742	87.2%	59.2%
30,977,220	35,421,914	50,722,879	87.5%	61.1%



STATE OF ALASKA  
 SCHEDULE OF NET GENERAL BONDED DEBT / PROPERTY VALUE RATIOS AND PER CAPITA  
 Last Ten Fiscal Years  
 June 30, 2001  
 (Stated in Thousands)

TABLE 7

Calendar Year	Population (a) (c)	Assessed Value Cities & Boroughs (b)	Full Value All Areas (b)	Gross General Bonded Debt
1991	569,054	\$ 19,731,957	\$ 40,933,544	\$ 213,032
1992	586,722	21,286,442	42,278,195	156,883
1993	596,906	21,885,128	42,357,481	105,520
1994	600,622	22,826,605	43,829,908	78,192
1995	601,581	23,835,458	44,394,000	39,101
1996	605,212	24,884,814	45,265,505	24,206
1997	609,655	26,487,032	47,013,312	10,891
1998	617,082	27,791,722	47,541,072	2,376
1999	622,000	29,119,251	49,157,742	0
2000	626,932	30,977,220	50,722,879	0

- (a) Population information was obtained from 2000 Census provided by Alaska Department of Labor.
- (b) Information obtained from Alaska Taxable 2000, published by Department of Community and Economic Development, Division of Community and Business Development, Office of the State Assessor.
- (c) Not stated in thousands.

TABLE 7

Less Debt Service Funds	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value: Cities & Boroughs	Ratio of Net General Bonded Debt to Full Value: All Areas	Net General Bonded Debt Per Capita (c)
\$ 0	\$ 213,032	1.1%	0.5%	\$ 374
343	156,540	0.7%	0.4%	267
343	105,177	0.5%	0.2%	176
148	78,044	0.3%	0.2%	130
0	39,101	0.2%	0.1%	65
7,700	16,506	0.1%	0.0%	27
0	10,891	0.0%	0.0%	18
668	1,708	0.0%	0.0%	3
0	0	0.0%	0.0%	0
0	0	0.0%	0.0%	0

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT  
TO TOTAL GENERAL FUND EXPENDITURES AND UNRESTRICTED REVENUES**

Last Ten Fiscal Years

June 30, 2001

(Stated in Thousands)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund		Ratio of Debt Service to General Fund	
				Expenditures	Unrestricted Revenues	Expenditures	Unrestricted Revenues
1992	\$ 56,149	\$ 12,052	\$ 68,201	\$ 3,023,658	\$ 2,801,092	2.3%	2.4%
1993	51,363	8,325	59,688	3,145,310	2,742,032	1.9%	2.2%
1994	28,398	5,421	33,819	3,338,553	1,919,787	1.0%	1.8%
1995	20,221	2,696	22,917	3,312,357	2,458,698	0.7%	0.9%
1996	18,870	2,435	21,305	3,385,929	2,383,671	0.6%	0.9%
1997	14,895	1,601	16,496	3,350,248	2,788,733	0.5%	0.6%
1998	13,315	904	14,219	3,301,455	2,064,732	0.4%	0.7%
1999	8,515	324	8,839	3,434,008	1,522,285	0.3%	0.6%
2000	2,376	57	2,433	3,555,606	2,508,319	0.1%	0.1%
2001	0	0	0	3,757,893	2,829,037	0.0%	0.0%

NOTE: Expenditures include operating transfers for debt service.

STATE OF ALASKA  
SCHEDULE OF REVENUE BOND COVERAGE  
INTERNATIONAL AIRPORT FUND  
Last Ten Fiscal Years  
June 30, 2001  
(Stated in Thousands)

TABLE 9

Fiscal Year	Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Ratio of Net Revenue to Debt Service Requirements
				Principal	Interest	Total	
1992	\$ 47,944	\$ 35,933	\$ 12,011	\$ 7,535	\$ 5,219	\$ 12,754	0.9
1993	46,664	36,177	10,487	2,920	4,671	7,591	1.4
1994	44,914	35,937	8,977	6,860	2,377	9,237	1.0
1995	48,959	36,291	12,668	3,390	2,276	5,666	2.2
1996	50,825	37,310	13,515	3,505	2,168	5,673	2.4
1997	55,799	40,510	15,289	3,640	2,041	5,681	2.7
1998	54,221	39,278	14,943	3,785	1,896	5,681	2.6
1999	52,184	40,901	11,283	3,970	1,735	5,705	2.0
2000	56,716	42,472	14,244	3,210	12,812	16,022	0.9
2001	73,922	44,798	29,124	1,135	11,613	12,748	2.3

NOTE: The revenue and expense figures are from the statement contained within the State of Alaska Annual Financial Report titled Other Agencies Enterprise Funds, Statement of Revenues, Expenses and Changes in Retained Earnings. The revenue figures are from the operating revenue accounts titled Charges for Services and Other. The figures for expenses include Personal Services, Travel and Per Diem, Contractual Services, and Materials and Supplies.

**GENERAL:**

<u>Date of Incorporation:</u>	January 3, 1959	<u>Area - Square Miles:</u>	586,412
<u>Date of Constitution Adopted:</u>	April 24, 1956 (Referendum Date)	<u>Coast-line Miles:</u>	33,904

Form of Government: State

<u>Employees Paid as of June 30, 2001:</u>						
	<u>Regular Full-Time</u>	<u>Regular Part-Time</u>	<u>Seasonal Full-Time</u>	<u>Seasonal Part-time</u>	<u>2001 Total</u>	<u>2000 Total</u>
Public Safety/Security Officers	402				402	397
Marine (Ferry)	717				717	726
General Government, Confidential, LTC	8,946	312	1,216	13	10,487	10,121
Supervisors	1,516		15		1,531	1,398
Firefighters	16		647		663	416
Teachers	65	24			89	87
National Guard	1	6			7	8
Exempt, Partially Exempt, and Excluded	1,296	193	11		1,500	1,500
Judicial Workers	615	53			668	660
Legislative Employees	348	8		40	396	420
<b>Total Employees</b>	<b>13,922</b>	<b>596</b>	<b>1,889</b>	<b>53</b>	<b>16,460</b>	<b>15,733</b>

Number of Votes Cast Compared to Number of Registered Voters:

	<u>Voted</u>	<u>Registered</u>	<u>Percentage Voting</u>
Last General Election - November 7, 2000	285,560	473,648	60.3%
Last Primary Election - August 22, 2000	41,483	460,321	9.0%
Last Special Election - September 14, 1999	186,087	446,245	41.7%

**FIRE PROTECTION:**

	<u>2001</u>	<u>2000</u>
Number of Fire Departments Registered with Fire Marshall	111	110
Number of Full-Time Firefighters	1,100	1,100
Number of Volunteer Firefighters	3,900	3,900

**EDUCATION:**

	<u>Number of Schools</u>	<u>Number of Certified Teachers</u>	<u>Initial Enrollment Students</u>
Regional Education Attendance Areas (REAA):	155	1,114	14,076
Elementary			10,561
Secondary			3,515
Cities/Boroughs:	341	6,970	117,909
Elementary			83,552
Secondary			34,357
Private and Denominational Schools:	49	147	4,957

NOTES: Central Correspondence Study and Mt. Edgecumbe High School data are not included.  
 Elementary includes Pre-elementary through grade 8. Secondary includes grades 9 through 12.  
 Home schools are not included, as they don't register with the Alaska Department of Education and Early Development.  
 In past years, the home school numbers were included with the Private and Denominational Schools.  
 State of Alaska has no oversight over Private and Denominational Schools.

Information obtained from the Alaska Department of Education and Early Development,  
 Division of Education Support Services, School Finance Section.

**EDUCATION:**

Enrollment of Alaska Students - Last Ten Fiscal Years						
Fiscal Year	City and Borough	REAA'S	Private and Denominational Schools	Central Correspondence Study	Mount Edgecumbe	Enrollment All Schools
1992	104,286	13,425	4,509	781	213	123,214
1993	107,567	13,611	4,802	1,046	264	127,290
1994	110,180	14,061	4,581	1,425	282	130,529
1995	111,490	13,954	4,417	1,357	266	131,484
1996	111,700	14,429	3,981	1,351	282	131,743
1997	113,762	14,381	3,835	1,489	287	133,754
1998	115,484	13,942	3,383	1,569	308	134,685
1999	118,374	14,468	4,177	2,628	308	139,955
2000	118,192	14,630	2,472	1,240	329	136,863
2001	117,909	14,076	4,957	1,041	330	138,313

Alaska Colleges, Universities, and Community Colleges - Closing Enrollment - Last Ten Academic Years					
Fall Semester	University of Alaska Main Campuses (a)	University of Alaska Community College (a)	Alaska Pacific University	Sheldon Jackson College	Alaska Bible College
1991	32,840	352	1,827	308	93
1992	32,624	1,193	2,051	299	61
1993	31,883	1,220	1,665	280	53
1994	31,496	1,388	1,560	271	43
1995	31,032	1,477	1,464	223	54
1996	30,303	1,614	1,261	202	48
1997	29,521	1,663	863	185	43
1998	29,180	1,926	940	259	46
1999	28,697	1,552	1,083	235	37
2000	29,021	1,459	1,100	200	44
Spring Semester	University of Alaska Main Campuses (a)	University of Alaska Community College (a)	Alaska Pacific University	Sheldon Jackson College	Alaska Bible College
1992	32,335	577	1,837	299	73
1993	33,674	1,309	2,250	290	69
1994	32,088	1,744	2,000	277	52
1995	31,522	1,801	2,028	254	53
1996	31,427	1,570	1,762	257	43
1997	31,162	1,915	1,176	196	44
1998	30,115	2,017	1,034	169	39
1999	28,842	1,794	1,207	237	44
2000	28,002	1,900	1,186	188	36
2001	28,311	2,322	1,133	213	45

(a) Starting with the fall semester of 1987, figures reflect the restructuring which has taken place at the University of Alaska. Formerly, there were eleven community colleges, three four-year institutions, rural education and cooperative extension programs. Now, there are three multi-campus institutions and one community college. Previous figures counted students taking courses for audit which are no longer included in the count. Beginning with Fall 1993, data from Arctic Sivuunmun Ilisagvik (North Slope) is not reported.

NOTE: Enrollment figures are head count enrollments.

**TRANSPORTATION:**

Miles of Public Highways:	2001	2000
Land Miles:		
State (DOT/PF) Maintained:		
Interstate	1,082	1,082
Other Principal Arterials	866	867
Minor Arterials	615	619
Collectors	2,346	2,418
Local	580	591
State (DOT/PF) Maintained Subtotal	5,489	5,577
Other State (DNR) Maintained:	454	454
Borough/Municipal/Community:		
Arterials	30	25
Collectors	245	226
Local	4,754	5,053
Borough/Municipal/Community Subtotal	5,029	5,304
Federal Agency Maintained:		
U.S. Forest Service	1,285	1,059
Bureau of Land Management (BLM)		
National Parks	127	127
BIA Reservation (Metlakatla)	24	24
Federal Agency Maintained Subtotal	1,436	1,210
Total Land Miles	12,408	12,545
Ferry Miles:		
State (DOT/PF) Maintained:		
Arterials	1,326	1,326
Collectors	979	979
Local	470	470
Total Ferry Miles	2,775	2,775
Total Miles of Public Highways	15,183	15,320

NOTE: DOT/PF refers to Department of Transportation and Public Facilities and DNR refers to Department of Natural Resources.

Total Air Carrier Activity  
 State of Alaska International Airports  
 Last Ten Fiscal Years

Fiscal Year	Landings		Passengers			Freight (tons)	
	Jets	Total	In	Out	Through	In	Out
1992	52,906	110,396	2,163,161	2,173,803	827,814	78,618	130,731
1993	51,502	104,040	2,141,253	2,141,798	605,409	84,877	131,868
1994	53,106	106,132	2,248,391	2,259,209	572,303	90,478	141,625
1995	52,897	113,315	2,413,614	2,407,308	627,781	95,293	149,505
1996	54,736	110,763	2,412,824	2,428,340	699,884	95,440	148,380
1997	59,164	117,379	2,548,920	2,547,063	802,424	90,903	149,686
1998	66,301	122,576	2,532,369	2,531,986	779,953	103,288	159,669
1999	66,831	114,815	2,522,005	2,538,998	734,715	227,259	253,329
2000	69,901	119,372	2,588,078	2,600,238	694,662	247,658	266,363
2001	71,075	122,179	2,653,474	2,658,282	675,390	267,677	319,244

**RECREATION:**

Number of Acres:	<u>2001</u>	<u>2000</u>
Federal Parks and Monuments	54,700,000	54,700,000
Federal Wildlife Refuges and Conservation Areas*	76,990,809	80,722,556 *
Federal Forests	24,354,135	23,051,600
State Parks System	3,247,000	3,247,000
State Forests	2,243,100	2,243,100
State Public Reserves and Rivers	2,680,000	2,598,430
Other State Conservation Preserves, Game Refuges, Sanctuaries, and Critical Habitat Areas	3,150,000	3,038,000
Other Government, Local Government/Municipal	<u>29,000</u>	<u>29,000</u>
Total Number of Acres	<u><u>167,394,044</u></u>	<u><u>169,629,686</u></u>

\*80,722,556 acres of Federal Wildlife Refuges and Conservation Areas reported for 2000 included 2,766,949 acres managed by BLM.



**POPULATION:**

Year	Population	Increase (Decrease)		Civilian	Military
		Number	Percent		
1950	128,643	-	-	108,301	20,342
1960	226,167	97,524	75.8	193,678	32,489
1970	300,382	74,215	32.8	269,648	30,734
1980	401,851	101,469	33.8	383,870	17,981
1990	553,124	151,273	37.6	529,992	23,132
1993	596,906	10,134	1.7	572,551	24,355
1994	600,622	3,716	0.6	580,503	20,119
1995	601,581	959	0.2	582,545	19,036
1996	605,212	3,631	0.6	586,238	18,974
1997	609,655	4,443	0.7	591,601	18,054
1998	617,082	7,427	1.2	599,062	18,020
1999	622,000	4,918	0.8	603,316	18,684
2000	626,932	4,932	0.8	608,124	18,808

**Age Distribution of Population:**

Year	Age Groups									Median Age
	0-4	5-13	14-17	18-24	25-34	35-44	45-54	55-64	65+	
1950	15,579	17,056	5,835	23,597	26,447	18,517	10,656	6,214	4,742	25.8
1960	34,193	43,216	11,487	32,129	39,672	31,981	18,957	9,146	5,386	23.3
1970	32,075	64,743	23,041	45,517	49,299	38,021	26,939	13,860	6,887	22.9
1980	38,949	62,363	29,433	59,773	90,808	54,022	34,243	20,713	11,547	26.1
1990	55,859	87,602	30,356	56,189	113,233	104,039	53,985	29,422	22,439	29.3
1993	58,200	97,255	34,714	52,298	110,169	117,413	67,759	32,293	26,805	30.6
1994	56,874	98,784	36,496	49,612	106,429	119,029	72,199	33,174	28,025	31.0
1995	54,514	99,639	37,951	47,656	101,782	119,821	76,501	34,438	29,279	31.5
1996	52,568	99,966	38,795	48,377	97,426	120,566	81,217	36,047	30,250	31.9
1997	51,970	100,902	40,304	49,474	92,587	120,167	85,182	38,035	31,034	32.2
1998	51,876	101,208	41,116	51,242	88,444	120,318	89,613	40,977	32,288	32.5
1999	51,111	100,645	41,889	53,140	84,518	119,123	94,496	43,437	33,641	32.9
2000	47,591	100,450	42,676	57,292	89,473	114,049	94,952	44,750	35,699	32.4

NOTE: Data for 1950 through 1999 were obtained from Alaska Population Overview - 2000 Estimates, published by Department of Labor and Workforce Development, Research and Analysis Section, Demographics Unit.  
 2000 data was obtained from U.S. Census Bureau 2000 Census of Population & Housing Summary File

**PERSONAL INCOME:** Bureau of Economic Analysis - U.S. Department of Commerce

Year	Total Alaska Personal Income			
	(Millions)	Alaska Per Capita	U.S. Per Capita	% Alaska to U.S.
1990	\$11,549	\$20,881	\$18,666	111.9
1991	12,271	21,552	19,636	109.8
1993	13,556	22,715	21,220	107.0
1994	14,065	23,417	22,056	106.2
1995	15,513	25,798	23,562	109.5
1996	15,762	26,057	24,651	105.7
1997	16,465	27,042	25,874	104.5
1998	17,167	27,904	27,322	102.1
1999	17,704	28,577	28,542	100.1
2000	18,612	30,064	29,676	101.3

**POPULATION OF CORRECTIONAL FACILITIES:**

<u>Adult:</u>	<u>2001</u>	<u>2000</u>
Mat-su Pretrial Facility	82	70
Yukon-Kuskokwim Correctional Center	82	70
Cook Inlet Pretrial Facility	401	403
Meadow Creek Correctional Center	76	78
Anchorage Correctional Center Annex (Sixth Avenue)	95	97
Hiland Mountain Correctional Center	208	194
Fairbanks Correctional Center	197	185
Lemon Creek Correctional Center	147	152
Ketchikan Correctional Center	47	40
Nome Correctional Center	95	96
Palmer Correctional Center - Minimum	176	175
Palmer Correctional Center - Medium	211	158
Wildwood Correctional Center	235	231
Wildwood Pretrial Facility	94	84
Spring Creek Correctional Center	496	481
Point MacKenzie	105	103
Alaska Prisoners in Federal Bureau of Prison Facilities Arizona and State of Minnesota Prison Facilities	768	834
State Prisoner Holding Facilities:		
Institutional Tents - Statewide	21	22
Community Residential Centers	694	665
Community Treatment Centers	28	36
Local Community Jails	84	79
Electronic Monitoring	61	41
<b>Total Adult Population of Correctional Facilities</b>	<b><u>4,403</u></b>	<b><u>4,294</u></b>

<u>Juvenile:</u>	<u>2001</u>	<u>2000</u>
McLaughlin Youth Center	177	190
Fairbanks Youth Facility	34	43
Nome Youth Facility	5	4
Johnson Youth Center	28	33
Bethel Youth Facility	20	25
Mat-Su Youth Facility	10	-
<b>Total Juvenile Population of Correctional Facilities</b>	<b><u>274</u></b>	<b><u>295</u></b>



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<u>Fund Description</u>	<u>Authority</u>	<u>Separately Reported?</u>	<u>Fund or Group</u>	<u>Statement Number</u>
Agricultural Revolving Loan	AS 03.10.040	Yes	OAEF	6.10-6.12
AHFC Special Pledge	Ch 107, SLA 1971	NR		
AIDEA - Rural Development Initiative	AS 44.88.600	Yes	DPCU	1.09, 1.11, 1.12
AIDEA - Small Business Economic Development Revolving Loan	Ch 42, SLA 1987	Yes	DPCU	1.09, 1.11, 1.12
Alaska Aerospace Development Corp.	AS 14.40.841	Yes	DPCU	1.09, 1.11, 1.12
Alaska Children's Trust	AS 37.14.200	Yes	NTF	8.04-8.06
Alaska Clean Water	AS 46.03.032	Yes	OAEF	6.10-6.12
Alaska Clean Water Administrative	AS 46.03.034	No	GF	2.01, 2.02
Alaska Debt Retirement	AS 37.15.011	No	GF	2.01, 2.02
Alaska Drinking Water	AS 46.03.036	Yes	OAEF	6.10-6.12
Alaska Drinking Water Administrative	AS 46.03.038	No	GF	2.01, 2.02
Alaska Energy Authority	AS 44.83.020	Yes	DPCU	1.09, 1.11, 1.12
Alaska Historical Commission Receipts Account	AS 41.35.380	No	GF	2.01, 2.02
Alaska Housing Finance Corporation	AS 18.56.020	Yes	DPCU	1.09, 1.11, 1.12
Alaska Industrial Development & Export Authority	AS 44.88.020	Yes	DPCU	1.09, 1.11, 1.12
Alaska Marine Highway System	AS 19.65.060	No	GF	2.01, 2.02
Alaska Marine Highway System Vessel Replacement	AS 37.05.550	No	GF	2.01, 2.02
Alaska Mental Health Trust Authority	AS 47.30.011	Yes	DPCU	1.09, 1.11, 1.12
Alaska Municipal Bond Bank Authority	AS 44.85.020	Yes	DPCU	1.09, 1.10
Alaska National Guard and Alaska Naval Militia Retirement System	AS 26.05.222	Yes	PTF	1.06, 8.07
Alaska Permanent Fund	Constitution, Art. IX, sec. 15	Yes	NTF	8.04-8.06
Alaska Public Building	AS 37.05.570	Yes	ISF	7.01-7.03
Alaska Railroad Corporation	AS 42.40.010	Yes	DPCU	1.09, 1.11, 1.12
Alaska Science & Technology Foundation	AS 37.17.010	Yes	DPCU	1.09, 1.11, 1.12
Alaska Student Loan Corporation	AS 14.42.100	Yes	DPCU	1.09, 1.11, 1.12
Alaska Surplus Property	AS 37.05.500(a)(2) and 44.68.130	No	GF	2.01, 2.02
Alaska Technical and Vocational Education Program	AS 23.15.830	No	GF	2.01, 2.02
Alaska World War II Veterans' Revolving Loan	AS 26.15.090	Yes	CAEF	6.04-6.06
Alcoholism & Drug Abuse Revolving Loan	AS 44.29.210	Yes	OAEF	6.10-6.12
Alternative Energy Revolving Loan	AS 45.88.010	Yes	EAEF	6.07-6.09
Alyeska Settlement Trust	Consent decree between U.S., Alaska, and Alyeska	Yes	ETF	8.02, 8.03
Alaska Transportation Infrastructure Bank	Section 350 of the NHSD Act of 1995 Federal Law	No	GF	2.01, 2.02
Art in Public Places	AS 44.27.060	No	GF	2.01, 2.02
Assistive Technology Loan Guarantee	AS 23.15.125	No	GF	2.01, 2.02
ASTF - BIDCO Fund	AS 37.17.210	No	DPCU	1.09, 1.11, 1.12
ASTF - Endowment	AS 37.17.020	No	DPCU	1.09, 1.11, 1.12
ASTF - International Trade & Business Endowment	AS 37.17.440	No	DPCU	1.09, 1.11, 1.12
Budget Reserve - Constitutional	Constitution, Art. IX, sec. 17	Yes	ETF	8.02, 8.03
Budget Reserve - Statutory	AS 37.05.540	NR		
Child Care Facility Revolving Loan	AS 44.33.240	Yes	CAEF	6.04-6.06
Child Support Enforcement Division Trust	CSED collections from employee payroll deductions	No	DSMAF	8.08, 8.09

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Clean Air Protection	AS 46.14.260 and Federal Clean Air Act	Yes	SRF	3.01-3.03
Commercial Fishing Revolving Loan	AS 16.10.340	Yes	CAEF	6.04-6.06
Correctional Industries	AS 33.32.020	Yes	ISF	7.01-7.03
Deferred Compensation	AS 39.45.010	Yes	ETF	8.02, 8.03
Deposits, Suspense, and Miscellaneous Agency funds		Yes	ATF	8.08, 8.09
Disaster Relief	AS 26.23.300	Yes	SRF	3.01-3.03
Donated Commodity Fee	USC 7 CFR, Part 250	No	GF	2.01, 2.02
Educational Facilities Maintenance and Construction	AS 37.05.560	No	GF	2.01, 2.02
Employment Assistance & Training Program Account	AS 23.15.625	No	GF	2.01, 2.02
EVOS Investment Trust	Public Law 106-113	No	ATF	8.08, 8.09
Exxon Valdez Oil Spill Restoration	U.S. District Court Judgment	Yes	ETF	8.02, 8.03
Exxon Valdez Oil Spill Unincorporated Rural Community Grant Fund	AS 44.33.115	No	GF	2.01, 2.02
Exxon Valdez Settlement Trust	AS 37.14.400	Yes	ETF	8.02, 8.03
FHWA - Airspace Leases	Section 156 of the USSTURAA of 1987	No	GF	2.01, 2.02
FICA Administration	AS 39.30.050	No	GF	2.01, 2.02
Fish and Game	AS 16.05.100	Yes	SRF	3.01-3.03
Fisheries Enhancement Revolving Loan	AS 16.10.505	Yes	CAEF	6.04-6.06
Fishermen's	AS 23.35.060	No	GF	2.01, 2.02
Fuel Emergency	AS 26.23.400	No	GF	2.01, 2.02
Fund for the Improvement of School Performance	AS 14.03.125	No	GF	2.01, 2.02
General Fixed Assets Account Group		Yes	GFAAG	9.01
General Fund	Operating fund of the State	Yes	GF	2.01, 2.02
General Long-term Debt Account Group		Yes	GLTDAG	10.01
Group Health and Life Benefits	AS 39.30.095	Yes	ISF	7.01-7.03
General Obligation Bond Redemption	Various SLAs	Yes	DSF	4.01, 4.02
Highways Equipment Working Capital	AS 44.68.210	Yes	ISF	7.01-7.03
Historical District Revolving Loan	AS 45.98.010	Yes	CAEF	6.04-6.06
Impact Aid PL 103-382	Federal funds passed through to school districts	Yes	ATF	8.08, 8.09
Information Services	AS 44.21.045	Yes	ISF	7.01-7.03
International Airports	AS 37.15.410-550	Yes	OAEF	6.10-6.12
Investment Loss Trust	AS 37.14.300	No	SBS	1.06, 8.07
Judicial Retirement System	AS 22.25.048	Yes	PTF	1.06, 8.07
Major Maintenance Grant	AS 14.11.007	No	GF	2.01, 2.02
Memorial Scholarship Revolving Loan	AS 14.43.255	Yes	ETF	8.02, 8.03
Mining Revolving Loan	AS 27.09.010	Yes	CAEF	6.04-6.06
Municipal Capital Project Matching Grant	AS 37.06.010	No	GF	2.01, 2.02
National Petroleum Reserve	AS 37.05.530	Yes	SRF	3.01-3.03
NBA/FDIC owned loans		No	DSMAF	8.08, 8.09
Northern Tobacco Securitization Corporation Bond Redemption	AS 18.56.086	Yes	DSF	4.01, 4.02
Northern Tobacco Securitization Corporation	AS 18.56.086	Yes	SRF	3.01-3.03

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Oil and Hazardous Substance Release Prevention Mitigation Account	AS 46.08.020(b)	No	GF	2.01, 2.02
Oil and Hazardous Substance Release Response Mitigation Account	AS 46.08.025(b)	No	GF	2.01, 2.02
Oil and Hazardous Substance Release Prevention and Response Fund	AS 46.08.010	No	GF	2.01, 2.02
Permanent Fund Dividend	AS 43.23.045	Yes	ETF	8.02, 8.03
Public Advocacy Trust	AS 44.21.410	Yes	ETF	8.02, 8.03
Public Employees' Retirement System	AS 39.35.020	Yes	PTF	1.06, 8.07
Public School Trust	AS 37.14.110	Yes	NTF	8.04-8.06
Railbelt Energy	AS 37.05.520	No	GF	2.01, 2.02
Randolph - Sheppard Small Business	AS 23.15.130 and 20 USC 107-107(f)	No	GF	2.01, 2.02
Real Estate Surety	AS 08.88.450	No	GF	2.01, 2.02
Reclamation Bonding Pool	AS 27.19.040	Yes	SRF	3.01-3.03
Residential Energy Conservation	AS 45.89.010	Yes	EAEF	6.07-6.09
Rural Economic Development Initiative	AS 44.33.765	Yes	OAEF	6.10-6.12
School	AS 43.50.140	Yes	SRF	3.01-3.03
School Construction Grant	AS 14.11.005	No	GF	2.01, 2.02
School Trust Land Sales	Attorney General Opinion	No	GF	2.01, 2.02
Second Injury	AS 23.30.040	No	GF	2.01, 2.02
Small Business Revolving Loan	AS 45.95.060	Yes	CAEF	6.04-6.06
State Insurance Catastrophe Reserve	AS 37.05.289	No	GF	2.01, 2.02
State Land Disposal Income	AS 38.04.022(a)	No	GF	2.01, 2.02
Storage Tank Assistance	AS 46.03.410	No	GF	2.01, 2.02
Supplemental Benefits System	AS 39.30.150	Yes	PTF	1.06, 8.07
TAPS Rebate	Federal Public Law 101-380	No	GF	2.01, 2.02
Teachers' Retirement System	AS 14.25.010	Yes	PTF	1.06, 8.07
Training and Building	AS 23.20.130(d)	Yes	SRF	3.01-3.03
Transportation Construction	Ch 118, SLA 1980	Yes	CPF	5.01, 5.02
Transportation Facilities Construction	Ch 138, SLA 1978	Yes	CPF	5.01, 5.02
U of A - Advance Tuition	AS 14.40.803	No	U of A	1.07, 1.08, 1.13
U of A - Land Endowment	AS 14.40.400	No	U of A	1.07, 1.08, 1.13
Unemployment Compensation	AS 23.20.130	Yes	ETF	8.02, 8.03
Unincorporated Community Capital Project				
Matching Grant	AS 37.06.020	No	GF	2.01, 2.02
University of Alaska	AS 14.40.040	Yes	DPCU	1.07, 1.08, 1.13
Vocational Rehabilitation Small Business				
Enterprise Revolving	AS 23.15.130	No	GF	2.01, 2.02
Wage & Hour Trust		Yes	ATF	8.08, 8.09
Workers' Safety and Compensation				
Administration Account	AS 23.05.067	No	GF	2.01, 2.02

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**LEGEND OF ACRONYMS**

<u>Acronym</u>	<u>Description</u>
AS	Alaska Statute
AHFC	Alaska Housing Finance Corporation
AIDEA	Alaska Industrial Development and Export Authority
ASTF	Alaska Science & Technology Foundation
ATF	Agency Trust Fund
CAEF	Commercial Assistance Enterprise Fund
CFR	Code of Federal Regulations
Ch	Chapter
CPF	Capital Projects Fund
CSED	Child Support Enforcement Division
DPCU	Discretely Presented Component Unit
DSF	Debt Service Fund
DSMAF	Deposits, Suspense, & Miscellaneous Agency Funds
EAEF	Energy Assistance Enterprise Fund
ETF	Expendable Trust Fund
EVOS	Exxon Valdez Oil Spill
FICA	Federal Insurance Contributions Act
FHWA	Federal Highway Administration
GF	General Fund
GFAAG	General Fixed Assets Account Group
GLTDAG	General Long-term Debt Account Group
ISF	Internal Service Fund
NBA/FDIC	National Bank of Alaska/Federal Deposit Insurance Corporation
NR	Not Reported in CAFR
NTF	Nonexpendable Trust Fund
NTSC	Northern Tobacco Securitization Corporation
OAEF	Other Agencies Enterprise Fund
PL	Public Law
PSF	Public School Fund
PTF	Pension Trust Fund
SBS	Supplemental Benefits System
SLA	Session Laws of Alaska
SRF	Special Revenue Fund
USC	United States Code
USSTURAA	United States Surface Transportation and Uniform Relocation Assistance Act
U of A	University of Alaska