

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE FISCAL YEAR JULY 1, 2008 - JUNE 30, 2009



A COMPONENT UNIT OF THE
FAIRBANKS NORTH STAR BOROUGH
FAIRBANKS, ALASKA

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE**

**FAIRBANKS NORTH STAR BOROUGH
SCHOOL DISTRICT**

FAIRBANKS, ALASKA

**A COMPONENT UNIT OF THE
FAIRBANKS NORTH STAR BOROUGH**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2009**

**Nancy Wagner, Ed.D.
Superintendent of Schools**

**Prepared by
Accounting Services Department**

**Michael Fisher
Chief Financial Officer**

**Colleen M. Fitzgerald
Director of Accounting Services**

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INTRODUCTORY SECTION



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

(907) 452-2000 520 Fifth Avenue Fairbanks, AK 99701-4756 www.northstar.k12.ak.us

November 6, 2009

Members of the Board of Education and Citizens of the School District
Fairbanks North Star Borough School District
Fairbanks, Alaska

The comprehensive annual financial report of the Fairbanks North Star Borough School District (School District) for the fiscal year ended June 30, 2009, is submitted herewith. This report was prepared by the School District's accounting services department following the guidelines recommended by the Government Finance Officers Association of the United States and Canada, the Association of School Business Officials International, and generally accepted accounting principles (GAAP). The statutes of the State of Alaska and Fairbanks North Star Borough code of ordinances require that the School District Board of Education provide for an audit of all school accounts within ninety days following the close of the fiscal year, by an independent certified public accountant.

Introduction to the Comprehensive Annual Financial Report (CAFR)

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with School District management. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the School District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the School District's financial affairs have been included.

Internal Control

In developing and evaluating the School District's accounting system, consideration is given to the adequacy of internal accounting controls. Management of the School District has established a comprehensive internal control framework that is designed both to protect the School District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the School District's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the School District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the School District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Independent Financial Statement Audit

The School District's basic financial statements and the financial statements of each nonmajor governmental fund (financial statements) have been audited by Cook & Haugeberg LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the School District for the fiscal year ended June 30, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that

the School District's financial statements for the fiscal year ended June 30, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the *financial section* of this report.

Management's Discussion and Analysis

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The School District's MD&A can be found immediately following the report of the independent auditors in the *financial section* of this report.

Single Audits of State and Federal Awards

The independent audit of the financial statements of the School District was part of a broader, state and federally mandated "Single Audit" designed to meet the special needs of state and federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited school district's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of state and federal awards. These reports are available in the *single audit* section of this report.

Profile of the School District

The School District was established on January 1, 1964, the date of incorporation of the Fairbanks North Star Borough, the primary government. A borough is most similar to the county form of government used in much of the rest of the United States. The School District, serving grades K through 12, encompasses an area of 7,361 square miles...roughly the size of Rhode Island, Delaware and Connecticut combined.

Reporting Entity

Based on criteria developed by the Governmental Accounting Standards Board, the School District is a component unit of the Fairbanks North Star Borough (Borough). Audited financial statements for the Borough are available upon request from its administrative offices. The School District has elected to issue a separate comprehensive financial report pursuant to Alaska statutes.

Pursuant to Alaska Statute section 14.12.020(c), the Borough Assembly provides the money which must be raised from local sources to maintain and operate the School District. Alaska Statute section 14.14.060 states a borough can establish a centralized treasury and is responsible for major rehabilitation, all construction and major repair of school buildings. The Borough provides for new construction, major repair of school buildings and a centralized treasury. Therefore, bonded debt, capital improvement funds for school construction, tax levies, and tax collection are reflected in this report but are accounted for by the Borough.

Alaska Statute sections 14.12.010 - 115 provide for the creation of school districts in the State of Alaska and establish school boards as the governing body for each district. The seven voting members of the School District Board of Education determine policy for operation and management of the School District. Each member serves for three years, elected each year for overlapping terms.

Services Provided by the School District

Nearly 14,132 students attend the thirty-one schools and the Building Education Success Together (B.E.S.T) program in our district. Our schools range in size from an elementary school of 97 students to a 1,186-student high school.

Our diverse student body includes children from over 50 different language backgrounds. Each child in the district is offered a comprehensive general educational program. High school students have available a comprehensive career technical education curriculum. Special needs are met with the assistance of

programs and services such as Alaska Native Education, Extended Learning (formerly Gifted/Talented), English Language Learners, Title I, Migrant Education, and Special Education for Students with Disabilities.

Class size varies, but the fiscal year 2009 district-wide average was 23.5 students per class at the elementary level (grades K-6), 21.5 at the middle school level (grades 7-8), and 22 at the secondary level (grades 9-12). A higher percentage of district students are proficient on the State of Alaska Standards-Based Assessments at nearly every grade level and subject area than the percent of students statewide.

Charter Schools

Charter Schools in Alaska must be approved by both the local School Board and the State Board of Education, and operate under the guidance of Academic Policy Committees of their own selection. School charters may be up to ten years in duration, and the majority of funding is provided through the State's foundation funding formula similar to that of per capita small school funding. The School District has three approved charter schools: Chinook Montessori Charter School (grades K-8), Star of the North Secondary Charter School (grades 9-12), and Effie Kokrine Charter School (grades 9-12). All operate under ten year charters with terms expiring in 2011, 2014, and 2015 respectively. A fourth charter school was approved by the Board of Education in October 2008. Watershed Charter School, a K-8 school with a ten year charter ending 2019, began operations at the beginning of the 2009-10 school year.

Budgetary Control

The objective of the School District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. Transfers between programs in excess of \$20,000 or any transfer in excess of \$25,000 are authorized by the Board of Education. Therefore, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the object level. All other transfers are authorized by the superintendent and reported monthly to the Board of Education. The budgetary process is explained in note A to the budgetary comparison schedules in the *required supplementary information* section of this CAFR.

Economic Condition Information

Local Economy

Located near the center of the state, the School District encompasses the state's second largest urban area. The Borough serves as the economic hub for interior and northern Alaska. Although the nation's current economic downturn is having a negative effect on the state and local economies, the economic impact to Alaska is still very mild compared to what the nation is experiencing. The Fairbanks North Star Borough's seasonally adjusted unemployment rate is .9 percentage points above last year, compared to a national rate that has climbed closer to 3.5 percentage points. However, tourism, retail trade and construction industries are all struggling somewhat to cope with national trends of reluctant consumer spending, tighter credit, and a shaky housing market. The impact is, to a much lesser extent, because of the lack of manufacturing jobs present in our community and the limited impact of the sub-prime mortgage collapse. Also, Alaska's critical oil industry has stopped growing, but hasn't recorded significant losses and continues to be a stabilizing force.

While the School District has no authority to levy taxes, a fairly steady economy provides the Borough the wherewithal to fund its local contribution to education. The Borough's local contribution represents about 25% of operating fund revenues. The local contribution has increased \$8.8 million or 25% over the last five years, with about \$6.9 million of that representing the direct offset to loss of state funding provided for in the state foundation formula. When a community's assessed property values and the ability of local taxpayers to fund education increases, the state reduces its support.

Projected Enrollment

Student enrollments generate a majority of district revenues and also dictate personnel needs, which represent over 85% of the School District's operating budget. The State of Alaska requires that student enrollment projections for the following school year be reported to them no later than ten days after the end of the official student count period for the current year, which ends on the fourth Friday each October. School District enrollment declined less than 1 percent over the three years prior to 2007-08, but in 2007-08, enrollment declined 2.5 percent. The 2008-09 school year saw a slight enrollment increase of .3%, and preliminary estimates for 2009-10 indicate enrollments are up by 280 students or 2%. Enrollments are expected to remain steady over the next few years.

Military Installations

There are two large military installations within the Borough, Fort Wainwright Army Post and Eielson Air Force Base. These installations account for over one-fifth of the Borough's population. Ft. Wainwright was transformed into a Stryker Brigade Combat Team in 2001. In September 2008, approximately 4,000 Stryker Brigade troops and support personnel deployed to Iraq for twelve months. It appears that most dependents remained in Fairbanks.

Facilities

The Borough owns all school facilities. Our two newest schools, Denali Elementary and Nordale Elementary, were completed and opened for the 2005-06 school year. They replaced two fifty-plus year old schools that have since been demolished. Our next oldest school facility that has not benefited from major renovation or replacement is about 45 years old. Construction and relocation of a new \$12 million Central Kitchen Facility was completed and opened in the fall of 2009. No new school construction projects are currently proposed for the near future.

Periodic investment in major maintenance of building components such as roofs, mechanical and electrical systems, plumbing, exteriors, and playgrounds, etc. remain a top priority of the School District. In October of 2009, Borough residents approved an \$11.95 million dollar bond proposition for major maintenance at five schools. The bonds are eligible for state reimbursement at 70%.

School District Initiatives

The No Child Left Behind Act, signed into law in 2002, has expanded the federal role in education and set requirements in place that affect every public school in America, including those in Alaska. At the core of No Child Left Behind (NCLB) are measures designed to close achievement gaps between different groups of students. The School Board has established several initiatives to meet the goals of NCLB.

The School Board establishes a three year view of primary performance goals and initiatives to improve student performance on an annual basis. The four initiatives approved for the 2008-2010 view include:

- Implement recommendations from the Secondary Review Process (e.g. 4 + 2 plans for all 8th graders, smaller learning communities, engineering academy).
- Implement phase II of the Technology Blueprints, including beginning the action steps required for each of the fourteen goals.
- Prepare for a fall 2009 bond election for school capital needs.
- Develop a plan for using formative assessment to improve writing skills.

Long-Term Financial Planning

By state statute, district decisions are designed to focus on annual operations rather than long range planning in a fiscal sense. By state statute, the borough (primary) government is responsible for maintaining a centralized treasury. The School District does not own school facilities nor is it responsible

for major maintenance. The School District has no authority to issue bonds or manage and invest district funds. Unless required by grant agreements, all interest earnings are retained by the Borough.

There are state statutes and local ordinances limiting the district's ability to retain fund balances or establish reserves. State statute limits an accumulation of unreserved fund balance to less than ten percent of current year expenditures. Alaska Administrative Code narrowly defines what may be classified as a reservation of fund balance. Local ordinance limits fund balance, as defined by code, to no more than seven percent of the local contribution to education amount. In October of 2009, the Assembly amended local code requiring that 28.5% of all operating fund lapse be returned to the Borough to establish and fund a school facilities major maintenance reserve fund.

However, we do accomplish long range planning from a fiscal perspective based on how we develop and implement instructional programs. A key objective in district financial planning is developing sustainable instructional programs and efficient and cost effective initiatives that support the instructional process. Establishing reasonable but steady class size targets (or pupil-teacher ratios) is paramount, since personnel costs represent over 85% of the budget. Other examples impacting financial planning and decision making include reliance on the district's preventive maintenance and energy monitoring program, and implementation of lease financing for a 1,000 teacher laptop refresh initiative.

The American Recovery and Reinvestment Act of 2009 (ARRA) will provide a unique opportunity to jump start school reform and improvement efforts. The district is anticipating approximately \$16 million in ARRA funding over the next two years. The challenge is to utilize these one-time resources in ways most likely to lead to improved results for students, long term gains in school and school system capacity, increased productivity and effectiveness, and at the same time address sustainability of such efforts and programs.

Pension and Postemployment Healthcare Benefits

Pension and postemployment healthcare benefits for School District employees are provided through either the Alaska Public Employees' Retirement System (PERS) or the Alaska Teachers' Retirement System (TRS). Prior to fiscal year 2007 both the PERS and TRS were strictly defined benefit plans. PERS was an agent multiple-employer plan and TRS a cost sharing multiple-employer plan. Beginning in actuarial valuation year 2002 funding ratios decreased dramatically, primarily due to a new asset valuation method (fully recognizing previous investment losses in years 2001 and 2002), changes to more realistic healthcare cost trend assumptions, and a change in the funding method from an open period to a fixed period. The result was increased contribution rates, which first took effect in fiscal year 2005, for all PERS and TRS employers over the entire state.

Over the last three years, the State legislature took the following steps to tackle the increasing actuarial liabilities and contribution rates of both plans:

- Created the PERS and TRS defined contribution tiers effectively closing the defined benefit tiers to new employees effective July 1, 2006 (Senate Bill 141).
- In the 2007 legislative session passed a law providing for one-time contributions on behalf of all participating employers to both defined benefit plans equal to the difference between the actuarial rates and the effective rates. Also, set the effective employer contribution rates for all PERS and TRS tiers at 22% and 12.56%, respectively, for fiscal year 2008.
- In the 2008 legislative session passed Senate Bill 125 establishing permanent employer contribution rates for all PERS and TRS tiers at 22% and 12.56%, respectively, and continuing the on-behalf payments for the defined benefit tiers equal to the difference between the actuarial rates and the effective rates. This same bill also changed the defined benefit tiers of the PERS from an agent multiple-employer plan to a cost sharing multiple-employer plan effective July 1, 2008.

Although the plans still face challenges due to the increasing actuarial liability, participating employers' contribution rates are capped at a more affordable level for the time being.

Awards and Acknowledgements

Certificate of Excellence/Certificate of Achievement

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the School District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School District for its CAFR for the fiscal year ended June 30, 2008.

This was the eighteenth consecutive year that the School District has received these prestigious awards. In order to be awarded a Certificate of Excellence and a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Excellence and a Certificate of Achievement are valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Excellence and Certificate of Achievement Program requirements, and are submitting it to the ASBO and the GFOA to determine its eligibility for another certificate.

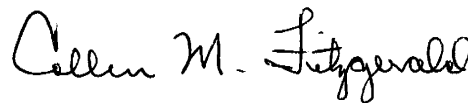
Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the accounting and administrative services departments. We would like to express our appreciation to all staff members who assisted and contributed to its preparation. We would also like to thank the members of the Fairbanks North Star Borough School District Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the School District's finances.

Respectfully submitted,



Michael Fisher, CPA
Chief Financial Officer



Colleen M. Fitzgerald, CPA
Director of Accounting Services

FAIRBANKS NORTH STAR BOROUGH
SCHOOL DISTRICT

(As of June 30, 2009)

Fairbanks, Alaska

BOARD OF EDUCATION

Leslie Hajdukovich, President
Wendy Dominique, Vice-President
Sue Hull, Treasurer
Kristina Brophy, Clerk
Howard Thies, Member
Sean Rice, Member
David Soderlund, Member
LTC Jesse Johnson, Base Representative
Colonel Timothy A. Jones, Post Representative
Ella Rohn, Student Representative

ADMINISTRATION

Nancy Wagner, Ed.D.
Superintendent of Schools

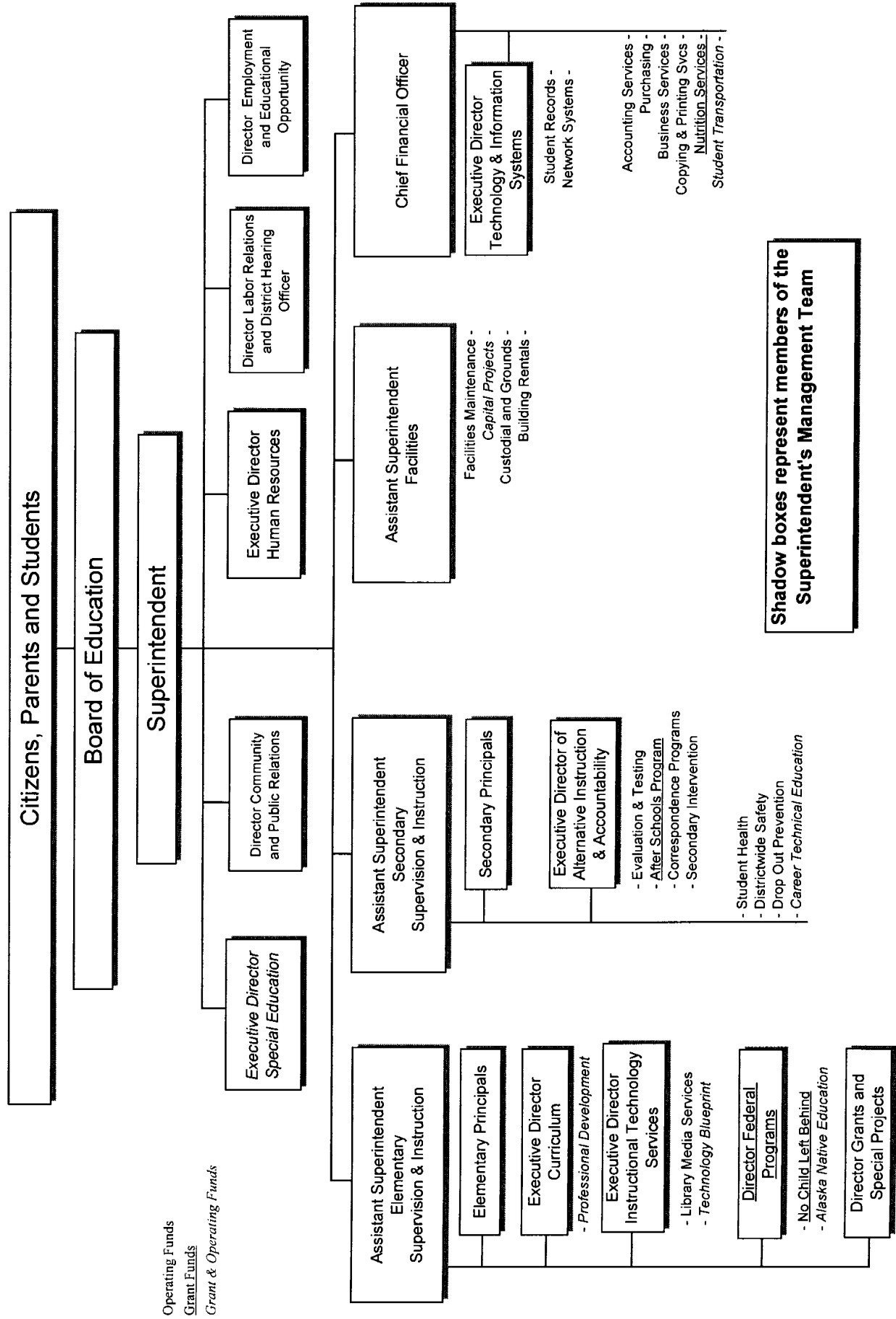
Wayne Gerke
Assistant Superintendent
Secondary Supervision & Instruction

Roxa Hawkins
Assistant Superintendent
Elementary Supervision & Instruction

David Ferree
Assistant Superintendent
Facilities Management

Michael Fisher
Chief Financial Officer

Fairbanks North Star Borough School District Organization Chart



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2008

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Angela Leteman

President

John D. Mueser

Executive Director

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairbanks North Star Borough
School District, Alaska

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



President

Executive Director

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FINANCIAL SECTION

November 6, 2009

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the accompanying financial statements and schedules of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairbanks North Star Borough School District (School District), a component unit of the Fairbanks North Star Borough, as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. We also have audited the proprietary fund type and fiduciary fund type of the Fairbanks North Star Borough School District, as of and for the year ended June 30, 2009, as displayed in the School District's basic financial statements. In addition, we also have audited the financial statements and schedules of each of the School District's nonmajor governmental funds in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements and schedules are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements and schedules based on our audit. The prior year partial comparative information has been derived from the School District's June 30, 2008 financial statements, and, in our report dated October 27, 2008 we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, the aggregate remaining fund information, proprietary and fiduciary fund type, and the School District's nonmajor governmental funds.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairbanks North Star Borough School District, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements and schedules referred to above present fairly, in all material respects, the respective financial position of the proprietary and fiduciary fund type and each nonmajor governmental fund of the School District, as of June 30, 2009, and the

119 North Cushman Street, Suite 300 • Fairbanks, Alaska 99701 • 907-456-7762
www.ch-cpa.com e-mail: contact@ch-cpa.com

Senior Consultants: James F. Dieringer, Jr., CPA and Michael T. Cook, CPA

FAX 907-452-6184

respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 6, 2009, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The accompanying required supplementary information, which includes management's discussion and analysis, budgetary comparison information and related note disclosures as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fairbanks North Star Borough School District's basic financial statements. The accompanying introductory section, statistical section, and supplemental reports section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 2009 combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2009, taken as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, the School District's basic financial statements for the year ended June 30, 2008, which are not presented with the accompanying financial statements. In our report dated October 27, 2008, we expressed unqualified opinions on the respective financial statements and schedules of the governmental activities, each major fund, and the aggregate remaining fund information. In our opinion, the June 30, 2008 nonmajor governmental funds are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2008, taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Cook + Haugeberg LLC

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis June 30, 2009

INTRODUCTION

This section of the Fairbanks North Star Borough School District's (School District) comprehensive annual financial report presents our discussion and analysis of the School District's financial performance during the fiscal year that ended on June 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal in the Introductory Section of this report and the School District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2009 include the following:

- The School District's assets exceeded its liabilities at June 30, 2009 by \$23.7 million (net assets). Of this, \$20.1 million is unrestricted and available to pay obligations of the district. Included in unrestricted net assets is \$8.8 million of Federal impact aid revenue for fiscal year 2010 received in advance in fiscal year 2009.
- Senate Bill 125 established permanent employer contribution rates for the Alaska Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) at 22% and 12.56%, respectively, continuing the on-behalf payments for the defined benefit tiers equal to the difference between the actuarial rates and the effective rates. This same bill changed the PERS to a cost-sharing plan and eliminated the School District's net pension obligation (NPO) of \$4.9 million, recorded when the PERS was an agent, multiple-employer plan.
- Revenues saw a net increase of \$1.9 million. State Foundation funding increased \$10.3 million. This increase was offset by a decrease in one-time State supplemental payments (\$6.1 million) and payments made by the State of Alaska on behalf of the School District (State on-behalf payments) for contributions to the State Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) (\$5.4 million). The on behalf payments are recorded as program revenue and expense in the accompanying financial statements.
- Expenses saw a modest net increase of \$0.6 million. Most functional expense categories saw increases in the current year except instruction which was significantly affected by the \$5.4 million decrease in TRS on-behalf payments. All functional expense categories were reduced by the elimination of the \$4.9 million NPO.
- Among major funds, the general fund had \$176 million in current year revenues and \$178.3 million in expenditures. General fund revenues and expenditures are discussed in more detail in the *Financial Analysis of the School District's Funds* section later in this report.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The *government-wide financial statements* provide both short-term and long-term information about the School District's overall financial status, in a manner similar to a private-sector business.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

- The *statement of net assets* presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or diminishing.
- The *statement of activities* presents information showing how the School District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused annual/personal leave).

Both of the government-wide financial statements present functions of the School District as *governmental activities*, that is, functions principally supported by taxes and intergovernmental revenues. The governmental activities of the School District include instruction, support services, administration, operations and maintenance, student activities, student transportation service, adult and continuing education instruction and food services.

The government-wide financial statements can be found on pages 20 and 21 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on the School District's most significant or "major" funds. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is described in the reconciliations accompanying the Governmental Funds Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balances. The governmental funds financial statements can be found on pages 24 through 31 of this report.

Proprietary Fund

The School District maintains a proprietary type internal service fund which is an accounting device used to accumulate and allocate costs internally among the School District's various functions. The internal service fund is used to account for the School District's risk management activities and provides the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 32 through 34 of this report.

Fiduciary Fund

Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. The School

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

District's only fiduciary fund is an agency fund used to account for various School District-related organizations.

The basic fiduciary fund financial statement can be found on page 35 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 37 through 54 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents as *required supplementary information* the budgetary schedules for the major funds and the notes to the budgetary schedules. Required supplementary information can be found on pages 56 through 60 of this report.

Combining schedules for major and nonmajor funds are presented immediately following the required supplementary information. Combining fund schedules can be found on pages 62 through 163 of this report.

Results of the state and federally mandated *Single Audit* which include auditor's opinions, schedules of expenditures of state and federal awards, and schedules of findings and questioned costs can be found on pages 211 through 230 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The School District's assets exceeded liabilities by \$23.7 million as of June 30, 2009. By far the largest portion of the District's net assets is unrestricted and includes \$8.8 million of fiscal year 2010 impact aid received in fiscal year 2009. Net assets invested in capital assets of \$3.7 million reflect the School District's investment in furniture, equipment and software. The School District uses these capital assets to provide services to its parents and students; consequently, these assets are not available for future spending. The analysis that follows focuses on net assets (table 1) and changes in net assets (table 2) for the School District's governmental activities.

Table 1
Net Assets
Governmental Activities

| | 2009 | 2008 | Increase (Decrease) | Percentage Change |
|--------------------------|-------------------|-------------------|--------------------------------|------------------------------|
| Assets | | | | |
| Current and other assets | \$ 30,044,253 | \$ 34,262,404 | \$ (4,218,151) | -12.3% |
| Capital assets | 3,672,266 | 3,967,368 | (295,102) | -7.4% |
| Total assets | 33,716,519 | 38,229,772 | (4,513,253) | -11.8% |
| Liabilities | | | | |
| Long-term liabilities | 8,544,695 | 14,218,428 | (5,673,733) | -39.9% |
| Other liabilities | 1,439,898 | 1,508,116 | (68,218) | -4.5% |
| Total liabilities | 9,984,593 | 15,726,544 | (5,741,951) | -36.5% |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

Table 1
Net Assets (continued)
Governmental Activities

| | 2009 | 2008 | Increase (Decrease) | Percentage Change |
|----------------------------|----------------------|----------------------|------------------------|----------------------|
| Net assets | | | | |
| Invested in capital assets | \$ 3,672,266 | \$ 3,967,368 | \$ (295,102) | -7.4% |
| Unrestricted | 20,059,660 | 18,535,860 | 1,523,800 | 8.2% |
| Total net assets | \$ 23,731,926 | \$ 22,503,228 | \$ 1,228,698 | 5.5% |

The following are significant current year transactions that have had an impact on the Statement of Net Assets:

- A decrease in cash due to 1) a \$2.4 million deficiency of revenues over expenditures in the general fund and 2) pass-through payments made to the Fairbanks North Star Borough for completion of the School District's new central kitchen facility which reduced cash in the capital project funds by \$1.5 million from prior year.
- A \$2 million decrease in the employees' contribution to health care costs to be collected in fiscal year 2010 (local receivables) due to a change in the District's health plan (see Note 11 on page 49 regarding the fiscal year 2008 subsequent event).
- Effective July 1, 2008, the enactment of Senate Bill 125 changed the State PERS to a cost-sharing plan and eliminated the School District's \$4.9 million net pension obligation (NPO) recorded when the PERS was an agent, multiple-employer plan.

The results of this year's operations for the School District as a whole are reported in the Statement of Activities on page 21 of this report. Table 2 provides condensed information from the Statement of Activities.

Table 2
Changes in Net Assets
Governmental Activities

| | 2009 | 2008 | Increase (Decrease) | Percentage Change |
|------------------------------------|--------------------|--------------------|------------------------|----------------------|
| Revenues: | | | | |
| Program revenues: | | | | |
| Charges for services | \$ 2,365,595 | \$ 2,162,538 | \$ 203,057 | 9.4% |
| Operating grants and contributions | 50,760,894 | 55,175,797 | (4,414,903) | -8.0% |
| Capital grants and contributions | 2,515,129 | 511,057 | 2,004,072 | 392.1% |
| General revenues: | | | | |
| Borough direct appropriation | 44,222,700 | 42,222,700 | 2,000,000 | 4.7% |
| Foundation program | 96,001,077 | 85,688,097 | 10,312,980 | 12.0% |
| Other state aid | 1,821,871 | 7,919,269 | (6,097,398) | -77.0% |
| Federal impact aid | 9,596,676 | 11,118,081 | (1,521,405) | -13.7% |
| Other | 680,263 | 1,270,615 | (590,352) | -46.5% |
| Total revenues | 207,964,205 | 206,068,154 | 1,896,051 | 0.9% |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

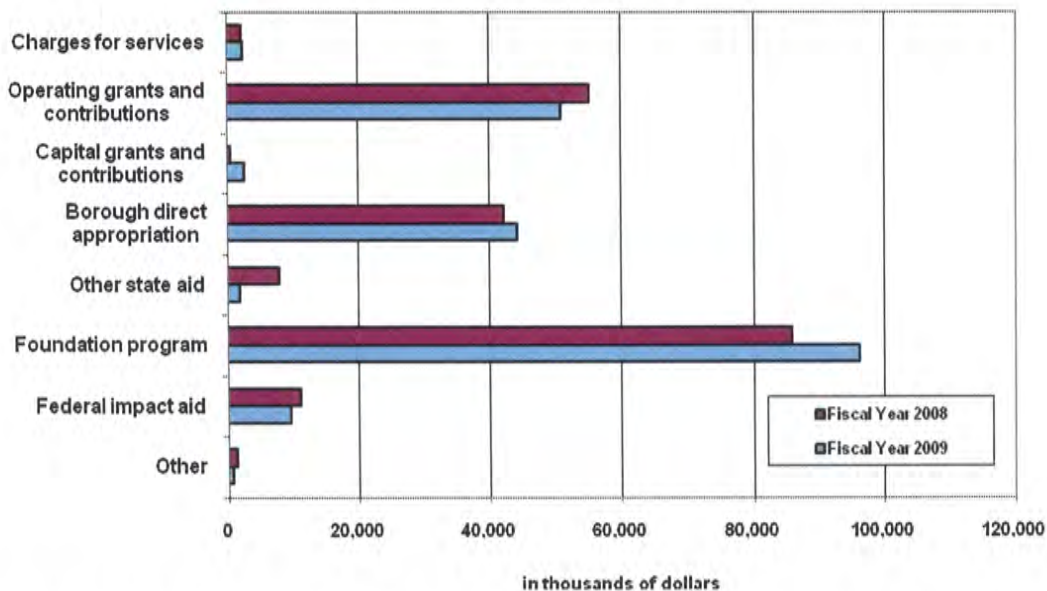
Management's Discussion and Analysis (continued)
June 30, 2009

Table 2
Changes in Net Assets (continued)
Governmental Activities

| | 2009 | 2008 | Increase (Decrease) | Percentage Change |
|--|-----------------------|-----------------------|------------------------|----------------------|
| Expenses: | | | | |
| Instruction | \$ 92,008,786 | \$ 96,385,094 | \$ (4,376,308) | -4.5% |
| Special education instruction | 21,632,095 | 20,936,726 | 695,369 | 3.3% |
| Special education instruction-support services | 3,882,736 | 3,053,826 | 828,910 | 27.1% |
| Support services-students | 12,016,292 | 12,056,303 | (40,011) | -0.3% |
| Support services-instruction | 10,973,700 | 10,205,791 | 767,909 | 7.5% |
| School administration | 7,066,719 | 7,354,532 | (287,813) | -3.9% |
| School administration support services | 4,084,016 | 4,164,728 | (80,712) | -1.9% |
| District administration | 2,150,747 | 2,055,996 | 94,751 | 4.6% |
| District administration support services | 9,013,588 | 8,989,152 | 24,436 | 0.3% |
| Operations and maintenance of plant | 24,692,687 | 21,913,361 | 2,779,326 | 12.7% |
| Student activities | 4,869,918 | 4,889,861 | (19,943) | -0.4% |
| Student transportation service | 9,475,472 | 9,113,672 | 361,800 | 4.0% |
| Adult and continuing education instruction | 5,118 | | 5,118 | |
| Food service | 4,823,175 | 4,979,963 | (156,788) | -3.1% |
| Interest | 40,458 | | 40,458 | |
| Total expenses | \$ 206,735,507 | \$ 206,099,005 | \$ 636,502 | 0.3% |
| Increase (decrease) in net assets | \$ 1,228,698 | \$ (30,851) | \$ 1,259,549 | -4082.7% |
| Ending net assets | \$ 23,731,926 | \$ 22,503,228 | \$ 1,228,698 | 5.5% |

Figure A-1 presents a comparative chart of governmental activities revenues for fiscal year 2009 and 2008.

Figure A-1, Governmental Activities Revenues for Fiscal Year 2009 and 2008



Changes in revenues are discussed in more detail in the *Financial Analysis of the School District's Funds* section later in this MD&A.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued)
June 30, 2009

Figure A-2 presents a chart of governmental activities revenues by source as a percentage of total governmental activities revenues.

Figure A-2, Revenues by Source – Governmental Activities

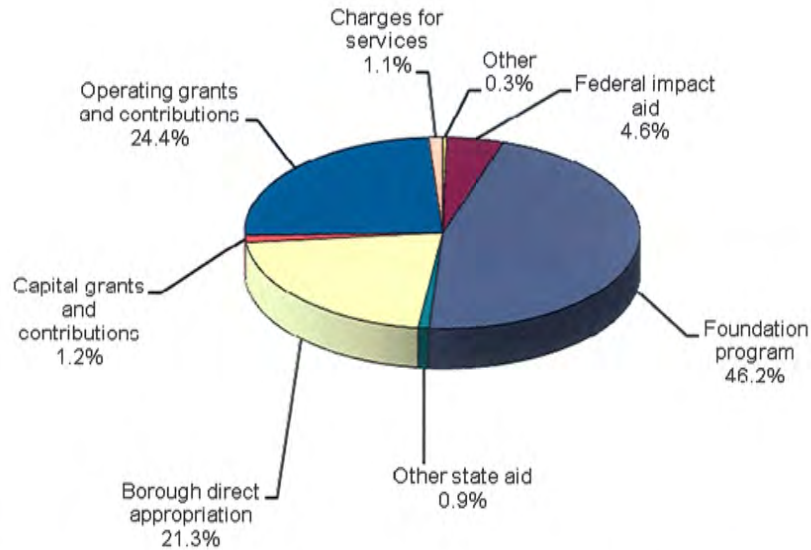
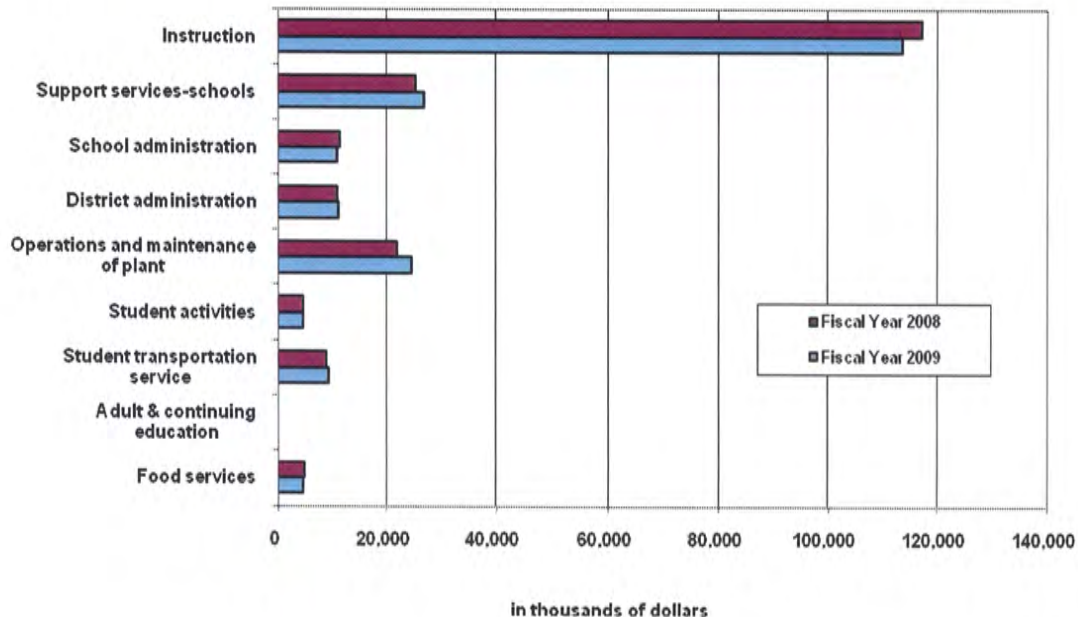


Figure A-3 presents a comparative chart of governmental activities expenses for fiscal year 2009 and 2008.

Figure A-3, Governmental Activities Expenses for Fiscal Year 2009 and 2008



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

The cost of all governmental activities in the current year was \$206.7 million, a modest 0.3 percent increase over the prior year. The net increase is a result of significant increases and decreases in certain expenses as follows:

- Increase in expenses of the risk management internal service fund of \$3 million or 12.4 percent due mainly to rising health costs.
- Increase in certified and non-certified staff salaries in excess of \$3 million.
- Increase in expenses for the construction of the School District's new Central Kitchen facility (owned by the primary government) of \$3.7 million.
- Net decrease in State on-behalf payments made to the PERS and TRS of \$5.4 million mostly due to the Alaska Retirement Management Board adopting a TRS employer contribution rate of 44.17 percent for fiscal year 2009 compared to 54.03 percent in the prior fiscal year.
- Decrease in all functional expenses of \$4.9 million due to the elimination of the PERS net pension obligation (NPO).

Figure A-4 presents a chart of governmental activities expenses by function as a percentage of total governmental activities expenses.

Figure A-4, Expenses by Function – Governmental Activities

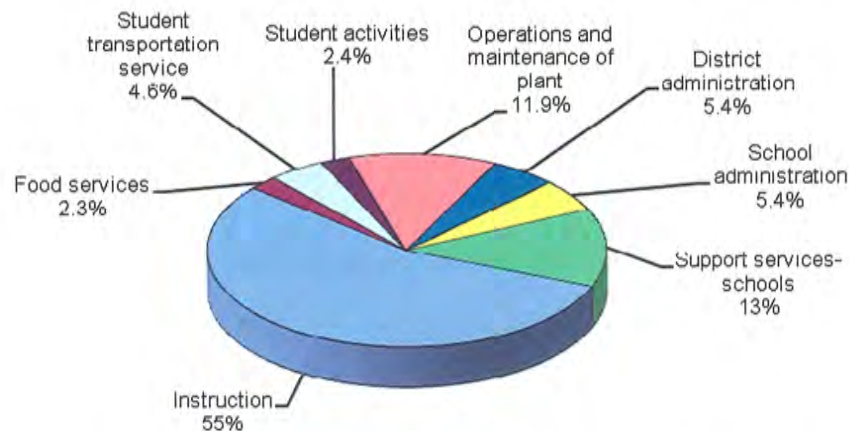


Table 3 condenses the total expenses of the School District's main functional categories – instruction, support services - schools, school administration, district administration, operations and maintenance of plant, student activities, student transportation service, adult and continuing education instruction, and food services, as well as each program's *net* cost. To arrive at net cost the total cost of providing services is reduced by charges for those services as well as operating and capital grants and contributions designated for specific programs. Net cost shows the amount to be supported by state foundation funding, other state aid, federal impact aid and by the taxpayers for each of these functions. Providing this information allows the users of this report to consider the cost of each function in comparison to the benefits they believe are provided by that function.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued)
June 30, 2009

Table 3
Net Cost of Governmental Activities

| | 2009 | | 2008 | |
|--|---------------------------|-------------------------|---------------------------|-------------------------|
| | Total Cost of Services | Net Cost of Services | Total Cost of Services | Net Cost of Services |
| Instruction | \$ 113,640,881 | \$ 89,007,496 | \$ 117,321,820 | \$ 86,537,073 |
| Support services - schools | 26,872,728 | 18,426,883 | 25,315,920 | 17,336,103 |
| School administration | 11,150,735 | 9,618,254 | 11,519,260 | 9,659,552 |
| District administration | 11,164,335 | 10,375,383 | 11,045,148 | 10,467,438 |
| Operations & maintenance of plant | 24,692,687 | 21,300,030 | 21,913,361 | 21,332,607 |
| Student activities | 4,869,918 | 2,225,025 | 4,889,861 | 2,154,385 |
| Student transportation service | 9,475,472 | 216,102 | 9,113,672 | 521,876 |
| Adult and continuing education instruction | 5,118 | 5,118 | | |
| Food services | 4,823,175 | (120,860) | 4,979,963 | 240,579 |
| Interest expense | 40,458 | 40,458 | | |
| Total | <u>\$ 206,735,507</u> | <u>\$ 151,093,889</u> | <u>\$ 206,099,005</u> | <u>\$ 148,249,613</u> |

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the School District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's net resources available for spending at the end of the fiscal year. As of the current fiscal year, the School District's governmental funds reported combined ending fund balance of \$25.6 million, a decrease of \$3.3 million or 11.4 percent from the prior year combined fund balance. Approximately 55.1 percent of this combined fund balance (\$14.1 million) constitutes *unreserved fund balance*, which is available for spending at the School District's discretion. However, management has designated \$5.5 million of this *unreserved fund balance* to balance the fiscal year 2010 budget. The remaining \$11.5 million of fund balance is *reserved* to indicate that it is not available for spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$1.9 million), 2) for inventory to be used in School District operations (\$0.8 million), and 3) for the fiscal year 2010 annual federal impact aid payment received in advance in fiscal year 2009 (\$8.8 million). Table 4 reconciles total ending fund balances for the governmental funds with total net assets on the government-wide statement of net assets.

Table 4
Reconciliation of Total Fund Balances for Governmental Funds to
Net Assets of Governmental Activities

| | 2009 |
|---|----------------------|
| Total fund balances - governmental funds - at June 30, 2009 | \$ 25,573,306 |
| Fair market value of food commodity inventory | 37,375 |
| Cost of capital assets (net of accumulated depreciation/amortization) | 3,672,266 |
| Internal service fund net assets | (1,419,431) |
| Long-term liabilities (compensated absences and capital leases) | (4,131,590) |
| Total net assets at June 30, 2009 | <u>\$ 23,731,926</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

Key elements of changes in fund balance for the major funds follows:

- At the end of the current fiscal year, unreserved fund balance of the general fund was \$10.7 million, down \$1.3 million or 10.7 percent from last fiscal year while total fund balance was \$21.5 million, down \$2.4 million or 10 percent from last fiscal year. If you ignore the PERS and TRS on-behalf revenue and expenditures (which have a net zero effect on fund balance), general fund revenues increased \$4.1 million or 2.3 percent in the current year and expenditures increased \$8.5 million or 4.8 percent. Additional revenue came from the local borough appropriation (\$2 million) and increases in state foundation funding (\$10.3 million) offset by a decrease in one time state supplemental funding received in fiscal year 2008 (\$6.1 million) and a decrease in federal impact aid revenue (\$1.5 million). The net increase in expenditures resulted mostly from increases in certified and non-certified staff salaries (\$3 million) and an additional charge (\$4.5 million) from the risk management internal service fund to avoid a projected \$6.1 million deficit in that fund at June 30.
- The federal programs special revenue fund accounts for all federal grant programs not required to be located in the general fund. Revenue in this fund is recognized to the extent eligible expenditures have been incurred with the exception of an American Reinvestment and Recovery Act (ARRA) impact aid construction grant received in the current year (\$438,937) and small amounts of program income and revenue of the JR ROTC program. Fund balance in this fund at June 30, 2009 is comprised of the ARRA impact aid grant and federal monies for the JR ROTC programs in the high schools. The change from prior year was an increase of \$412,491.
- The student transportation special revenue fund accounts for revenues and expenditures of providing transportation to and from schools. The State of Alaska provides the funding for these state approved student transportation services through a grant based on a per student formula. Transportation services not covered by state funding are subsidized with a general fund transfer when necessary. Fund balance in this fund increased \$211,175 or 91.1 percent from the prior year.

Table 5 presents a summary of general fund revenues.

Table 5
General Fund Revenues

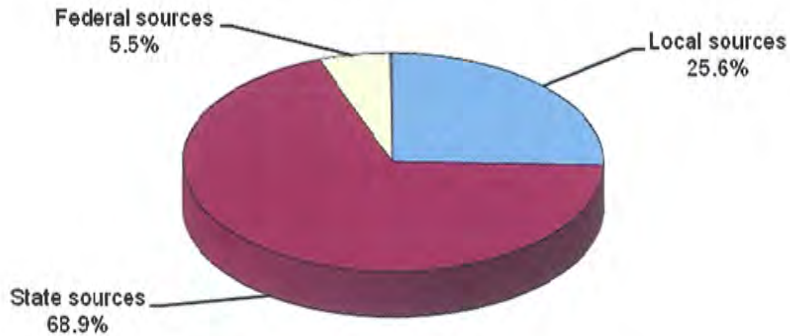
| | 2009 | 2008 | Increase (Decrease) | Percent Increase (Decrease) |
|-------------------------|-----------------------|-----------------------|------------------------|-----------------------------------|
| Local sources | \$ 44,892,083 | \$ 43,068,685 | \$ 1,823,398 | 4.2% |
| State sources | 121,216,124 | 122,430,200 | (1,214,076) | -1.0% |
| Federal sources | 9,596,676 | 11,530,171 | (1,933,495) | -16.8% |
| Other financing sources | 204,349 | 31,960 | 172,389 | 539.4% |
| Total | <u>\$ 175,909,232</u> | <u>\$ 177,061,016</u> | <u>\$ (1,151,784)</u> | <u>-0.7%</u> |

Figure A-5 presents a chart of general fund revenues by source as a percentage of total general fund revenues.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued)
June 30, 2009

Figure A-5, General Fund Revenues



Revenue from local sources is comprised mainly of the appropriation from the Fairbanks North Star Borough for general school operations which totaled \$44.2 million in fiscal year 2009, a \$2 million increase over last year. Revenue from state sources decreased \$1.2 million or 1.0 percent in fiscal year 2009. This was due to decreases in State on-behalf payments made to the PERS and TRS (\$5.4 million) and one-time State supplemental payments (\$6.1 million) offset by an increase in State foundation funding of \$10.3 million. The decrease in State on-behalf payments was mostly due to the Alaska Retirement Management Board adopting a TRS employer contribution rate of 44.17 percent for fiscal year 2009 compared to 54.03 percent in the prior fiscal year. The increase in State foundation funding was due to an increase in intensive resource per pupil funding allocation, an intensive resource enrollment increase and an increase in the per student base allocation of \$100. Revenue from federal sources decreased \$1.9 million due mainly to a drop in revenue for the current year federal impact aid application. Increases in local and state aid were aimed at covering increases in salary and benefit costs discussed in more detail below.

Table 6 presents a summary of general fund expenditures.

Table 6
General Fund Expenditures

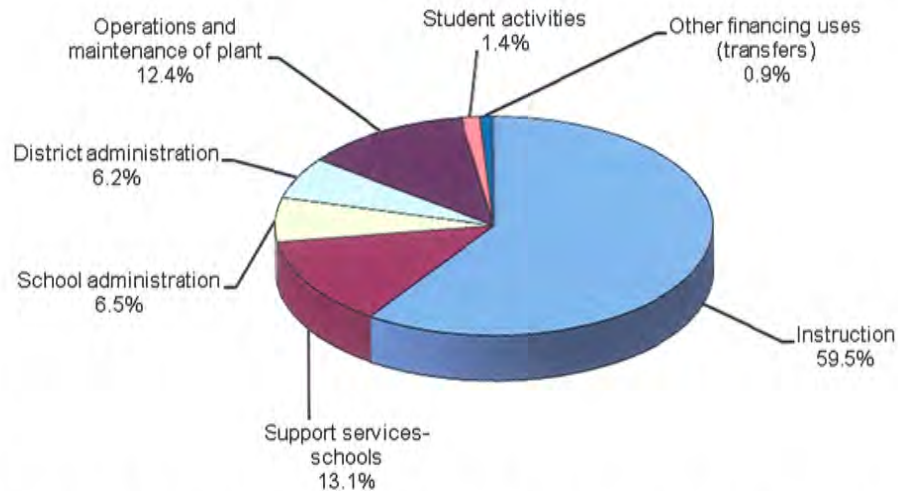
| | 2009 | 2008 | Increase (Decrease) | Percent Increase (Decrease) |
|-------------------------------------|-----------------------|-----------------------|------------------------|-----------------------------------|
| Instruction | \$ 106,111,390 | \$ 106,336,057 | \$ (224,667) | -0.2% |
| Support services - schools | 23,421,998 | 20,666,177 | 2,755,821 | 13.3% |
| School administration | 11,523,880 | 11,401,573 | 122,307 | 1.1% |
| District administration | 11,025,212 | 10,322,946 | 702,266 | 6.8% |
| Operations and maintenance of plant | 22,049,314 | 21,775,769 | 273,545 | 1.3% |
| Student activities | 2,488,308 | 2,405,649 | 82,659 | 3.4% |
| Transfers to other funds | 1,683,990 | 2,180,858 | (496,868) | -22.8% |
| Total | <u>\$ 178,304,092</u> | <u>\$ 175,089,029</u> | <u>\$ 3,215,063</u> | <u>1.8%</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

Figure A-6 presents a chart of general fund expenditures by function as a percentage of total general fund expenditures.

Figure A-6, General Fund Expenditures



Expenditures increased in all functional areas, except instruction. In 2009, State of Alaska on-behalf payments made to the PERS increased \$1.6 million and on-behalf payments made to the TRS decreased \$7 million for a net decrease of \$5.4 million. The decrease in on-behalf payments to the TRS affected the instruction function to a greater extent offsetting other operating increases. However, if you ignore the on-behalf payments a clearer picture emerges showing expenditures in the general fund increased \$8.6 million or 5.9%. Most of this increase is due to increases in certified and non-certified staff salaries (\$3 million) and an overall increase in employee benefits (\$5.8 million) which includes an additional \$4.5 million charge from the risk management internal service fund to cover that fund's projected deficit.

Proprietary Fund

The risk management internal service fund is used by the School District to account for its self-insurance and risk management program. An internal service fund is simply a means of accumulating costs related to a given activity on an accrual basis so that the costs can subsequently be allocated to the benefiting funds in the form of fees and charges. Any surplus or deficit in this fund is taken into account when setting future benefit rates with the idea that the fund should "break even". The internal service fund had a deficit at June 30, 2009 of \$1.4 million, a decrease of \$132,512 from fiscal year 2008. Because the projected deficit in the fund at June 30 was \$6.1 million, a decision was made to charge an additional \$4.5 million in health costs to the general fund in fiscal year 2009. As a result operating revenues of the fund increased \$4.9 million or 21.6 percent from the prior year. Operating expenses increased \$3 million or 12.4 percent from the prior year due primarily to an increase in claims experience. However, as disclosed in Note 11 on page 49 of this report, the result of a new negotiated agreement between the School District and the Fairbanks Education Association (FEA) occurred too late to be included in our fiscal year 2008 report. The effect on employee dollar share receivable recorded in the risk management internal service fund at June 30, 2008 was a decrease from \$5,228,950 to \$3,743,520, a difference of \$1,485,430 which was recorded as an expense in fiscal year 2009.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued)
June 30, 2009

GENERAL FUND BUDGETARY HIGHLIGHTS

The School District Board of Education holds public hearings and approves the School District budget by functional area. The Fairbanks North Star Borough (Borough) Assembly then approves the bottom line total for the School District budget. Once approved, state law requires it to be submitted to the State of Alaska, Department of Education and Early Development. Board policy requires that budget transfers or adjustments between programs in excess of \$20,000 or any budget transfer or adjustment in excess of \$25,000 be authorized by the Board of Education.

Differences between the general fund original budget and final budget are due mainly to the following:

- The original budget includes the cost for all substitutes for teachers, counselors, and library personnel in one appropriated line item in the instruction function. However, actual substitute costs for counselors and library personnel are charged to either support services-students or support services-instruction as incurred. As those costs are known, the budget is adjusted accordingly.
- Purchase orders outstanding at June 30 of the previous year were carried forward to the current year as adjustments to the final budget (\$1.3 million).
- Contract adjustments for exempt employees which were approved by the Board after the original budget had been adopted.
- In the original budget an average salary amount is used to budget for certificated positions. However for some functions, such as special education instruction and support services students, actual salaries for certain teaching, guidance counselor and librarian positions can be considerably higher than the average. The final budget is adjusted for these differences.

Actual revenues on the budgetary basis (excluding other financing sources) for fiscal year 2009 were \$4.5 million more than the final budget. Actual expenditures on the budgetary basis (excluding other financing uses) for fiscal year 2009 were \$3.8 million less than the final budget.

Significant budget to actual variances of note were:

- Revenues - state sources – were over budget by \$3 million. Most of this variance was due to the final PERS and TRS on-behalf payments made by the State of Alaska being more than budgeted.
- Revenues - federal sources – were over budget by \$1.6 million. This overage was due mostly to federal impact aid revenues and department of defense funds being over budget. Impact aid revenues are comprised of monies for the year under application and for final adjustments to prior years' applications. We conservatively budget for the year under application only, based on historic impact aid formula variables. Funding for the federal 2009 application was under budget by \$1.4 million. The remaining favorable variance is due to department of defense funds not budgeted.
- Total expenditures – were over budget by \$0.8 million. All expenditure *object* categories were under budget except employee benefits which was \$6.4 million over budget. This was due to the current year PERS and TRS on-behalf expenditures exceeding budget by \$3 million and the additional \$4.5 million charge for health costs made by the internal service fund. The negative budget to actual variance for employee benefits is evident in five of the eleven functional expenditure categories.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis (continued) June 30, 2009

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The School District's investment in capital assets for its governmental activities was \$3.7 million as of June 30, 2009 (net of accumulated depreciation and amortization). This investment in capital assets includes furniture, equipment and software. The Borough (primary government) owns the land and buildings. The fiscal year 2007 capitalization of a major building improvement to the School District Administrative Center, owned by the Borough, was corrected in fiscal year 2009 and recorded instead as operations and maintenance of plant expense. This accounts for the 7.4 percent decrease in the School District's investment in capital assets for the current fiscal year. Table 7 details capital assets by asset type:

Table 7
Capital Assets (Net of Depreciation/Amortization)
Governmental Activities

| | 2009 | 2008 | Increase (Decrease) | Percent Increase (Decrease) |
|-------------------------|---------------------|---------------------|------------------------|-----------------------------------|
| Building improvements | \$ | \$ 291,594 | \$ (291,594) | -100.0% |
| Furniture and equipment | 3,655,471 | 3,632,895 | 22,576 | 0.6% |
| Intangibles (software) | 16,795 | 42,879 | (26,084) | -60.8% |
| Total | <u>\$ 3,672,266</u> | <u>\$ 3,967,368</u> | <u>\$ (295,102)</u> | <u>-7.4%</u> |

Additional information on the School District's capital assets can be found in Note 6 on pages 45 through 46 of this report.

Debt Administration

The School District's long-term obligations include \$3.1 million for compensated absences, an increase of \$91,722 or 2.9 percent from the prior year. We would expect to see modest increases in compensated absences as long as salaries are increasing. Long-term obligations also include \$4.4 million for claims and reserves, a decrease of \$1 million or 18.1 percent over prior year. Claims and judgments include such items as claims payable and accrued self-insurance reserves. Most of the decrease in claims and reserves is due to a revised estimate of workers' compensation reserves as reported in the risk management internal service fund. Additional information about long-term obligations can be found in Note 9 and Note 11 on pages 48 through 50 of this report and in the risk management internal service fund financial statements on pages 32 through 34.

Debt related to general obligation bonds for school construction is the responsibility of the Borough. The School District has no liability for repayment of general obligation bonds. For informational purposes, debt related to general obligation bonds for school construction can be found in Note 10 on page 48 through 49 of this report.

ECONOMIC FACTORS AND SUBSEQUENT YEARS' BUDGETS

At the completion of the audit, the School District was aware of certain factors which could significantly impact financial condition or budgetary decisions in the near future:

- Revenues from State sources are largely dependent on student enrollment. Fiscal year 2010 budgeted State revenues are based on 14,348 projected students. The official count period for State funding is not complete although student enrollments are expected to exceed projections.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Management's Discussion and Analysis June 30, 2009

- The District's budget is comprised of over 85 percent in salaries and employee benefits, and includes three bargaining units and one exempt management group. The Fairbanks Principals' Association contract expires June 30, 2010, the Fairbanks Education Association (teachers') contract expires June 30, 2011 and the Education Support Staff Association contract expires June 30, 2012. Members of exempt management sign individual annual employee contracts.
- The Twenty-fifth Alaska State Legislature established a Joint Legislative Education Funding Task Force (JLETF) for the purpose of examining school district cost differentials and the existing formula for distributing state aid for education, and recommending improvements or additions to the laws providing for education funding. Although only advisory in nature, those recommendations include increased funding for geographical funding differentials, intensive special needs children, pupil transportation, and an increase to the basic per student allocation.
- As discussed earlier, Senate Bill 125 established permanent employer contribution rates for the Alaska Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) at 22% and 12.56%, respectively, continuing the on-behalf payments for the defined benefit tiers equal to the difference between the actuarial rates and the effective rates. Budgets for those pension benefits will be stable going into the future as the employer contribution rates are now capped at amounts lower than the rising actuarial rates.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of the School District finances and show the School District's accountability for the money it receives. Questions concerning information provided in this report or requests for additional information should be addressed to:

Michael Fisher
Chief Financial Officer
Fairbanks North Star Borough School District
Department of Administrative Services
520 5th Avenue
Fairbanks, Alaska 99701
Phone (907) 452-2000, Fax (907) 451-6160

BASIC FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

Fund Financial Statements

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net assets

Statement of Activities

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Statement of Net Assets

June 30, 2009

(With comparative totals for 2008)

| | Governmental Activities | |
|--|--------------------------------|----------------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Equity in central treasury cash | \$ 21,392,081 | \$ 24,245,344 |
| Restricted equity in central treasury cash | 18,249 | 34,137 |
| Accounts receivable | 7,589,434 | 9,112,316 |
| Due from Fairbanks North Star Borough | 188,813 | 27,749 |
| Inventories | 843,601 | 836,949 |
| Prepaid items | 12,075 | 5,909 |
| Building improvements | | 318,102 |
| Furniture and equipment | 12,146,653 | 11,670,579 |
| Less accumulated depreciation | (8,491,182) | (8,064,192) |
| Intangible assets, net of amortization | 16,795 | 42,879 |
| Total assets | <u>\$ 33,716,519</u> | <u>\$ 38,229,772</u> |
| <u>LIABILITIES</u> | | |
| Accounts payable | \$ 783,718 | \$ 708,370 |
| Accrued payroll and liabilities | 632,510 | 666,114 |
| Unearned revenue | 18,249 | 34,137 |
| Due to external groups and agencies | 5,421 | |
| Due to Fairbanks North Star Borough | | 99,495 |
| Long-term liabilities (See Note 9): | | |
| Due within one year | 6,224,974 | 6,193,381 |
| Due in more than one year | 2,319,721 | 8,025,047 |
| Total liabilities | <u>9,984,593</u> | <u>15,726,544</u> |
| <u>NET ASSETS</u> | | |
| Invested in capital assets | 3,672,266 | 3,967,368 |
| Unrestricted | <u>20,059,660</u> | <u>18,535,860</u> |
| Total net assets | <u>\$ 23,731,926</u> | <u>\$ 22,503,228</u> |

See accompanying notes to the basic financial statements.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Statement of Activities
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| <u>Functions/Programs</u> | <u>Program Revenues</u> | | | <u>Net (Expense) Revenue and Changes in Net Assets</u> | |
|---|-------------------------|---------------------------------|---|--|-----------------|
| | <u>Expenses</u> | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| | | | | | 2009 |
| | | | | | 2008 |
| Governmental activities: | | | | | |
| Instruction | \$ 92,008,786 | \$ 42,227 | \$ 18,701,118 | \$ 81,174 | \$ (73,184,267) |
| Special education instruction | 21,632,095 | | 5,808,866 | | (15,823,229) |
| Special education support services - students | 3,882,736 | | 378,420 | | (3,504,316) |
| Support services - students | 12,016,292 | 73,749 | 3,033,419 | | (8,909,124) |
| Support services - instruction | 10,973,700 | 69,971 | 4,890,286 | | (6,013,443) |
| School administration | 7,066,719 | | 1,222,435 | | (5,844,284) |
| School administration support services | 4,084,016 | | 310,046 | | (3,773,970) |
| District administration | 2,150,747 | | 232,090 | | (1,918,657) |
| District administration support services | 9,013,588 | | 556,862 | | (8,456,726) |
| Operations and maintenance of plant | 24,692,687 | | 958,702 | 2,433,955 | (21,300,030) |
| Student activities | 4,869,918 | | 2,644,893 | | (2,225,025) |
| Student transportation service | 9,475,472 | 17,300 | 9,242,070 | | (216,102) |
| Adult and continuing education instruction | 5,118 | | | | (5,118) |
| Food services | 4,823,175 | 2,162,348 | 2,781,687 | | 120,860 |
| Interest expense | 40,458 | | | | (40,458) |
| Total governmental activities | \$ 206,735,507 | \$ 2,365,595 | \$ 50,760,894 | \$ 2,515,129 | (151,093,889) |
| | | | | | (148,249,613) |
| General revenues: | | | | | |
| Grants and contributions not restricted to specific programs: | | | | | |
| Borough direct appropriation | | | | | 44,222,700 |
| Foundation program | | | | | 96,001,077 |
| Other state revenue | | | | | 1,821,871 |
| Federal impact aid | | | | | 9,596,676 |
| Other | | | | | 295,993 |
| Miscellaneous | | | | | 384,270 |
| | | | | | 152,322,587 |
| Total general revenues | | | | | 148,218,762 |
| Change in net assets | | | | | 1,228,698 |
| Net assets - beginning | | | | | 22,503,228 |
| Net assets - ending | | | | | \$ 23,731,926 |
| | | | | | \$ 22,503,228 |

See accompanying notes to the basic financial statements.

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FUND FINANCIAL STATEMENTS

Governmental Funds:

- Balance Sheet**
- Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net
Assets**
- Statement of Revenues, Expenditures and
Changes in Fund Balances**
- Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances to the
Statement of Activities**

Proprietary Fund:

- Statement of Net Assets**
- Statement of Revenues, Expenses and
Changes in Fund Net Assets**
- Statement of Cash Flows**

Fiduciary Fund:

- Statement of Fiduciary Assets and
Liabilities**

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2009

(With comparative totals for 2008)

| | <u>General</u> | <u>Federal Programs Special Revenue</u> | <u>Student Transportation Special Revenue</u> |
|---|----------------------|---|---|
| <u>ASSETS</u> | | | |
| Equity in central treasury cash | \$ 17,522,010 | \$ 442,835 | \$ 508,967 |
| Accounts receivable: | | | |
| Local | 157,576 | 97 | |
| State | | 3,826,339 | |
| Federal | 18,466 | 303,106 | |
| Due from other funds | 4,411,987 | | |
| Due from Fairbanks North Star Borough | 8,643 | | |
| Inventories | 506,511 | | |
| Prepaid items | 12,075 | | |
| Total assets | <u>\$ 22,637,268</u> | <u>\$ 4,572,377</u> | <u>\$ 508,967</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | |
| Liabilities: | | | |
| Accounts payable | \$ 506,126 | \$ 99,731 | \$ 65,872 |
| Accrued payroll and liabilities | 632,510 | | |
| Deferred revenue | | 2,395 | |
| Due to other funds | | 4,024,044 | |
| Due to external groups and agencies | | 5,421 | |
| Due to Fairbanks North Star Borough | | | |
| Total liabilities | <u>1,138,636</u> | <u>4,131,591</u> | <u>65,872</u> |
| Fund balances: | | | |
| Reserved for: | | | |
| Encumbrances | 1,492,438 | 98,015 | 1,441 |
| Inventories | 506,511 | | |
| Prepayments | 12,075 | | |
| Impact aid advance | 8,813,432 | | |
| Unreserved: | | | |
| Designated for: | | | |
| Subsequent year's expenditures | 5,480,390 | | |
| Undesignated, reported in: | | | |
| General fund | 5,193,786 | | |
| Special revenue funds | | 342,771 | 441,654 |
| Capital projects funds | | | |
| Total fund balances | <u>21,498,632</u> | <u>440,786</u> | <u>443,095</u> |
| Total liabilities and fund balances | <u>\$ 22,637,268</u> | <u>\$ 4,572,377</u> | <u>\$ 508,967</u> |

See accompanying notes to the basic financial statements.

| Other Governmental | Total Governmental Funds | |
|-----------------------|-----------------------------|----------------------|
| | 2009 | 2008 |
| \$ 2,936,518 | \$ 21,410,330 | \$ 24,279,481 |
| 2,400 | 160,073 | 157,715 |
| 143,193 | 3,969,532 | 3,174,004 |
| | 321,572 | 551,647 |
| | 4,411,987 | 4,688,195 |
| 180,170 | 188,813 | 27,749 |
| 299,715 | 806,226 | 793,009 |
| | 12,075 | 5,909 |
| <u>\$ 3,561,996</u> | <u>\$ 31,280,608</u> | <u>\$ 33,677,709</u> |

| | | |
|----------------|------------------|------------------|
| \$ 51,796 | \$ 723,525 | \$ 612,919 |
| | 632,510 | 666,114 |
| 15,854 | 18,249 | 34,137 |
| 303,553 | 4,327,597 | 3,387,985 |
| | 5,421 | |
| | | 99,495 |
| <u>371,203</u> | <u>5,707,302</u> | <u>4,800,650</u> |

| | | |
|---------------------|----------------------|----------------------|
| 270,247 | 1,862,141 | 1,595,794 |
| 299,715 | 806,226 | 793,009 |
| | 12,075 | 5,909 |
| | 8,813,432 | 10,162,549 |
| | 5,480,390 | 5,525,200 |
| | 5,193,786 | 6,428,819 |
| 2,110,562 | 2,894,987 | 2,320,976 |
| 510,269 | 510,269 | 2,044,803 |
| <u>3,190,793</u> | <u>25,573,306</u> | <u>28,877,059</u> |
| <u>\$ 3,561,996</u> | <u>\$ 31,280,608</u> | <u>\$ 33,677,709</u> |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2009

Total fund balances for governmental funds \$ 25,573,306

Amounts reported for governmental activities in the statement of net assets are different because:

Commodities to be used in the School District's Food Service Program are purchased at a nominal price from the U.S. Department of Agriculture through the State of Alaska's USDA Commodity Program. However, commodity inventory in the Statement of Net Assets is valued at fair market value.

Adjust commodity inventory to fair market value. 37,375

The cost of capital assets purchased is reported as an expenditure in governmental funds. Conversely, the fair market value of capital assets donated is not reported in governmental funds. The statement of net assets includes purchased and donated capital assets among the assets of the School District as a whole. The cost (or fair market value, if donated) of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various functions reported as governmental activities in the statement of activities.

| | | |
|--|---------------|-----------|
| Furniture and equipment | \$ 12,146,653 | |
| Accumulated depreciation to date | (8,491,182) | |
| Intangible assets, net of amortization | <u>16,795</u> | |
| | | 3,672,266 |

An internal service fund is used by management to charge the costs of self-insurance and risk management to individual funds. The assets and liabilities of the internal service fund are reported with governmental activities in the statement of net assets.

Internal service fund net assets (1,419,431)

Long-term liabilities applicable to the School District's governmental funds are not due and payable in the current period and accordingly are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the statement of net assets. Balances at June 30, 2009 are:

| | |
|----------------------|------------------|
| Compensated absences | (3,148,628) |
| Capital leases | <u>(982,962)</u> |

Total net assets of governmental activities \$ 23,731,926

See accompanying notes to the basic financial statements

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | <u>General</u> | <u>Federal Programs Special Revenue</u> | <u>Student Transportation Special Revenue</u> |
|---|----------------------|---|---|
| Revenues: | | | |
| Local sources | \$ 44,892,083 | \$ 73,749 | \$ 17,300 |
| State sources | 121,216,124 | | 9,242,070 |
| Federal sources | 9,596,676 | 11,910,921 | |
| Total revenues | <u>175,704,883</u> | <u>11,984,670</u> | <u>9,259,370</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction | 86,673,580 | 3,827,899 | |
| Special education instruction | 19,437,810 | 2,870,067 | |
| Special education support services - students | 3,956,716 | | |
| Support services - students | 11,309,024 | 1,353,532 | |
| Support services - instruction | 8,156,258 | 2,852,918 | |
| School administration | 7,041,302 | | |
| School administration support services | 4,482,578 | 5,080 | |
| District administration | 2,229,308 | (6,200) | |
| District administration support services | 8,795,904 | 668,883 | |
| Operations and maintenance of plant | 22,049,314 | | |
| Student activities | 2,488,308 | | |
| Student transportation service | | | 9,488,016 |
| Adult and continuing education instruction | | | |
| Food services | | | |
| Total current | <u>176,620,102</u> | <u>11,572,179</u> | <u>9,488,016</u> |
| Debt service: | | | |
| Interest | | | |
| Principal | | | |
| Total debt service | | | |
| Capital outlay | | | |
| Total expenditures | <u>176,620,102</u> | <u>11,572,179</u> | <u>9,488,016</u> |
| Excess (deficiency) of revenues over expenditures | <u>(915,219)</u> | <u>412,491</u> | <u>(228,646)</u> |
| Other financing sources (uses): | | | |
| Proceeds from sale of capital assets | 10,380 | | |
| Issuance of capital leases | | | |
| Transfers in | 193,969 | | 439,820 |
| Transfers out | (1,683,990) | | |
| Total other financing sources (uses) | <u>(1,479,641)</u> | | <u>439,820</u> |
| Net change in fund balances | <u>(2,394,860)</u> | <u>412,491</u> | <u>211,174</u> |
| Fund balances - beginning | <u>23,893,492</u> | <u>28,295</u> | <u>231,921</u> |
| Fund balances - ending | <u>\$ 21,498,632</u> | <u>\$ 440,786</u> | <u>\$ 443,095</u> |

See accompanying notes to the basic financial statements.

| Other Governmental | Total Governmental Funds | |
|-----------------------|-----------------------------|---------------|
| | 2009 | 2008 |
| \$ 4,835,011 | \$ 49,818,143 | \$ 47,760,048 |
| 927,197 | 131,385,391 | 132,071,897 |
| 5,128,622 | 26,636,219 | 26,027,156 |
| 10,890,830 | 207,839,753 | 205,859,101 |
| 1,818,069 | 92,319,548 | 95,429,216 |
| | 22,307,877 | 20,768,748 |
| | 3,956,716 | 3,054,051 |
| 6,991 | 12,669,547 | 11,988,071 |
| 443,447 | 11,452,623 | 10,131,281 |
| 30,342 | 7,071,644 | 7,285,455 |
| | 4,487,658 | 4,155,048 |
| | 2,223,108 | 2,101,406 |
| 5,588 | 9,470,375 | 8,838,960 |
| | 22,049,314 | 21,775,769 |
| 2,433,358 | 4,921,666 | 4,891,073 |
| | 9,488,016 | 9,106,723 |
| 5,118 | 5,118 | |
| 4,829,664 | 4,829,664 | 4,719,021 |
| 9,572,577 | 207,252,874 | 204,244,822 |
| 40,458 | 40,458 | |
| 419,967 | 419,967 | 318,968 |
| 460,425 | 460,425 | 318,968 |
| 3,969,640 | 3,969,640 | 165,733 |
| 14,002,642 | 211,682,939 | 204,729,523 |
| (3,111,812) | (3,843,186) | 1,129,578 |
| 880 | 11,260 | 31,960 |
| 528,173 | 528,173 | 1,193,724 |
| 1,244,170 | 1,877,959 | 3,691,292 |
| (193,969) | (1,877,959) | (3,691,292) |
| 1,579,254 | 539,433 | 1,225,684 |
| (1,532,558) | (3,303,753) | 2,355,262 |
| 4,723,351 | 28,877,059 | 26,521,797 |
| \$ 3,190,793 | \$ 25,573,306 | \$ 28,877,059 |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2009

Net change in fund balances - total governmental funds \$ (3,303,753)

The change in net assets reported for governmental activities in the statement of activities is different because:

Commodities to be used in the School District's Food Service Program are purchased at a nominal price from the U.S. Department of Agriculture through the State of Alaska's USDA Commodity Program. Cost of goods sold and commodity revenue are valued in the Statement of Activities at fair market value.

Adjust revenue and expenditures to market value for USDA commodities purchased. (6,565)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

| | | |
|---|------------------|--------|
| Expenditures for capital assets | \$ 736,938 | |
| Less current year depreciation/amortization | <u>(721,208)</u> | |
| | | 15,730 |

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net assets. (310,832)

The enactment of State of Alaska Senate Bill 125, changing the Public Employees' Retirement System (PERS) from an agent multiple-employer defined benefit plan to a cost sharing defined benefit plan, eliminated the School District's net pension obligation. 4,901,534

The issuance of long-term debt (e.g. capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

| | | |
|--|----------------|-----------|
| Issuance of capital leases | (528,173) | |
| Repayment of principal on capital leases | <u>419,967</u> | |
| | | (108,206) |

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (91,722)

An internal service fund is used by management to charge the costs of self-insurance and risk management to individual funds. The change in net assets of the internal service fund is reported with governmental activities. 132,512

Change in net assets of governmental activities \$ 1,228,698

See accompanying notes to the basic financial statements

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
 Statement of Net Assets
 Proprietary Fund
 June 30, 2009
 (With comparative totals for 2008)

| | Governmental Activities - Risk Management Internal Service Fund Totals | |
|--|---|-----------------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Current assets: | | |
| Accounts receivable - local | <u>\$ 3,138,257</u> | <u>\$ 5,228,950</u> |
| <u>LIABILITIES</u> | | |
| Current liabilities: | | |
| Accounts payable | \$ 60,193 | \$ 95,451 |
| Due to other funds | 84,390 | 1,300,210 |
| Current portion of long-term liabilities: | | |
| Claims payable | <u>2,925,589</u> | <u>3,066,543</u> |
| Total current liabilities | <u>3,070,172</u> | <u>4,462,204</u> |
| Noncurrent liabilities: | | |
| Noncurrent portion of long-term liabilities: | | |
| Claims payable | 35,390 | 33,480 |
| Accrued self-insurance reserves | 1,292,126 | 1,935,209 |
| Accrued contingent liabilities | <u>160,000</u> | <u>350,000</u> |
| Total noncurrent liabilities | <u>1,487,516</u> | <u>2,318,689</u> |
| Total liabilities | <u>4,557,688</u> | <u>6,780,893</u> |
| <u>NET ASSETS</u> | | |
| Unrestricted | <u>(1,419,431)</u> | <u>(1,551,943)</u> |
| Total net assets | <u>\$ (1,419,431)</u> | <u>\$ (1,551,943)</u> |

See accompanying notes to the basic financial statements.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Governmental Activities - Risk Management Internal Service Fund Totals | |
|--------------------------------------|---|------------------------------|
| | 2009 | 2008 |
| Operating revenues: | | |
| Revenue from local sources: | | |
| Charges for services | <u>\$ 27,313,547</u> | <u>\$ 22,462,558</u> |
| Operating expenses: | | |
| Health and life insurance | 26,444,271 | 21,752,108 |
| Workers' compensation insurance | 36,005 | 1,636,205 |
| Property and other insurance | 460,426 | 508,279 |
| Auto and general liability insurance | <u>240,333</u> | <u>294,457</u> |
| Total operating expenses | <u>27,181,035</u> | <u>24,191,049</u> |
| Change in net assets | 132,512 | (1,728,491) |
| Total net assets - beginning | <u>(1,551,943)</u> | <u>176,548</u> |
| Total net assets - ending | <u><u>\$ (1,419,431)</u></u> | <u><u>\$ (1,551,943)</u></u> |

See accompanying notes to the basic financial statements.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Statement of Cash Flows

Proprietary Fund

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Governmental Activities - Risk Management Internal Service Fund Total | |
|--|--|----------------|
| | 2009 | 2008 |
| Cash flows from operating activities: | | |
| Receipts from interfund services provided | \$ 27,275,955 | \$ 22,324,229 |
| Receipts from employees | 3,857,405 | 4,628,333 |
| Payments to suppliers | (1,055,756) | (1,235,245) |
| Payments to employees | (895,514) | (906,223) |
| Payments to Fairbanks North Star Borough | (27,966,270) | (25,574,705) |
| Net cash provided (used) by operating activities | 1,215,820 | (763,611) |
| Cash flows from noncapital financing activities: | | |
| Transfers (to) from other funds | (1,215,820) | 763,611 |
| Net increase (decrease) in equity in central treasury cash | | |
| Equity in central treasury cash - beginning | | |
| Equity in central treasury cash - ending | \$ | \$ |
| Reconciliation of change in net assets to net cash provided (used) | | |
| by operating activities: | | |
| Change in net assets | \$ 132,512 | \$ (1,728,491) |
| Adjustments to reconcile change in net assets to net cash | | |
| provided (used) by operating activities: | | |
| (Increase) decrease in accounts receivable - local | 2,090,693 | (464,787) |
| Increase (decrease) in accounts payable | (35,258) | 1,456 |
| Increase (decrease) in claims payable, current portion | (140,954) | 961,233 |
| Increase in claims payable, non-current portion | 1,910 | 6,700 |
| Increase (decrease) in self-insurance reserves | (643,083) | 460,278 |
| Decrease in contingent liabilities | (190,000) | |
| Total adjustments | 1,083,308 | 964,880 |
| Net cash provided (used) by operating activities | \$ 1,215,820 | \$ (763,611) |

See accompanying notes to the basic financial statements.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
School District Agency Fund
Statement of Fiduciary Assets and Liabilities
June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---------------------------------|---------------|-------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Equity in central treasury cash | \$ 43,714 | \$ 34,373 |
| <u>LIABILITIES</u> | | |
| Accounts payable | \$ 79 | \$ |
| Due to external groups | 43,635 | 34,373 |
| Total liabilities | \$ 43,714 | \$ 34,373 |

See accompanying notes to the basic financial statements.

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NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements June 30, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fairbanks North Star Borough School District (School District) operates a public school system under an elected school board, as permitted by Alaska Statutes 14.14.060 and 29.35.160. The financial statements of the School District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

A. Reporting Entity

These financial statements include all the activities of the School District, a component unit and an integral part of the reporting entity of the Fairbanks North Star Borough (Borough), the primary government. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. The School District is reported in a separate column in the Borough's government-wide financial statements, to emphasize that the School District is legally separate from the Borough. Pursuant to Alaska Statutes, Title 29.35.160, the Borough has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for compliance with the statutes to the Fairbanks North Star Borough School District Board of Education (Board of Education), while retaining certain responsibilities. The Borough Assembly remains responsible for approving the School District's total budget and may, during the year, change the appropriation for local support. Any unreserved fund balance arising from local contributions in excess of 7% of the local appropriation to the School District is required to be shown as revenue in the following year's budget and designated for subsequent year's expenditures in the current year fund balance. The Borough issues bonds to finance school construction, levies taxes and collects and disburses the funds, and has responsibility for funding any deficits.

School construction bond proceeds to purchase furnishings and equipment for new schools are accounted for in the School District's various capital projects and special revenue funds. The School District receives reimbursement from the Borough for these expenditures on an as-needed basis. The operational services provided directly by the Borough have been included in the general fund, special revenue funds and internal service fund, where appropriate, as expenditures.

Complete financial statements of the Borough can be obtained from the Borough Clerk's Office at 809 Pioneer Road, PO Box 71267, Fairbanks, Alaska 99707-1267; phone number (907) 459-1000.

B. Funds

The accounts of the School District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid School District management in demonstrating compliance with finance-related legal and contractual provisions. The funds of the School District are classified into three categories: governmental, proprietary, and fiduciary. Each category is divided into separate fund types. The fund classifications and a description of each fund type follow:

Governmental Funds

General fund – the primary operating fund of the School District used to account for all financial transactions except those required to be accounted for in other funds.

Special revenue funds – account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The School District maintains a separate cost center for each

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued)

June 30, 2009

federal and state grant program as well as other local sources of restricted funding. Those cost centers are assigned to the appropriate special revenue fund based on their purpose and funding source. This comprehensive annual financial report includes revenue and expenditure schedules for all grants as required by the *Alaska Department of Education and Early Development Uniform Chart of Accounts and Account Code Descriptions for Public School Districts, 2000 edition*.

Capital projects funds – account for those financial resources to be used for acquisition, construction, and major maintenance of facilities and equipment. The Borough accounts for most acquisition, construction, and major maintenance projects of school facilities. The School District accounts for expenditures in support of major maintenance projects of school facilities conducted by the Borough as well as our own small maintenance projects.

Proprietary Fund

Internal service fund – accounts for self-insurance and risk management services provided to other funds of the School District on a cost reimbursement basis.

Fiduciary Fund

Agency fund – accounts for the assets held by the School District as an agent for various school-related organizations. The fund is custodial in nature and does not involve the measurement of results of operations.

C. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the reporting entity as a whole. Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers, parents or students who purchase, use, or directly benefit from goods or services provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. The primary government's contribution to education, State of Alaska public school foundation program revenue, other State aid, Federal Impact Aid, and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary fund financial statements. The agency fund reports only assets and liabilities and as such cannot be said to have a measurement focus. Agency funds do, however, use the accrual basis of accounting to recognize receivables and payables. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are copier and printing charges between the School District's *district administration support services* function and various other functions of the district. Elimination of these charges would distort the direct costs reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District's risk management internal service fund are charges to other funds for services. Operating expenses include insurance premiums, risk self-retention costs, risk management administration provided by the Borough, and third party claims administrator costs. All revenues and expenses are reported as operating revenues and expenses.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Entitlements and shared revenues are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenue for expenditure-driven grants is recognized when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the School District.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use unrestricted resources first and then restricted resources as they are needed.

The School District reports the following major governmental funds:

General Fund – the School District's primary operating fund. Major revenue sources include the primary government's contribution to education, the State of Alaska public school foundation program, the Public Employees' and Teachers' Retirement System on-behalf payments, and other state and federal revenues. Expenditures are authorized in the annual budget and are made for such activities as student instruction, support services, administration, operations and maintenance, and student activities.

Federal Programs Special Revenue Fund – The federal programs special revenue fund accounts for programs that are funded by federal sources received directly from the federal government or passed through the State of Alaska.

Student Transportation Special Revenue Fund – The student transportation special revenue fund accounts for activities related to student transportation to and from school and other State-approved student transportation. Revenues include State student transportation revenue and any necessary transfers from the School District general fund.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

Additionally, the School District reports the following fund types:

Internal service fund – The risk management internal service fund accounts for self-insurance and risk management services provided to funds of the School District on a cost reimbursement basis.

Agency fund – The school district agency fund accounts for the assets held by the School District as an agent for various school-related organizations.

E. Equity in Central Treasury Cash – Deposits and Investments

All cash funds of the School District are maintained in the Borough's central cash treasury and invested with the following objectives: ensure safety of principal, maintain sufficient liquidity to meet cash flow requirements, and achieve a reasonable market rate of return. Borough central treasury investments are reported at fair value. See Note 4.

If applicable, investment income is allocated to the following School District funds based upon their cumulative, month-end equity in central treasury cash balances: food services special revenue fund for the Food Service Program, and the school district agency fund.

Restricted equity in central treasury cash, only recorded in the government-wide financial statements, is cash whose use is limited by the legal requirements of grant awards.

F. Statement of Cash Flows

For purposes of the statement of cash flows, the cash and cash equivalents of the internal service fund is its equity in central treasury cash.

G. Receivables and Payables

Activity between funds, resulting from individual funds' overdrafts of pooled cash in the central treasury, is referred to as "due to/from other funds." Certain receivables and payables between the School District and the primary government are referred to as "due to/from Fairbanks North Star Borough." Receivables from the Fairbanks North Star Borough are comprised of office rental space in the School District's Administrative Center, services provided to the Borough by the School District EEO officer and charges for furnishings or equipment reimbursable from proceeds of Borough bonds issued for school district facilities or miscellaneous pass-through grants. Payables to the Fairbanks North Star Borough are for construction costs related to the Central Kitchen construction project.

Through various negotiated agreements with employees, the School District has put in place a cost sharing mechanism for health costs. At June 30 of each year, total health costs for the fiscal year are used to calculate an amount expected to be collected from employees in the following calendar year through payroll deductions. The School District records an employee dollar share receivable at June 30 of each year for this amount in the risk management internal service fund.

H. Inventories

Inventories are recorded in the general fund and the food service special revenue fund. General fund central stores inventory consists of school supplies valued at cost using the weighted average cost method. General fund print shop inventory consists of printing supplies which are valued at cost. Food service special revenue fund inventory of food and related supplies is valued at cost using the weighted average cost method. The cost of inventory is recorded as an expenditure when consumed rather than when purchased. A portion of fund balance is reserved for inventory to indicate that inventory does not represent available, spendable resources even though it is a component of assets. Food commodities received from the U.S. Department of Agriculture (USDA) for use in the school lunch program are not considered a flow of current *financial* resources and as such are not recorded

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

in the food service special revenue fund. Instead, they are recorded at fair market value in the government-wide financial statements. Revenue related to food service commodities is recognized at the time of receipt.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year-end are recorded as prepaid items in both government-wide and fund financial statements.

J. General Capital Assets

The Borough owns and provides to the School District without charge all school buildings and associated land. The Borough also owns all four on-base schools located at Fort Wainwright Army Post and Eielson Air Force Base. General capital assets, which consist of furniture and equipment and certain intangible assets, are reported in the governmental activities column in the government-wide financial statements. The fiscal year 2007 capitalization of a major building improvement to the School District Administrative Center building, owned by the Borough, was corrected in fiscal year 2009 and recorded instead as operations and maintenance of plant expense. General capital assets are defined by the School District as assets with an initial, individual cost of \$2,500 or more and an estimated useful life in excess of two years. General capital assets are valued at cost or estimated historical cost when the original cost is not available and depreciated/amortized over their estimated useful lives. Donated capital assets are valued at their estimated fair market value on the date received. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

Straight line depreciation/amortization is used based on the following estimated useful lives:

| | |
|------------------------------|--------------|
| Furniture and equipment | 5 – 25 years |
| Intangible assets (software) | 5 – 10 years |

The cost of normal maintenance and repairs that do not add to the value of assets or materially extend the assets' lives are not capitalized.

K. Claims Payable, Accrued Self-Insurance Reserves and Contingent Liabilities

Amounts reported as claims payable, accrued self-insurance reserves and contingent liabilities in the risk management internal service fund include estimates for expected future development on claims already reported, as well as considering known and unknown events that might create claims, but for which none have been reported.

L. Unearned Revenue

Unearned revenue (referred to as deferred revenue in the governmental funds) arises when resources are received before the School District has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when there is a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

M. Compensated Absences

It is the School District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Personal/annual leave is subject to certain restrictions and maximum accumulations. All employees are paid for any accumulated personal/annual leave upon use or at termination. Sick leave, which may accumulate indefinitely, is charged to expenditures when used. Upon resignation, unused sick leave is forfeited. However, retiring employees who are members of the Public Employees' Retirement System receive full pay for unused sick leave on a sliding scale,

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued)

June 30, 2009

based on years of service, ranging from thirty (30) days to a maximum of ninety (90) days. Retiring employees who are members of the Alaska Teachers' Retirement System may use unused sick leave as an increase in service credit. All personal/annual leave is reported when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

N. Net Pension Obligation

The State of Alaska Legislature enacted Senate Bill 125, which changed Tiers I, II, and III of the Alaska Public Employees Retirement System (PERS) from an agent multiple-employer to a cost sharing multiple-employer defined benefit plan effective July 1, 2008. Plan expenses of a cost sharing plan are shared by participating employers. A single actuarial valuation covers all plan members and the same contribution rate applies for each employer. The net pension obligation (NPO), which is the historical cumulative difference between annual pension cost and the School District's required contributions under the agent multiple-employer plan, is no longer required. As a result the School District's NPO of \$4,901,534, reported as a liability in the government-wide financial statements at June 30, 2008, was eliminated effective July 1, 2008. See also Note 13.

O. Other Long-Term Liabilities

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net assets. Long-term obligations of the risk management internal service fund (the School District's only proprietary fund type) are reported as governmental activities in the government-wide financial statements as this fund serves only governmental funds.

Debt incurred for the construction of school facilities is the obligation of the Borough; therefore it is not included on the School District's government-wide statement of net assets. It is, however, disclosed in Note 10 for informational purposes.

P. Fund Balances of Fund Financial Statements

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. The reserve for impact aid advance is a statutory reserve created to acknowledge the way Title VIII Impact Aid payments received by the School District are included in the subsequent year's foundation formula by the State of Alaska. Designated fund balances indicate tentative management plans for future uses of financial resources that are subject to change. Fund balances designated for subsequent year's expenditures represent commitments for expenditures in excess of anticipated revenues for the following year and are reported in accordance with Alaska Department of Education and Early Development regulations.

Q. Contract for Operating On-Base Schools

In 1992 the State of Alaska Department of Education and Early Development (DEED) entered into an agreement with the United States Department of Education that required a change in the handling of Impact Aid (formerly PL-874) revenues for the students living on Fort Wainwright Army Post and Eielson Air Force Base. Revenues that had previously gone to the DEED and were used to partially fund the foundation program and tuition in lieu of local taxes were required to be passed on directly to the School District. The increase in federal revenue through the State of Alaska was offset by the equalization deduction in foundation revenue as provided in Alaska Statute section 14.17.410 and a reduction in tuition in lieu of taxes. An agreement was reached between the School District and the DEED that the change in the treatment of revenue would not result in an adverse impact on the

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

operating revenue of the School District. This agreement is still in place and resulted in the State of Alaska making a \$1,450,000 payment for on-base schools in fiscal year 2009.

R. On-Behalf Pension Benefit Payments

Effective July 1, 2007 new State regulation set the effective contribution rates of the Alaska Public Employees' Retirement System and the Teachers' Retirement System defined benefit plan tiers below the actuarially determined rates. This legislation also provided that payments be made by the State on behalf of employers to make up the difference between the effective rate and the actuarially determined rate. As required by the *Alaska Department of Education and Early Development*, the on-behalf payments for all funds of the School District are recorded as revenue in the general fund. The corresponding pension expenditures are also recorded in the general fund in amounts equal to the on-behalf payments.

S. Comparative Data / Reclassifications

The financial statements include partial prior-year comparative information in order to provide an understanding of the changes in the financial position and operation of the School District's funds. Such comparative information does not include all the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School District's financial statements for the year ended June 30, 2008, from which the partial information was derived.

Certain amounts presented in prior year data, which have no effect on change in net assets or net change in fund balances, have been reclassified in order to be consistent with the current year's presentation.

NOTE 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund statement of revenues, expenditures, and changes in fund balances include a reconciliation between *net change in fund balances – total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net assets." The details of this \$310,832 decrease are as follows:

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.

| | |
|--|-------------------|
| Proceeds from sale of fixed assets | \$ 11,260 |
| Net loss on the disposal of fixed assets | 7,978 |
| Previously capitalized building improvement to the School District Administrative Center recorded as an expense in the current year. | 291,594 |
| Net adjustment to decrease <i>net change in fund balances – total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i> | <u>\$ 310,832</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

NOTE 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Fund Balance Compliance

The Borough code of ordinances allows the School District to carry over from one year to the next unreserved local appropriation fund balance and unreserved state appropriation fund balance not exceeding 7 percent, respectively, of total unreserved fund balance. Unreserved local or state appropriation fund balance over 7 percent is required to be shown as revenue in the following fiscal year's budget. At June 30, 2009 combined unreserved fund balance originating from the local contribution to education and from State of Alaska revenues was 6.7 percent or \$1,548,125 under the 7 percent limit.

Title 14 of Alaska State Statutes states that unreserved fund balance in a school operating fund in excess of 10 percent of expenditures will reduce the subsequent year's state foundation aid. See *Report of Independent Certified Public Accountants on Fund Balance Compliance Requirements* in the Supplemental Reports Section of this comprehensive annual financial report.

NOTE 4: EQUITY IN CENTRAL TREASURY CASH AND INVESTMENTS

The School District is not authorized to secure direct investments. All cash funds of the School District are maintained in a central cash treasury by the Borough. Chapter 3.04 of the Borough Code of Ordinances describes the objectives, policies, and procedures for the investment of Borough funds and applies to the investment of all Borough monies, unless otherwise provided expressly by ordinance.

Banking services are provided to the Borough under a contract with Wells Fargo Bank Alaska N.A (WFB). These services were previously paid with a restricted, non-interest bearing compensating balance of \$2,500,000. As of June 30, 2008 these services are being paid monthly through a fee based structure. The contract requires that WFB sweep the Borough's central treasury accounts daily and invest all available funds in an overnight investment.

The Borough's investments are subject to "interest rate risk" – the risk that changes in interest rates will adversely affect the fair value of an investment. The Borough's policies to manage the interest rate risk of its investments include limiting their time to maturity at the date of purchase. In addition, the Borough's entire investment portfolio cannot have an average maturity exceeding three years. Further, at the time of purchasing an investment, not more than 30 percent of the prior 12-month moving average value of the portfolio may be in the three- to five-year range.

The Borough's investments in debt securities are also subject to "credit risk" – the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured by nationally recognized rating agencies, such as Standard & Poor's, Moody's, and Fitch in the form of credit quality ratings. The Borough's policies limit its investments in debt securities to obligations of the U.S. government, which are not considered to have any credit risk, and to the highest-rated debt securities where the credit risk is low.

The Borough also invests in the Alaska Municipal League Investment Pool (the pool). The pool is not SEC-registered, but is a 2a7-like pool, operating in a manner consistent with that rule. Regulatory oversight of the pool is established by Alaska Statutes 37.23. The pool must maintain a dollar-weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 397 days or less. As of June 30, 2009, the fair value of the investments in the pool approximates the amortized cost at which the investments were reported. The pool is not rated.

The School District's carrying value of the equity in the central treasury varies from the balances reported in the various funds by the amount that individual funds have overdrawn their share of the pooled cash.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

A reconciliation of the carrying value to the reported value in the fund financial statements at June 30, 2009 is as follows:

| | Carrying Value of Equity in Central Treasury | Due To (From) Other Funds | Reported Equity in Central Treasury |
|---|---|------------------------------|--|
| General fund | \$ 21,933,997 | \$ (4,411,987) | \$ 17,522,010 |
| Federal programs special revenue fund | (3,581,209) | 4,024,044 | 442,835 |
| Student transportation special revenue fund | 508,967 | | 508,967 |
| Non-major governmental funds | 2,632,965 | 303,553 | 2,936,518 |
| Total governmental funds | 21,494,720 | (84,390) | 21,410,330 |
| Risk management internal service fund | (84,390) | 84,390 | |
| Total governmental activities | \$ 21,410,330 | \$ | \$ 21,410,330 |
| School district agency fund | \$ 43,714 | \$ | \$ 43,714 |

Of total reported equity in central treasury in the statement of net assets at June 30, 2009, \$21,392,081 is unrestricted and \$18,249 is restricted.

NOTE 5: RECEIVABLES

Detail of accounts receivable reported in the statement of net assets at June 30, 2009 were as follows:

| | General Fund | Federal Programs Special Revenue Fund | Non-major Governmental Funds | Risk Management Internal Service Fund | Totals |
|--------------------------|-----------------|---|------------------------------------|---|--------------|
| Governmental activities: | | | | | |
| Local | \$ 157,576 | \$ 97 | \$ 2,400 | \$ 3,138,257 | \$ 3,298,330 |
| State | | 3,826,339 | 143,193 | | 3,969,532 |
| Federal | 18,466 | 303,106 | | | 321,572 |
| Total receivables | \$ 176,042 | \$ 4,129,542 | \$ 145,593 | \$ 3,138,257 | \$ 7,589,434 |

NOTE 6: CAPITAL ASSETS

The Borough owns and accounts for all land, school buildings and improvements other than buildings, which are provided to School District schools without charge. Capital assets recorded in the School District's financial records consist of minor improvements, other than buildings, and furniture and

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

equipment. The changes in capital assets by major class for the year ended June 30, 2009, were as follows:

| Governmental activities: | July 1, 2008 Balance | Additions | Deductions | June 30, 2009 Balance |
|---|-------------------------|------------------|---------------------|--------------------------|
| Building improvements | \$ 318,102 | \$ | \$ (318,102) | \$ |
| Furniture and equipment | 11,670,579 | 736,938 | (260,864) | 12,146,653 |
| Less accumulated depreciation | (8,064,192) | (695,124) | 268,134 | (8,491,182) |
| Total, net of accumulated depreciation | <u>3,924,489</u> | <u>41,814</u> | <u>(310,832)</u> | <u>3,655,471</u> |
| Intangible assets (software) | 205,056 | | | 205,056 |
| Less accumulated amortization | (162,177) | (26,084) | | (188,261) |
| Total, net of accumulated amortization | <u>42,879</u> | <u>(26,084)</u> | | <u>16,795</u> |
| Governmental activities capital assets, net | <u>\$ 3,967,368</u> | <u>\$ 15,730</u> | <u>\$ (310,832)</u> | <u>\$ 3,672,266</u> |

Depreciation/amortization expense was charged to governmental activities as follows:

| | |
|---|-------------------|
| Instruction | \$ 172,171 |
| Special education instruction | 7,846 |
| Special education support services - students | 3,273 |
| Support services - students | 6,027 |
| Support services - instruction | 181,170 |
| School administration support services | 3,884 |
| District administration | 4,433 |
| District administration support services | 101,550 |
| Operations and maintenance of plant | 180,069 |
| Student activities | 9,543 |
| Student transportation service | 813 |
| Food services | 50,429 |
| Total depreciation/amortization expense | <u>\$ 721,208</u> |

NOTE 7: LEASES

Operating Leases

The School District is obligated under two operating leases; a noncancelable building lease for a small school facility for the H.I.R.E. program and one administrative center copier lease. Operating leases do not give rise to property rights or lease obligations; and therefore, the results of the lease agreements are not reflected as assets or liabilities. Operating lease expense for fiscal year 2009 was \$134,387. The future minimum lease payments are as follows:

| Year Ending June 30 | Amount |
|---------------------|-------------------|
| 2010 | \$ 104,714 |
| 2011 | 104,714 |
| 2012 | 89,559 |
| Total | <u>\$ 298,987</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

Capital Leases

The School District has acquired teacher computers and peripherals under the provisions of long-term lease agreements. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded in the statement of net assets at the present value of their future minimum lease payments as of the inception date. The equipment purchased has not been capitalized as it does not meet the School District's asset capitalization threshold. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2009 were as follows:

| <u>Year Ending June 30</u> | <u>Governmental Activities</u> |
|----------------------------|------------------------------------|
| 2010 | \$ 414,306 |
| 2011 | 433,670 |
| 2012 | 134,986 |
| Total | <u>\$ 982,962</u> |

NOTE 8: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2009 was as follows:

Due To / From Other Funds

| Receivable Fund: | Payable Fund: | Amount |
|--------------------------------------|---------------------------------------|---------------------|
| General fund | Federal projects special revenue fund | \$ 4,024,044 |
| General fund | Nonmajor governmental funds | 303,553 |
| General fund | Risk management internal service fund | 84,390 |
| Total interfund receivables/payables | | <u>\$ 4,411,987</u> |

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund Transfers

| | Transfers In: | | | |
|-----------------------------|----------------------|--|-----------------------------------|---------------------|
| | General Fund | Student Transportation Special Revenue Fund | Nonmajor Governmental Funds | Total |
| Transfers Out: | | | | |
| General fund | \$ | \$ 439,820 | \$ 1,244,170 | \$ 1,683,990 |
| Nonmajor governmental funds | 193,969 | | | 193,969 |
| Total transfers | <u>\$ 193,969</u> | <u>\$ 439,820</u> | <u>\$ 1,244,170</u> | <u>\$ 1,877,959</u> |

Transfers are made to use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

Due To / From Fairbanks North Star Borough (Borough)

| Receivable Entity: | Payable Entity: | Amount |
|----------------------------------|------------------------------|-------------------|
| Component unit - School District | Primary government (Borough) | <u>\$ 188,813</u> |

Amounts due from the Borough are comprised of office rental space in the School District's Administrative Center, services provided to the Borough by the School District EEO officer and charges for furnishings and equipment reimbursable from various grants passed through the Borough or proceeds of Borough bonds issued for School District facilities.

NOTE 9: GENERAL LONG-TERM LIABILITIES

Long-term liabilities for governmental activities for the year ended June 30, 2009 were as follows:

| | July 1, 2008 Balance | Additions | Reductions | June 30, 2009 Balance | Due Within One Year |
|---|-------------------------|----------------------|------------------------|--------------------------|------------------------|
| Governmental activities: | | | | | |
| Compensated absences | \$ 3,056,906 | \$ 3,044,315 | \$ (2,952,593) | \$ 3,148,628 | \$ 2,885,078 |
| Capital leases | 874,756 | 528,173 | (419,967) | 982,962 | 414,307 |
| Claims and reserves | 5,385,232 | 26,529,161 | (27,501,288) | 4,413,105 | 2,925,589 |
| Net pension obligation | 4,901,534 | | (4,901,534) | | |
| Governmental activity long-term liabilities | <u>\$ 14,218,428</u> | <u>\$ 30,101,649</u> | <u>\$ (35,775,382)</u> | <u>\$ 8,544,695</u> | <u>\$ 6,224,974</u> |

The risk management internal service fund serves the governmental funds. Accordingly, long-term liabilities related to claims and judgments are included as part of the above totals for governmental activities. Also, for governmental activities, claims and judgments are generally liquidated by the risk management internal service fund and compensated absences are generally liquidated by the general fund.

NOTE 10: DEBT ON SCHOOL CONSTRUCTION

A summary of general obligation bonds issued for school related debt, for which the School District has no liability either primary or secondary, is included in the Borough financial statements as follows:

| | July 1, 2008 Balance | Additions | Reductions | June 30, 2009 Balance | Due Within One Year |
|----------------|-------------------------|-----------|-----------------------|--------------------------|------------------------|
| 1997, Series A | \$ 21,991,489 | \$ | \$ (1,736,170) | \$ 20,255,319 | \$ 1,832,623 |
| 1999, Series B | 17,420,000 | | (1,245,000) | 16,175,000 | 1,300,000 |
| 2000, Series C | 6,940,000 | | (390,000) | 6,550,000 | 410,000 |
| 2001, Series D | 6,795,000 | | (385,000) | 6,410,000 | 405,000 |
| 2002, Series E | 11,645,000 | | (545,000) | 11,100,000 | 565,000 |
| 2003, Series F | 11,540,000 | | (540,000) | 11,000,000 | 565,000 |
| 2004, Series G | 11,985,000 | | (570,000) | 11,415,000 | 585,000 |
| 2005, Series H | 12,290,000 | | (540,000) | 11,750,000 | 555,000 |
| 2006, Series I | 9,195,000 | | (350,000) | 8,845,000 | 365,000 |
| 2007, Series J | 11,710,000 | | (415,000) | 11,295,000 | 430,000 |
| 2007, Series K | 9,715,000 | | (875,000) | 8,840,000 | 915,000 |
| 2008, Series L | 11,128,000 | | (248,000) | 10,880,000 | 385,000 |
| | <u>\$ 142,354,489</u> | <u>\$</u> | <u>\$ (7,839,170)</u> | <u>\$ 134,515,319</u> | <u>\$ 8,312,623</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

Annual debt service requirements to maturity for school-related general obligation bonds are as follows:

| Year Ending June 30 | Governmental Activities | |
|------------------------|-------------------------|----------------------|
| | Principal | Interest |
| 2010 | \$ 8,312,623 | \$ 5,733,970 |
| 2011 | 8,684,078 | 5,352,328 |
| 2012 | 9,080,532 | 4,971,769 |
| 2013 | 9,476,986 | 4,575,083 |
| 2014 | 9,961,667 | 4,156,846 |
| 2015-2019 | 51,544,433 | 13,895,043 |
| 2020-2024 | 29,390,000 | 4,742,809 |
| 2025-2029 | 8,065,000 | 540,853 |
| Total | <u>\$ 134,515,319</u> | <u>\$ 43,968,701</u> |

During the year, the Borough paid total principal and interest of \$14,059,313 for school-related debt service.

NOTE 11: RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to, and illnesses of, employees and their dependents; and natural disasters. The Borough's risk management program includes both the Borough and the School District. The program employs various combinations of insurance policies provided by commercial carriers and self-insured retention amounts, depending upon the type of risk. Commercial insurance, with zero or small deductibles, is secured for the following coverages: employee life insurance, employee fidelity bonds and employee disability insurance. The program self-insures some portion of the following risk exposures: employee and dependent medical, auto and general liability, workers' compensation, errors and omissions/public officials, property, and employment practices. Commercial insurance has also been obtained for excess coverage above self-retention limits for all risk exposures except environmental. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The Borough has designated fund balance in the amount of \$1,500,000 to provide resources for catastrophic losses up to self-retention limits, as well as to demonstrate financial responsibility to insurance carriers of excess coverage. The adequacy of this designated amount is re-evaluated periodically.

The School District accounts for its self-insurance and risk management program in the risk management internal service fund. The Borough administers the program and charges the School District for claims paid and administration expenses incurred.

Self-insurance liabilities are accrued when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Self-insurance liabilities include estimates for expected future development on claims already reported, as well as considering known and unknown events that might create claims, but for which none have been reported. Based on the type of claim, estimates of the ultimate cost of settling these claims are made by using a case-by-case review of claims or by extrapolating historical experience, and may include specific, incremental claim adjustment expenditures, net of any recoveries. Both methods adjust for current trends and other information and the estimates include the effects of inflation and other economic and social factors.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

Changes in the risk management internal service fund liability amounts in fiscal years 2009 and 2008 were:

| | Claims Liability 2008-09 | Claims Liability 2007-08 |
|--|-----------------------------|-----------------------------|
| July 1 | \$ 5,385,232 | \$ 3,957,021 |
| Current year claims | 26,529,161 | 25,194,359 |
| Changes in estimates for claims of prior periods | (642,083) | 1,130,278 |
| Claims payments | (26,859,205) | (24,896,426) |
| June 30 | <u>\$ 4,413,105</u> | <u>\$ 5,385,232</u> |

Through various negotiated agreements with employees, the School District has put in place a cost sharing mechanism for health costs. At June 30 of each year, total health costs for the fiscal year are used to calculate an amount expected to be collected from employees in the following calendar year through payroll deductions. The School District records an employee dollar share receivable at June 30 of each year for this amount. On October 17, 2008 the Board of Education approved a new negotiated agreement between the School District and the Fairbanks Education Association (FEA) retroactive to July 1, 2008. Included in this agreement was a change to the employee cost sharing mechanism for health costs that had been in place for a number of years. The effect of the change on the employee dollar share receivable recorded in the risk management internal service fund at June 30, 2008 was a decrease of \$1,485,430 which was recorded as an expense in fiscal year 2009. The employee dollar share receivable at June 30, 2009 and 2008 was \$3,138,257 and \$5,228,950, respectively.

NOTE 12: BOROUGH IN-KIND AND ALLOCATED SERVICES

During the year, certain services are provided by the Borough to the School District. These include use of various Borough facilities, debt service on school facilities, certain administrative functions and major facility maintenance. The costs of these services have not been charged to the School District. Other services provided by the Borough during the year are allocated and charged to School District operations as follows:

| | Allocated Services 2008-09 | Allocated Services 2007-08 |
|---|-------------------------------|-------------------------------|
| Risk management overhead | \$ 527,250 | \$ 574,663 |
| Auto/general liability, property and other insurance premiums | 742,346 | 807,668 |
| Workers' compensation insurance premiums | 140,345 | 116,759 |
| Health and workers' compensation claims paid | 26,212,601 | 24,361,640 |
| General/auto liabilities claims paid | 14,407 | 10,435 |
| Audit | 41,663 | 44,500 |
| | <u>\$ 27,678,612</u> | <u>\$ 25,915,665</u> |

NOTE 13: RETIREMENT PLANS

As of June 30, 2009, substantially all employees of the School District are either members of the Alaska Public Employees' Retirement System (PERS) or the Alaska Teachers' Retirement System (TRS). Stand alone financial statements for either plan can be obtained by contacting the Alaska Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203, or by calling 1-800-821-2251. The financial statements are also available on the web at www.state.ak.us/drbb. Effective July 1, 1993, the Borough and the School District participate in the PERS under separate agreements. Prior to that date, they participated under a joint agreement.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued)
June 30, 2009

A. Alaska Public Employees' Retirement System

Plan Description

The Public Employees' Retirement System (PERS) is established and administered by the State of Alaska (State) to provide pension, postemployment healthcare, death, and disability benefits to eligible employees. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. Local government participation in the PERS is optional. Employee participation in the PERS is mandatory for permanent employees scheduled to work at least 20 hours a week and who are not covered by the Alaska Teachers' Retirement System (TRS). Tiers I, II, and III are a defined benefit plan. Effective July 1, 2006, the State Legislature (Senate Bill 141) closed the defined benefit plan to new members and created PERS Tier IV, a defined contribution plan with a component of defined benefit postemployment healthcare. Effective July 1, 2008, the State Legislature (Senate Bill 125) changed Tiers I, II, and III of the PERS from an agent multiple-employer to a cost sharing multiple-employer defined benefit plan.

Defined Benefit Plan (Tiers I through III)

Funding Policy

Employee contribution rates for the defined benefit plan are 6.75 percent (standard option) or 9.6 percent (alternate option) of eligible compensation. The PERS's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the funds necessary to meet both pension and postemployment healthcare benefit obligations when due. The employers' actuarially determined rates for fiscal year 2009 were calculated when the PERS was an agent multiple-employer plan. The PERS average employer contribution rate for fiscal year 2009 was 35.22 percent (13.72 percent normal cost rate plus 21.50 percent past service rate), an increase of 8.34 percent from fiscal year 2008. Effective July 1, 2007 the Alaska Legislature set the effective employer rate at 22.00 percent for all employers with the difference between the effective rate and the actuarially determined rate (if greater than 22.00 percent) to be paid by the State on behalf of the employer.

Plan Contributions

School District contributions to the PERS defined benefit plan for fiscal years ended June 30, 2009, 2008, and 2007 were \$5,217,527, \$5,744,796, and \$5,409,026, respectively, equal to the mandatory employer contributions for each year. On-behalf payments made by the State of Alaska for fiscal year 2009 and 2008 were \$3,753,051 and \$2,181,753, respectively. The on-behalf payments are recorded in the general fund as revenues from state sources and expenditures. On the government-wide statement of activities they are recorded as expense and program revenue.

Net Pension Obligation

The enactment of Senate Bill 125 changed Tier I, II, and III of the PERS to a cost-sharing plan and eliminated the School District's net pension obligation (NPO) recorded when the PERS was an agent, multiple-employer plan. The School District's NPO at the end of fiscal year 2008 was eliminated on July 1 of fiscal year 2009, the effective date of the plan change. The resulting allocation reduced

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements (continued) June 30, 2009

expenses in the government-wide statement of activities as follows:

| | |
|---|---------------------|
| Instruction | \$ 386,424 |
| Special education instruction | 654,480 |
| Special education support services - students | 59,094 |
| Support services - students | 663,754 |
| Support services - instruction | 371,162 |
| School administration support services | 408,618 |
| District administration | 90,538 |
| District administration support services | 706,214 |
| Operations and maintenance of plant | 1,305,740 |
| Student activities | 45,334 |
| Student transportation | 23,730 |
| Food services | 186,446 |
| Allocation of NPO elimination | <u>\$ 4,901,534</u> |

Defined Contribution Plan (Tier IV)

Funding Policy

Employee contribution rates for the defined contribution plan are 8.00 percent of eligible compensation. Fiscal year 2009 employer contributions rates are 22.00 percent, the same as the defined benefit tiers. The rate is comprised of five elements: 5.00 percent to each member's individual pension account, 0.99 percent into the retiree medical plan, 0.58 percent for occupational death and disability benefits, a flat dollar amount per employee based on 3.00 percent of the employer's average annual employee compensation (into the employee's Health Reimbursement Arrangement account), and a residual contribution to pay down the defined benefit plan unfunded liability. The flat dollar per employee amounts for fiscal years 2009 and 2008 were \$62.19 and \$58.89, respectively, for full-time employees per pay period. The per hour rates for part-time employees for fiscal years 2009 and 2008 were \$1.04 and \$0.98, respectively.

Plan Contributions

School District contributions to the PERS defined contribution plan for years ended June 30, 2009 and 2008 were \$597,761 and \$372,725, respectively and employee contributions to the plan were \$398,042 and \$250,476, respectively. The employer residual contributions for fiscal year 2009 and 2008, to pay down the unfunded liability of the defined benefit plan, were \$497,655 and \$316,358, respectively.

B. Alaska Teachers' Retirement System

Plan Description

The Teachers' Retirement System (TRS) is created and administered by the State of Alaska (State) to provide pension, postemployment healthcare, death and disability benefits to eligible employees. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. Local government participation in the TRS is optional. Membership in the TRS is compulsory for each certificated employee scheduled to work at least 17.5 hours a week in positions that require teaching certificates as a condition of employment. Tiers I and II of the TRS are a cost-sharing multiple-employer defined benefit plan. Effective July 1, 2006, the State Legislature closed the defined benefit plan to new members and created Tier III as a defined contribution retirement plan with a component of defined benefit postemployment healthcare.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to the Basic Financial Statements June 30, 2009

Defined Benefit Plan (Tier I and II)

Funding Policy

Employee contribution rates for the defined benefit plan are 8.65 percent of eligible compensation. The TRS's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay both pension and postemployment healthcare benefits when due. The TRS plan actuarially determined rate for fiscal year 2009 was 44.17 percent, an increase of 4.5 percent from fiscal year 2008. As with the PERS, effective July 1, 2007 the Alaska Legislature set the effective employer rate at 12.56 percent with the difference between the effective rate and the actuarially determined rate (if greater than 12.56 percent) to be paid by the State on behalf of the employer.

Plan Contributions

School District contributions to the TRS defined benefit plan for fiscal years ended June 30, 2009, 2008, and 2007 were \$7,402,443, \$7,533,121 and \$15,402,736, respectively, equal to the mandatory employer contributions for each year. On-behalf payments made by the State of Alaska for fiscal year 2009 and 2008 were \$19,640,125 and \$26,641,081, respectively. The on-behalf payments are recorded in the general fund as revenues from state sources and expenditures. On the government-wide statement of activities they are recorded as expense and program revenue.

Defined Contribution Plan (Tier III)

Funding Policy

Employee contribution rates for the defined contribution plan are 8.00 percent of eligible compensation. Fiscal year 2009 employer contributions rates are 12.56 percent, the same as the defined benefit tiers. The rate is comprised of five elements: 7.00 percent to each member's individual pension account, 0.99 percent into the retiree medical plan, 0.62 percent for occupational death and disability benefits, a flat dollar amount per employee based on 3.00 percent of the employer's average annual employee compensation (into the employee's Health Reimbursement Arrangement account) and a residual contribution to pay down the defined benefit plan unfunded liability. The flat dollar per employee amounts for fiscal years 2009 and 2008 were \$62.19 and \$58.89, respectively, for full-time employees per pay period. The per hour rates for part-time employees for fiscal years 2009 and 2008 were \$1.04 and \$0.98, respectively.

Plan Contributions

School District contributions to the TRS defined contribution plan for years ended June 30, 2009 and 2008 were \$737,375 and \$473,005, respectively, and employee contributions to the plan were \$497,165 and \$315,657, respectively. The employer residual contributions, for fiscal year 2009 and 2008, to pay down the unfunded liability of the defined benefit plan were \$44,446 and \$25,552, respectively.

NOTE 14: CONTINGENCIES

School operations are monitored by the Alaska Department of Education and Early Development; therefore, revenues from State of Alaska sources may be subject to subsequent adjustment. Additionally, amounts received or receivable from grantor agencies are subject to audit by grantor agencies. Any disallowed claims, including amounts already collected, would become a liability of the general fund. The School District, in the normal course of its activities, is involved in various claims and litigation proceedings and has accrued amounts it considers sufficient to cover settlements that may be payable as a result of unfavorable outcomes.

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REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget (Non-
GAAP Basis) and Actual – General Fund**

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget (Non-
GAAP Basis) and Actual – Federal Programs
Special Revenue Fund**

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget (Non-
GAAP Basis) and Actual – Student
Transportation Special Revenue Fund**

Notes to Budgetary Comparison Schedules

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2009

| | Budgeted Amounts | | | Actual on Budgetary Basis | Variance with Final Budget - Positive (Negative) |
|---|-------------------------|----------------|---------------|--|---|
| | Original | Final | Actual | | |
| Revenues: | | | | | |
| Local sources | \$ 45,027,500 | \$ 45,027,500 | \$ 44,892,083 | \$ 44,892,083 | \$ (135,417) |
| State sources | 118,185,130 | 118,185,130 | 121,216,124 | 121,216,124 | 3,030,994 |
| Federal sources | 7,981,080 | 7,981,080 | 9,596,676 | 9,596,676 | 1,615,596 |
| Total revenues | 171,193,710 | 171,193,710 | 175,704,883 | 175,704,883 | 4,511,173 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 87,623,776 | 86,542,071 | 86,673,580 | 86,888,098 | (346,027) |
| Special education instruction | 18,670,041 | 18,377,293 | 19,437,810 | 19,442,185 | (1,064,892) |
| Special education support services - students | 3,053,781 | 3,914,759 | 3,956,716 | 3,973,332 | (58,573) |
| Support services - students | 9,750,396 | 9,905,133 | 11,309,024 | 11,316,946 | (1,411,813) |
| Support services - instruction | 7,787,938 | 8,012,325 | 8,156,258 | 8,150,949 | (138,624) |
| School administration | 7,083,265 | 7,180,427 | 7,041,302 | 7,041,302 | 139,125 |
| School administration support services | 4,509,987 | 4,677,167 | 4,482,578 | 4,489,082 | 188,085 |
| District administration | 2,243,866 | 2,338,774 | 2,229,308 | 2,238,121 | 100,653 |
| District administration support services | 9,266,415 | 9,494,329 | 8,795,904 | 8,937,035 | 557,294 |
| Operations and maintenance of plant | 22,652,755 | 23,047,563 | 22,049,314 | 21,882,199 | 1,165,364 |
| Student activities | 2,467,700 | 2,593,605 | 2,488,308 | 2,482,163 | 111,442 |
| Total expenditures | 175,109,920 | 176,083,446 | 176,620,102 | 176,841,412 | (757,966) |
| Excess (deficiency) of revenues over expenditures | (3,916,210) | (4,889,736) | (915,219) | (1,136,529) | 3,753,207 |
| Other financing sources (uses): | | | | | |
| Proceeds from sale of capital assets | | | 10,380 | 10,380 | 10,380 |
| Transfers in | | 193,969 | 193,969 | 193,969 | |
| Transfers out | (1,608,990) | (1,683,990) | (1,683,990) | (1,683,990) | |
| Total other financing sources (uses) | (1,608,990) | (1,490,021) | (1,479,641) | (1,479,641) | 10,380 |
| Net change in fund balance | \$ (5,525,200) | \$ (6,379,757) | (2,394,860) | \$ (2,616,170) | \$ 3,763,587 |
| Fund balance - beginning | | | 23,893,492 | | |
| Fund balance - ending | | | \$ 21,498,632 | | |

See accompanying notes to the budgetary comparison schedules.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Federal Programs Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on</u> | <u>Variance with</u> |
|--|-------------------------|-------------------|-------------------|-------------------|-----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Budgetary</u> | <u>Final Budget -</u> |
| | | | | <u>Basis</u> | <u>Positive</u> |
| | | | | | <u>(Negative)</u> |
| Revenues: | | | | | |
| Local sources | \$ | \$ | \$ 73,749 | \$ 73,749 | \$ 73,749 |
| Federal sources | <u>14,155,568</u> | <u>13,678,708</u> | <u>11,910,921</u> | <u>11,795,237</u> | <u>(1,883,471)</u> |
| Total revenues | <u>14,155,568</u> | <u>13,678,708</u> | <u>11,984,670</u> | <u>11,868,986</u> | <u>(1,809,722)</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 4,013,492 | 4,343,430 | 3,827,899 | 3,809,733 | 533,697 |
| Special education instruction | 2,685,679 | 3,358,067 | 2,870,067 | 2,870,126 | 487,941 |
| Support services - students | 2,360,434 | 1,656,524 | 1,353,532 | 1,370,781 | 285,743 |
| Support services - instruction | 2,531,431 | 3,504,879 | 2,852,918 | 2,738,092 | 766,787 |
| School administration support services | 7,000 | 7,000 | 5,080 | 5,080 | 1,920 |
| District administration | | | (6,200) | (6,200) | 6,200 |
| District administration support services | <u>767,164</u> | <u>808,808</u> | <u>668,883</u> | <u>668,883</u> | <u>139,925</u> |
| Total expenditures | <u>12,365,200</u> | <u>13,678,708</u> | <u>11,572,179</u> | <u>11,456,495</u> | <u>2,222,213</u> |
| Net change in fund balance | <u>\$ 1,790,368</u> | <u>\$</u> | <u>412,491</u> | <u>\$ 412,491</u> | <u>\$ 412,491</u> |
| Fund balance - beginning | | | <u>28,295</u> | | |
| Fund balance - ending | | | <u>\$ 440,786</u> | | |

See accompanying notes to the budgetary comparison schedules.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Student Transportation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on Budgetary Basis</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|-------------------------|------------------|-------------------|--|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | | |
| Revenues: | | | | | |
| Local sources | \$ | \$ | \$ 17,300 | \$ 17,300 | \$ 17,300 |
| State sources | <u>9,151,700</u> | <u>9,148,116</u> | <u>9,242,070</u> | <u>9,239,927</u> | <u>91,811</u> |
| Total revenues | <u>9,151,700</u> | <u>9,148,116</u> | <u>9,259,370</u> | <u>9,257,227</u> | <u>109,111</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Student transportation service | <u>9,591,520</u> | <u>9,587,936</u> | <u>9,488,016</u> | <u>9,485,873</u> | <u>102,063</u> |
| Excess (deficiency) of revenues over expenditures | <u>(439,820)</u> | <u>(439,820)</u> | <u>(228,646)</u> | <u>(228,646)</u> | <u>211,174</u> |
| Other financing sources: | | | | | |
| Transfers in | <u>439,820</u> | <u>439,820</u> | <u>439,820</u> | <u>439,820</u> | |
| Net change in fund balance | <u>\$</u> | <u>\$</u> | <u>211,174</u> | <u>\$ 211,174</u> | <u>\$ 211,174</u> |
| Fund balance - beginning | | | <u>231,921</u> | | |
| Fund balance - ending | | | <u>\$ 443,095</u> | | |

See accompanying notes to the budgetary comparison schedules.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to Budgetary Comparison Schedules June 30, 2009

A. Budgets, Budgetary Accounting, and Encumbrances

General Budget Policies

The School District follows these procedures for adoption of the budget for the general fund and special revenue funds:

1. Approval by the Fairbanks North Star Borough School District Board of Education (Board of Education), with community input.
2. Submission to the Fairbanks North Star Borough Assembly (Borough Assembly) for approval of the total budget and appropriation of the local contribution. The deadline for submitting the budget to the Borough Assembly is May 1, in accordance with Alaska Statute section 14.14.060(c), Compiled School Laws. Borough ordinance 3.03.010 however, requires the Board of Education to submit their formally adopted budget to the Borough Assembly by April 1 of each year. The Borough Assembly must furnish the Board of Education with a statement of the local appropriation not more than thirty days after the date on which it first receives the education budget. After the Borough Assembly has set the local appropriation, the Board of Education will again review the budget to make any changes necessitated by the Assembly's action. An opportunity for a public hearing on proposed changes will be provided and at least 24 hours' notice will be given of the meeting at which action is proposed.
3. Submission to the Commissioner of the State of Alaska, Department of Education and Early Development by July 15, in accordance with Alaska Statute section 14.07.170(2) Compiled School Laws.

The original adopted budget for the year ended June 30, 2009, was prepared on the "program" level of budgetary control for information purposes. The budget in these financial statements was approved by the Board of Education by fund and function to comply with the *Alaska Department of Education and Early Development Uniform Chart of Accounts and Account Code Descriptions for Public School Districts, (2000 edition)*.

Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, and capital project funds. An annual budget is legally adopted for the general fund. Annual budgets are legally adopted for all special revenue funds except the School Activity special revenue fund. Capital projects are controlled through project budgets. Adopted project budgets provide authorization to complete projects that extend beyond one fiscal year. Multi-fiscal year projects are controlled by comparing project-to-date expenditures with project budgets. Differences in accounting for encumbrances, as described later, exist between the basis of accounting used for budgetary purposes and that used for reporting in accordance with U.S. generally accepted accounting principles (GAAP).

The objective of the School District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. Transfers between programs in excess of \$20,000 or any transfer in excess of \$25,000 are authorized by the Board of Education. Therefore, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the object level. All other transfers are authorized by the superintendent and reported monthly to the Board of Education.

Encumbrances

For budgetary purposes, annual appropriations lapse at year-end, except for that portion related to encumbered amounts. District policy requires recording of an encumbrance as a charge against appropriation in the accounting period in which a purchase order is issued, rather than in the

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to Budgetary Comparison Schedules June 30, 2009

accounting period when goods or services are received as required by generally accepted accounting principles. Encumbrances outstanding at year-end are reported as reservations of fund balance and are automatically carried forward to the new fiscal year budget. Appropriations for those capital projects funds with project budgets do not lapse until the purpose of the appropriation has been accomplished.

Basis of Budgeting

Because such encumbrances constitute the equivalent of expenditures for budgetary purposes, the accompanying schedules present comparisons of actual results to the annual budgets of the governmental funds on the basis of budgeting. Adjustments to convert *actual* expenditures to the basis of budgeting are reflected in the *actual on budgetary basis* column in the accompanying Budget (Non-GAAP Basis) and Actual Comparison Schedules for each major fund. The adjustment includes the addition for current year encumbrances and the deduction for expenditures on prior year encumbrances. The same adjustment is reflected in the revenue portion of most special revenue funds since revenues are deferred until actual expenditures are incurred for State and Federal grants. The *original budget* column is that adopted by the School Board in its annual appropriation. The *final budget* column combines the *original budget* column, a deduction for expenditures on prior year encumbrances, and budget amendments made during the current fiscal year.

The following schedule reconciles revenues and expenditures on the *Statement of Revenues, Expenditures and Changes in Fund Balances* to revenues and expenditures on the *Budget (Non-GAAP Basis) and Actual Comparison Schedules* for each major governmental fund:

| | General Fund | Federal Programs Special Revenue Fund | Student Transportation Special Revenue Fund |
|---|-----------------------|---|--|
| Revenues reported on the basis of budgeting | \$ 175,704,883 | \$ 11,868,986 | \$ 9,257,227 |
| Basis difference | | 115,684 | 2,143 |
| Revenues reported on the basis of GAAP | <u>\$ 175,704,883</u> | <u>\$ 11,984,670</u> | <u>\$ 9,259,370</u> |
| Expenditures reported on the basis of budgeting | \$ 176,841,412 | \$ 11,456,495 | \$ 9,485,873 |
| Add expenditures on prior year encumbrances | 1,271,128 | 213,699 | 3,584 |
| Deduct current year encumbrances | (1,492,438) | (98,015) | (1,441) |
| Expenditures reported on the basis of GAAP | <u>\$ 176,620,102</u> | <u>\$ 11,572,179</u> | <u>\$ 9,488,016</u> |

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2009, expenditures exceeded budget, in annually approved budgets, for the following major fund:

General Fund:

| | |
|---|------------|
| Instruction | \$ 346,027 |
| Special education instruction | 1,064,892 |
| Special education support services - students | 58,573 |
| Support services - students | 1,411,813 |
| Support services - instruction | 138,624 |

In all cases, expenditures exceeded budget due to higher than expected PERS and TRS on-behalf payments made by the State of Alaska (\$3 million) and an additional charge (\$4.5 million) from the risk management internal service fund to avoid a projected \$6.1 million deficit in that fund at June 30.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

General Fund – accounts for resources traditionally associated with school districts which are not required to be accounted for in another fund.

Federal Programs Special Revenue Fund – accounts for programs that are funded by federal sources received directly from the federal government or passed through the State of Alaska.

Student Transportation Special Revenue Fund – this program provides transportation for regular and special education students that are bused to school.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

General Fund

Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| <u>ASSETS</u> | Totals | |
|--|----------------------|----------------------|
| | <u>2009</u> | <u>2008</u> |
| Equity in central treasury cash | \$ 17,522,010 | \$ 19,459,509 |
| Accounts receivable: | | |
| Local | 157,576 | 146,685 |
| Federal | 18,466 | 225,773 |
| Due from other funds | 4,411,987 | 4,688,195 |
| Due from Fairbanks North Star Borough | 8,643 | 14,609 |
| Inventories | 506,511 | 499,887 |
| Prepaid expenses | 12,075 | 5,909 |
| Total assets | <u>\$ 22,637,268</u> | <u>\$ 25,040,567</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities: | | |
| Accounts payable | \$ 506,126 | \$ 470,909 |
| Accrued payroll and liabilities | 632,510 | 666,114 |
| Deferred revenue | | 10,052 |
| Total liabilities | <u>1,138,636</u> | <u>1,147,075</u> |
| Fund balance: | | |
| Reseved for: | | |
| Encumbrances | 1,492,438 | 1,271,128 |
| Inventories | 506,511 | 499,887 |
| Prepayments | 12,075 | 5,909 |
| Impact aid advance | 8,813,432 | 10,162,549 |
| Unreserved: | | |
| Designated for subsequent year's expenditures | 5,480,390 | 5,525,200 |
| Undesignated | 5,193,786 | 6,428,819 |
| Total fund balance | <u>21,498,632</u> | <u>23,893,492</u> |
| Total liabilities and fund balance | <u>\$ 22,637,268</u> | <u>\$ 25,040,567</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|--|--------------------|--------------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Borough direct appropriation | \$ 44,222,700 | \$ 42,222,700 |
| E-rate revenue | 295,993 | 297,666 |
| Other local revenue | 373,390 | 548,319 |
| Total local sources | <u>44,892,083</u> | <u>43,068,685</u> |
| Revenue from state sources: | | |
| Foundation program | 96,001,077 | 85,688,097 |
| QSI grant | 371,871 | 342,123 |
| Supplemental aid | | 6,127,146 |
| TRS on-behalf | 19,640,125 | 26,641,081 |
| PERS on-behalf | 3,753,051 | 2,181,753 |
| On-base schools | 1,450,000 | 1,450,000 |
| Total state sources | <u>121,216,124</u> | <u>122,430,200</u> |
| Revenue from federal sources: | | |
| Direct - impact aid | 9,596,676 | 11,118,081 |
| Through the State of Alaska - Medicaid reimbursement | | 412,090 |
| Total federal sources | <u>9,596,676</u> | <u>11,530,171</u> |
| Total revenues | <u>175,704,883</u> | <u>177,029,056</u> |
| Expenditures - current: | | |
| Instruction: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 44,777,511 | 44,312,175 |
| Non-certificated salaries | 3,963,583 | 3,791,088 |
| Employee benefits | 33,924,144 | 36,064,951 |
| Total salaries and fringe benefits | <u>82,665,238</u> | <u>84,168,214</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 650,507 | 306,640 |
| Staff travel | 32,642 | 45,614 |
| Student travel | 76,456 | 63,887 |
| Utility services | 767 | |
| Other purchased services | 565,110 | 964,721 |
| Supplies, materials and media | 2,676,575 | 3,339,920 |
| Total materials, supplies, services and other | <u>4,002,057</u> | <u>4,720,782</u> |
| Capital outlay - equipment | <u>6,285</u> | <u>74,187</u> |
| Total instruction | <u>86,673,580</u> | <u>88,963,183</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|-------------------|-------------------|
| | 2009 | 2008 |
| Special education instruction: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | \$ 7,419,944 | \$ 6,959,808 |
| Non-certificated salaries | 2,876,924 | 2,586,776 |
| Employee benefits | 7,258,149 | 7,033,425 |
| Total salaries and fringe benefits | <u>17,555,017</u> | <u>16,580,009</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 1,415,354 | 535,513 |
| Staff travel | 1,693 | 223 |
| Student travel | 272 | 231 |
| Utility services | 1,429 | 1,075 |
| Other purchased services | 68,400 | 56,032 |
| Supplies, materials and media | 392,165 | 199,791 |
| Total materials, supplies, services and other | <u>1,879,313</u> | <u>792,865</u> |
| Capital outlay - equipment | <u>3,480</u> | |
| Total special education instruction | <u>19,437,810</u> | <u>17,372,874</u> |
| Special education support services - students: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 1,041,823 | 940,129 |
| Non-certificated salaries | 777,384 | 411,650 |
| Employee benefits | 1,118,810 | 931,615 |
| Total salaries and fringe benefits | <u>2,938,017</u> | <u>2,283,394</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 865,766 | 646,943 |
| Staff travel | 20,572 | 33,103 |
| Student travel | 292 | 625 |
| Other purchased services | 16,645 | 22,113 |
| Supplies, materials and media | 115,424 | 58,938 |
| Total materials, supplies, services and other | <u>1,018,699</u> | <u>761,722</u> |
| Capital outlay - equipment | | <u>8,935</u> |
| Total special education support services - students | <u>3,956,716</u> | <u>3,054,051</u> |
| Support services - students: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 3,116,616 | 3,018,746 |
| Non-certificated salaries | 3,303,404 | 3,164,988 |
| Employee benefits | 4,724,072 | 4,348,214 |
| Total salaries and fringe benefits | <u>11,144,092</u> | <u>10,531,948</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|---------------|-------------|
| | 2009 | 2008 |
| Support services - students (continued): | | |
| Materials, supplies, services and other: | | |
| Professional and technical services | \$ 22,413 | \$ 4,199 |
| Staff travel | 8,957 | 27,852 |
| Student travel | 214 | |
| Other purchased services | 3,462 | 16,213 |
| Supplies, materials and media | 126,808 | 122,923 |
| Other expenses | 554 | 566 |
| Total materials, supplies, services and other | 162,408 | 171,753 |
| Capital outlay - equipment | 2,524 | 3,723 |
| Total support services - students | 11,309,024 | 10,707,424 |
| Support services - instruction: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 1,479,785 | 1,211,069 |
| Non-certificated salaries | 2,143,712 | 1,923,563 |
| Employee benefits | 2,728,866 | 2,470,568 |
| Total salaries and fringe benefits | 6,352,363 | 5,605,200 |
| Materials, supplies, services and other: | | |
| Professional and technical services | 239,366 | 34,073 |
| Staff travel | 76,083 | 67,482 |
| Student travel | 4,588 | 7,401 |
| Utility services | 223,499 | 285,348 |
| Other purchased services | 94,701 | 116,187 |
| Supplies, materials and media | 884,998 | 664,116 |
| Tuition and stipends | 60 | |
| Total materials, supplies, services and other | 1,523,295 | 1,174,607 |
| Capital outlay - equipment | 280,600 | 124,895 |
| Total support services - instruction | 8,156,258 | 6,904,702 |
| School administration: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 4,085,382 | 4,061,050 |
| Employee benefits | 2,924,991 | 3,155,581 |
| Total salaries and fringe benefits | 7,010,373 | 7,216,631 |
| Materials, supplies, services and other: | | |
| Staff travel | 3,375 | 4,069 |
| Student travel | | 210 |
| Supplies, materials and media | 1,449 | 1,126 |
| Other expenses | 26,105 | 24,489 |
| Total materials, supplies, services and other | 30,929 | 29,894 |
| Total school administration | 7,041,302 | 7,246,525 |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|------------------|------------------|
| | 2009 | 2008 |
| School administration support services: | | |
| Salaries and fringe benefits: | | |
| Non-certificated salaries | \$ 2,383,939 | \$ 2,376,729 |
| Employee benefits | 1,635,047 | 1,382,222 |
| Total salaries and fringe benefits | <u>4,018,986</u> | <u>3,758,951</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 4,229 | 9,716 |
| Staff travel | 2,169 | 1,579 |
| Utility services | 296,209 | 252,404 |
| Other purchased services | 7,487 | 3,851 |
| Supplies, materials and media | 153,498 | 128,547 |
| Total materials, supplies, services and other | <u>463,592</u> | <u>396,097</u> |
| Total school administration support services | <u>4,482,578</u> | <u>4,155,048</u> |
| District administration: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 529,831 | 493,052 |
| Non-certificated salaries | 647,534 | 569,458 |
| Employee benefits | 810,355 | 707,223 |
| Total salaries and fringe benefits | <u>1,987,720</u> | <u>1,769,733</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 86,071 | 112,118 |
| Staff travel | 32,974 | 36,716 |
| Other purchased services | 22,743 | 69,580 |
| Supplies, materials and media | 67,149 | 99,800 |
| Other expenses | 21,258 | |
| Total materials, supplies, services and other | <u>230,195</u> | <u>318,214</u> |
| Capital outlay - equipment | 11,393 | 13,459 |
| Total district administration | <u>2,229,308</u> | <u>2,101,406</u> |
| District administration support services: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 39,147 | 38,306 |
| Non-certificated salaries | 4,227,668 | 4,088,284 |
| Employee benefits | 2,992,785 | 2,470,864 |
| Total salaries and fringe benefits | <u>7,259,600</u> | <u>6,597,454</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|---------------|-------------|
| | 2009 | 2008 |
| District administration support services (continued): | | |
| Materials, supplies, services and other: | | |
| Professional and technical services | \$ 373,012 | \$ 334,719 |
| Staff travel | 72,602 | 83,998 |
| Utility services | 226,839 | 185,022 |
| Other purchased services | 300,806 | 369,143 |
| Insurance and bond premiums | 892,555 | 961,002 |
| Supplies, materials and media | 196,917 | 232,555 |
| Other expenses | 16,287 | 10,920 |
| Indirect costs | (672,995) | (616,273) |
| Total materials, supplies, services and other | 1,406,023 | 1,561,086 |
| Capital outlay - equipment | 130,281 | 63,000 |
| Total district administration support services | 8,795,904 | 8,221,540 |
| Operations and maintenance of plant: | | |
| Salaries and fringe benefits: | | |
| Non-certificated salaries | 7,965,764 | 7,967,574 |
| Employee benefits | 5,204,506 | 4,409,326 |
| Total salaries and fringe benefits | 13,170,270 | 12,376,900 |
| Materials, supplies, services and other: | | |
| Professional and technical services | 118,875 | 76,640 |
| Staff travel | 6,311 | 10,454 |
| Utility services | 998,955 | 859,347 |
| Energy | 5,128,925 | 5,658,279 |
| Other purchased services | 750,555 | 814,491 |
| Insurance and bond premiums | 372,102 | 415,932 |
| Supplies, materials and media | 1,371,769 | 1,371,781 |
| Total materials, supplies, services and other | 8,747,492 | 9,206,924 |
| Capital outlay - equipment | 131,552 | 191,945 |
| Total operations and maintenance of plant | 22,049,314 | 21,775,769 |
| Student activities: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 704,777 | 657,202 |
| Non-certificated salaries | 561,628 | 490,280 |
| Employee benefits | 546,869 | 545,640 |
| Total salaries and fringe benefits | 1,813,274 | 1,693,122 |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|----------------------|----------------------|
| | 2009 | 2008 |
| Student activities (continued): | | |
| Materials, supplies, services and other: | | |
| Professional and technical services | \$ 151,458 | \$ 173,252 |
| Staff travel | 4,029 | 3,796 |
| Student travel | 282,729 | 344,061 |
| Other purchased services | 90,288 | 46,877 |
| Supplies, materials and media | 119,345 | 110,116 |
| Other expenses | 27,185 | 28,925 |
| Total materials, supplies, services and other | <u>675,034</u> | <u>707,027</u> |
| Capital outlay - equipment | | 5,500 |
| Total student activities | <u>2,488,308</u> | <u>2,405,649</u> |
| Total expenditures | <u>176,620,102</u> | <u>172,908,171</u> |
| Excess (deficiency) of revenues over expenditures | <u>(915,219)</u> | <u>4,120,885</u> |
| Other financing sources (uses): | | |
| Proceeds from sale of capital assets | 10,380 | 31,960 |
| Transfers in | 193,969 | |
| Transfers out | (1,683,990) | (2,180,858) |
| Total other financing sources (uses) | <u>(1,479,641)</u> | <u>(2,148,898)</u> |
| Net change in fund balance | (2,394,860) | 1,971,987 |
| Fund balance - beginning | <u>23,893,492</u> | <u>21,921,505</u> |
| Fund balance - ending | <u>\$ 21,498,632</u> | <u>\$ 23,893,492</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | Budgeted Amounts | | | Actual on Budgetary Basis | Variance with Final Budget- Positive (Negative) |
|---|-------------------------|---------------|---------------|--|--|
| | Original | Final | Actual | | |
| Revenues: | | | | | |
| Revenue from local sources: | | | | | |
| Borough direct appropriation | \$ 44,222,700 | \$ 44,222,700 | \$ 44,222,700 | \$ 44,222,700 | \$ |
| E-rate revenue | 250,000 | 250,000 | 295,993 | 295,993 | 45,993 |
| Other local revenue | 554,800 | 554,800 | 373,390 | 373,390 | (181,410) |
| Total local sources | 45,027,500 | 45,027,500 | 44,892,083 | 44,892,083 | (135,417) |
| Revenue from state sources: | | | | | |
| Foundation program | 95,964,830 | 95,964,830 | 96,001,077 | 96,001,077 | 36,247 |
| QSI grant | 362,410 | 362,410 | 371,871 | 371,871 | 9,461 |
| TRS on-behalf | 18,645,470 | 18,645,470 | 19,640,125 | 19,640,125 | 994,655 |
| PERS on-behalf | 1,762,420 | 1,762,420 | 3,753,051 | 3,753,051 | 1,990,631 |
| On-base schools | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | |
| Total state sources | 118,185,130 | 118,185,130 | 121,216,124 | 121,216,124 | 3,030,994 |
| Revenue from federal sources: | | | | | |
| Direct - impact aid | 7,661,080 | 7,661,080 | 9,596,676 | 9,596,676 | 1,935,596 |
| Through the State of Alaska - Medicaid reimbursement | 320,000 | 320,000 | | | (320,000) |
| Total federal sources | 7,981,080 | 7,981,080 | 9,596,676 | 9,596,676 | 1,615,596 |
| Total revenues | 171,193,710 | 171,193,710 | 175,704,883 | 175,704,883 | 4,511,173 |
| Expenditures - current: | | | | | |
| Instruction: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 46,527,672 | 44,761,286 | 44,777,511 | 44,777,511 | (16,225) |
| Non-certificated salaries | 3,249,221 | 4,121,657 | 3,963,583 | 3,963,583 | 158,074 |
| Employee benefits | 31,752,569 | 31,315,438 | 33,924,144 | 33,924,144 | (2,608,706) |
| Total salaries and fringe benefits | 81,529,462 | 80,198,381 | 82,665,238 | 82,665,238 | (2,466,857) |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 384,306 | 513,995 | 650,507 | 232,151 | 281,844 |
| Staff travel | 42,850 | 46,263 | 32,642 | 32,552 | 13,711 |
| Student travel | 69,460 | 84,789 | 76,456 | 76,718 | 8,071 |
| Utility services | | 768 | 767 | 767 | 1 |
| Other purchased services | 1,762,343 | 603,381 | 565,110 | 522,657 | 80,724 |
| Supplies, materials and media | 3,291,610 | 3,842,840 | 2,676,575 | 3,354,635 | 488,205 |
| Other expenses | 532,616 | 1,230,796 | | | 1,230,796 |
| Total materials, supplies, services and other | 6,083,185 | 6,322,832 | 4,002,057 | 4,219,480 | 2,103,352 |
| Capital outlay - equipment | 11,129 | 20,858 | 6,285 | 3,380 | 17,478 |
| Total instruction | 87,623,776 | 86,542,071 | 86,673,580 | 86,888,098 | (346,027) |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | Budgeted Amounts | | | Actual on Budgetary Basis | Variance with Final Budget- Positive (Negative) |
|--|-------------------------|--------------|---------------|--|--|
| | Original | Final | Actual | | |
| Special education instruction: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | \$ 7,409,436 | \$ 7,385,459 | \$ 7,419,944 | \$ 7,419,944 | \$ (34,485) |
| Non-certificated salaries | 2,567,345 | 2,868,656 | 2,876,924 | 2,876,924 | (8,268) |
| Employee benefits | 6,263,410 | 6,170,026 | 7,258,149 | 7,258,149 | (1,088,123) |
| Total salaries and fringe benefits | 16,240,191 | 16,424,141 | 17,555,017 | 17,555,017 | (1,130,876) |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 1,736,200 | 1,434,010 | 1,415,354 | 1,414,154 | 19,856 |
| Staff travel | 1,500 | 1,820 | 1,693 | 1,693 | 127 |
| Student travel | | 273 | 272 | 272 | 1 |
| Utility services | 1,400 | 1,550 | 1,429 | 1,429 | 121 |
| Other purchased services | 204,910 | 90,176 | 68,400 | 67,588 | 22,588 |
| Supplies, materials and media | 485,840 | 421,843 | 392,165 | 398,552 | 23,291 |
| Total materials, supplies, services and other | 2,429,850 | 1,949,672 | 1,879,313 | 1,883,688 | 65,984 |
| Capital outlay - equipment | | 3,480 | 3,480 | 3,480 | |
| Total special education instruction | 18,670,041 | 18,377,293 | 19,437,810 | 19,442,185 | (1,064,892) |
| Special education support services - students: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 1,342,746 | 1,114,561 | 1,041,823 | 1,041,823 | 72,738 |
| Non-certificated salaries | 421,532 | 776,115 | 777,384 | 777,384 | (1,269) |
| Employee benefits | 815,695 | 811,417 | 1,118,810 | 1,118,810 | (307,393) |
| Total salaries and fringe benefits | 2,579,973 | 2,702,093 | 2,938,017 | 2,938,017 | (235,924) |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 275,000 | 962,429 | 865,766 | 869,426 | 93,003 |
| Staff travel | 35,000 | 28,018 | 20,572 | 20,032 | 7,986 |
| Student travel | | 1,370 | 292 | 292 | 1,078 |
| Other purchased services | 95,000 | 90,000 | 16,645 | 16,645 | 73,355 |
| Supplies, materials and media | 68,808 | 123,849 | 115,424 | 122,010 | 1,839 |
| Total materials, supplies, services and other | 473,808 | 1,205,666 | 1,018,699 | 1,028,405 | 177,261 |
| Capital outlay - equipment | | 7,000 | | 6,910 | 90 |
| Total special education support services - students | 3,053,781 | 3,914,759 | 3,956,716 | 3,973,332 | (58,573) |
| Support services - students: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 2,995,026 | 3,146,187 | 3,116,616 | 3,116,616 | 29,571 |
| Non-certificated salaries | 3,025,094 | 3,344,538 | 3,303,404 | 3,303,404 | 41,134 |
| Employee benefits | 2,901,731 | 3,122,204 | 4,724,072 | 4,724,072 | (1,601,868) |
| Total salaries and fringe benefits | 8,921,851 | 9,612,929 | 11,144,092 | 11,144,092 | (1,531,163) |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | Budgeted Amounts | | | Actual on Budgetary Basis | Variance with Final Budget- Positive (Negative) |
|--|-------------------------|--------------|---------------|--|--|
| | Original | Final | Actual | | |
| Support services - students (continued): | | | | | |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | \$ 3,000 | \$ 28,431 | \$ 22,413 | \$ 25,160 | \$ 3,271 |
| Staff travel | 23,750 | 20,016 | 8,957 | 8,957 | 11,059 |
| Student travel | 1,000 | 8,312 | 214 | 214 | 8,098 |
| Other purchased services | 630,320 | 16,310 | 3,462 | 2,275 | 14,035 |
| Supplies, materials and media | 169,475 | 215,610 | 126,808 | 133,170 | 82,440 |
| Other expenses | 1,000 | 1,000 | 554 | 554 | 446 |
| Total materials, supplies, services and other | 828,545 | 289,679 | 162,408 | 170,330 | 119,349 |
| Capital outlay - equipment | | 2,525 | 2,524 | 2,524 | 1 |
| Total support services - students | 9,750,396 | 9,905,133 | 11,309,024 | 11,316,946 | (1,411,813) |
| Support services - instruction: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 1,401,325 | 1,519,392 | 1,479,785 | 1,479,785 | 39,607 |
| Non-certificated salaries | 2,235,062 | 2,222,460 | 2,143,712 | 2,143,712 | 78,748 |
| Employee benefits | 2,290,974 | 2,339,838 | 2,728,866 | 2,728,866 | (389,028) |
| Total salaries and fringe benefits | 5,927,361 | 6,081,690 | 6,352,363 | 6,352,363 | (270,673) |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 72,000 | 291,801 | 239,366 | 239,416 | 52,385 |
| Staff travel | 86,300 | 86,298 | 76,083 | 75,955 | 10,343 |
| Student travel | 6,000 | 6,600 | 4,588 | 4,588 | 2,012 |
| Utility services | | 223,500 | 223,499 | 223,499 | 1 |
| Other purchased services | 622,042 | 118,856 | 94,701 | 103,188 | 15,668 |
| Supplies, materials and media | 621,107 | 915,784 | 884,998 | 871,280 | 44,504 |
| Tuition and stipends | | 60 | 60 | 60 | |
| Total materials, supplies, services and other | 1,407,449 | 1,642,899 | 1,523,295 | 1,517,986 | 124,913 |
| Capital outlay - equipment | 453,128 | 287,736 | 280,600 | 280,600 | 7,136 |
| Total support services - instruction | 7,787,938 | 8,012,325 | 8,156,258 | 8,150,949 | (138,624) |
| School administration: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 4,249,666 | 4,317,332 | 4,085,382 | 4,085,382 | 231,950 |
| Employee benefits | 2,804,245 | 2,829,467 | 2,924,991 | 2,924,991 | (95,524) |
| Total salaries and fringe benefits | 7,053,911 | 7,146,799 | 7,010,373 | 7,010,373 | 136,426 |
| Materials, supplies, services and other: | | | | | |
| Staff travel | 5,500 | 6,074 | 3,375 | 3,375 | 2,699 |
| Supplies, materials and media | | 1,449 | 1,449 | 1,449 | |
| Other expenses | 23,854 | 26,105 | 26,105 | 26,105 | |
| Total materials, supplies, services and other | 29,354 | 33,628 | 30,929 | 30,929 | 2,699 |
| Total school administration | 7,083,265 | 7,180,427 | 7,041,302 | 7,041,302 | 139,125 |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on Budgetary Basis</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|-------------------------|--------------|---------------|--|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | | |
| School administration support services: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Non-certificated salaries | \$ 2,494,271 | \$ 2,503,527 | \$ 2,383,939 | \$ 2,383,939 | \$ 119,588 |
| Employee benefits | 1,531,383 | 1,546,396 | 1,635,047 | 1,635,047 | (88,651) |
| Total salaries and fringe benefits | 4,025,654 | 4,049,923 | 4,018,986 | 4,018,986 | 30,937 |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 5,000 | 12,710 | 4,229 | 4,229 | 8,481 |
| Staff travel | 825 | 2,464 | 2,169 | 2,169 | 295 |
| Utility services | 353,000 | 357,800 | 296,209 | 296,233 | 61,567 |
| Other purchased services | | 9,224 | 7,487 | 8,547 | 677 |
| Supplies, materials and media | 124,508 | 244,046 | 153,498 | 158,918 | 85,128 |
| Total materials, supplies, services and other | 483,333 | 626,244 | 463,592 | 470,096 | 156,148 |
| Capital outlay - equipment | 1,000 | 1,000 | | | 1,000 |
| Total school administration support services | 4,509,987 | 4,677,167 | 4,482,578 | 4,489,082 | 188,085 |
| District administration: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 484,427 | 526,471 | 529,831 | 529,831 | (3,360) |
| Non-certificated salaries | 582,564 | 655,169 | 647,534 | 647,534 | 7,635 |
| Employee benefits | 667,350 | 723,136 | 810,355 | 810,355 | (87,219) |
| Total salaries and fringe benefits | 1,734,341 | 1,904,776 | 1,987,720 | 1,987,720 | (82,944) |
| Materials, supplies, services, and other: | | | | | |
| Professional and technical services | 136,000 | 101,388 | 86,071 | 87,727 | 13,661 |
| Staff travel | 40,300 | 38,821 | 32,974 | 32,908 | 5,913 |
| Other purchased services | 120,375 | 29,828 | 22,743 | 24,634 | 5,194 |
| Supplies, materials and media | 62,850 | 78,591 | 67,149 | 72,481 | 6,110 |
| Other expenses | 150,000 | 171,258 | 21,258 | 21,258 | 150,000 |
| Total materials, supplies, services, and other | 509,525 | 419,886 | 230,195 | 239,008 | 180,878 |
| Capital outlay - equipment | | 14,112 | 11,393 | 11,393 | 2,719 |
| Total district administration | 2,243,866 | 2,338,774 | 2,229,308 | 2,238,121 | 100,653 |
| District administration support services: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 32,645 | 40,595 | 39,147 | 39,147 | 1,448 |
| Non-certificated salaries | 4,345,231 | 4,474,755 | 4,227,668 | 4,227,668 | 247,087 |
| Employee benefits | 2,911,307 | 2,980,798 | 2,992,785 | 2,992,785 | (11,987) |
| Total salaries and fringe benefits | 7,289,183 | 7,496,148 | 7,259,600 | 7,259,600 | 236,548 |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on</u> | <u>Variance with</u> |
|---|-------------------------|--------------|---------------|------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Budgetary</u> | <u>Final Budget-</u> |
| | | | | <u>Basis</u> | <u>Positive</u> |
| | | | | | <u>(Negative)</u> |
| District administration support services (continued): | | | | | |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | \$ 413,660 | \$ 447,375 | \$ 373,012 | \$ 381,278 | \$ 66,097 |
| Staff travel | 133,000 | 105,201 | 72,602 | 69,459 | 35,742 |
| Utility services | 286,000 | 285,999 | 226,839 | 241,382 | 44,617 |
| Other purchased services | 466,810 | 440,601 | 300,806 | 368,882 | 71,719 |
| Insurance and bond premiums | 940,000 | 940,000 | 892,555 | 892,555 | 47,445 |
| Supplies, materials and media | 244,042 | 240,252 | 196,917 | 200,838 | 39,414 |
| Other expenses | 2,950 | 1,880 | 16,287 | 16,287 | (14,407) |
| Indirect costs | (670,000) | (670,000) | (672,995) | (672,995) | 2,995 |
| Total materials, supplies, services and other | 1,816,462 | 1,791,308 | 1,406,023 | 1,497,686 | 293,622 |
| Capital outlay - equipment | 160,770 | 206,873 | 130,281 | 179,749 | 27,124 |
| Total district administration support services | 9,266,415 | 9,494,329 | 8,795,904 | 8,937,035 | 557,294 |
| Operations and maintenance of plant: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Non-certificated salaries | 8,380,134 | 8,161,291 | 7,965,764 | 7,965,764 | 195,527 |
| Employee benefits | 5,091,382 | 5,108,619 | 5,204,506 | 5,204,506 | (95,887) |
| Total salaries and fringe benefits | 13,471,516 | 13,269,910 | 13,170,270 | 13,170,270 | 99,640 |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 87,400 | 140,700 | 118,875 | 120,799 | 19,901 |
| Staff travel | 21,400 | 21,400 | 6,311 | 6,443 | 14,957 |
| Utility services | 1,006,159 | 1,008,157 | 998,955 | 966,710 | 41,447 |
| Energy | 5,818,648 | 5,840,598 | 5,128,925 | 5,035,649 | 804,949 |
| Other purchased services | 568,882 | 815,819 | 750,555 | 745,546 | 70,273 |
| Insurance and bond premiums | 422,000 | 449,165 | 372,102 | 372,102 | 77,063 |
| Supplies, materials and media | 1,165,750 | 1,376,508 | 1,371,769 | 1,339,388 | 37,120 |
| Total materials, supplies, services and other | 9,090,239 | 9,652,347 | 8,747,492 | 8,586,637 | 1,065,710 |
| Capital outlay - equipment | 91,000 | 125,306 | 131,552 | 125,292 | 14 |
| Total operations and maintenance of plant | 22,652,755 | 23,047,563 | 22,049,314 | 21,882,199 | 1,165,364 |
| Student activities: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 1,160,115 | 782,268 | 704,777 | 704,777 | 77,491 |
| Non-certificated salaries | 156,614 | 563,777 | 561,628 | 561,628 | 2,149 |
| Employee benefits | 480,313 | 507,363 | 546,869 | 546,869 | (39,506) |
| Total salaries and fringe benefits | 1,797,042 | 1,853,408 | 1,813,274 | 1,813,274 | 40,134 |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Actual on Budgetary Basis</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|--|-------------------------|----------------|----------------------|--|--|
| | <u>Original</u> | <u>Final</u> | | | |
| Student activities (continued): | | | | | |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | \$ 141,484 | \$ 154,825 | \$ 151,458 | \$ 151,083 | \$ 3,742 |
| Staff travel | 5,000 | 5,000 | 4,029 | 4,029 | 971 |
| Student travel | 320,073 | 330,597 | 282,729 | 279,222 | 51,375 |
| Other purchased services | 53,000 | 97,898 | 90,288 | 91,388 | 6,510 |
| Supplies, materials and media | 122,101 | 122,137 | 119,345 | 115,982 | 6,155 |
| Other expenses | 29,000 | 29,740 | 27,185 | 27,185 | 2,555 |
| Total materials, supplies, services and other | 670,658 | 740,197 | 675,034 | 668,889 | 71,308 |
| Total student activities | 2,467,700 | 2,593,605 | 2,488,308 | 2,482,163 | 111,442 |
| Total expenditures | 175,109,920 | 176,083,446 | 176,620,102 | 176,841,412 | (757,966) |
| Excess (deficiency) of revenues over expenditures | (3,916,210) | (4,889,736) | (915,219) | (1,136,529) | 3,753,207 |
| Other financing sources (uses): | | | | | |
| Proceeds from sale of capital assets | | | 10,380 | 10,380 | 10,380 |
| Transfers in | | 193,969 | 193,969 | 193,969 | |
| Transfers out | (1,608,990) | (1,683,990) | (1,683,990) | (1,683,990) | |
| Total other financing sources (uses) | (1,608,990) | (1,490,021) | (1,479,641) | (1,479,641) | 10,380 |
| Net change in fund balance | \$ (5,525,200) | \$ (6,379,757) | (2,394,860) | \$ (2,616,170) | \$ 3,763,587 |
| Fund balance - beginning | | | 23,893,492 | | |
| Fund balance - ending | | | <u>\$ 21,498,632</u> | | |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund
Federal Programs Special Revenue
Combining Balance Sheet
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | <u>Alaska Native Education</u> | <u>Title IA Basic Program</u> | <u>Title 1D State Operated</u> | <u>Title IC Migrant Education</u> |
|---|--|---------------------------------------|--|---|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ | \$ | \$ | \$ |
| Accounts receivable: | | | | |
| Local | | | | |
| State | | 910,799 | 11,339 | 66,828 |
| Federal | 210,624 | | | |
| Total assets | <u>\$ 210,624</u> | <u>\$ 910,799</u> | <u>\$ 11,339</u> | <u>\$ 66,828</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 2,924 | \$ 25,727 | \$ | \$ 2,337 |
| Deferred revenue | | | | |
| Due to other funds | 207,700 | 885,072 | 11,339 | 64,491 |
| Due to external groups and agencies | | | | |
| Total liabilities | <u>210,624</u> | <u>910,799</u> | <u>11,339</u> | <u>66,828</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | 944 | 12,296 | | 616 |
| Unreserved | <u>(944)</u> | <u>(12,296)</u> | | <u>(616)</u> |
| Total fund balances | | | | |
| Total liabilities and fund balances | <u>\$ 210,624</u> | <u>\$ 910,799</u> | <u>\$ 11,339</u> | <u>\$ 66,828</u> |

| Drug Free Schools | Carl Perkins Basic Grant | Title V Chapter II | Migrant Education Summer | Air Force ROTC - North Pole HS | Air Force ROTC- Ben Eielson Jr/Sr |
|----------------------------------|---|-------------------------------|---|---|--|
| \$ | \$ | \$ | \$ 4 | \$ | \$ |
| 58,996 | 187,044 | 1,814 | | 1,718 | 2,720 |
| <u>\$ 58,996</u> | <u>\$ 187,044</u> | <u>\$ 1,814</u> | <u>\$ 4</u> | <u>\$ 1,718</u> | <u>\$ 2,720</u> |
| \$ 6,278 | \$ 2,874 | \$ | \$ 4 | \$ | \$ |
| 52,227 491 | 184,170 | 1,814 | | 1,718 | 2,720 |
| <u>58,996</u> | <u>187,044</u> | <u>1,814</u> | <u>4</u> | <u>1,718</u> | <u>2,720</u> |
| | 21,040 (21,040) | | | | |
| <u>\$ 58,996</u> | <u>\$ 187,044</u> | <u>\$ 1,814</u> | <u>\$ 4</u> | <u>\$ 1,718</u> | <u>\$ 2,720</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund
 Federal Programs Special Revenue
 Combining Balance Sheet
 For the Year Ended June 30, 2009
 (With comparative totals for 2008)

| | <u>Title IIIA English Language</u> | <u>At Risk Youth Transitions</u> | <u>Title IA 20% Choice & Supplemental</u> | <u>IDEA, Part B Title VI-B</u> |
|---|--|--|---|------------------------------------|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ | \$ | \$ | \$ |
| Accounts receivable: | | | | |
| Local | | | | |
| State | 11,863 | 32,046 | 61,154 | 791,494 |
| Federal | | | | |
| Total assets | <u>\$ 11,863</u> | <u>\$ 32,046</u> | <u>\$ 61,154</u> | <u>\$ 791,494</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ | \$ | \$ 29,476 | \$ 1,008 |
| Deferred revenue | | | | |
| Due to other funds | 11,863 | 32,046 | 31,678 | 790,486 |
| Due to external groups and agencies | | | | |
| Total liabilities | <u>11,863</u> | <u>32,046</u> | <u>61,154</u> | <u>791,494</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | | | | |
| Unreserved | | | | |
| Total fund balances | | | | |
| Total liabilities and fund balances | <u>\$ 11,863</u> | <u>\$ 32,046</u> | <u>\$ 61,154</u> | <u>\$ 791,494</u> |

| IDEA, Part B Preschool Disabled | Options Child Care Grant | Alaska Community Learning Centers | Mentoring for Success | Title IA 1% Parent Involvement | Migrant Education Parent Advisory Council |
|--|---|--|----------------------------------|---|--|
| \$ | \$ 1,849 | \$ | \$ | \$ | \$ |
| 32,277 | | 315,046 | 85,091 | 20,056 | 59 |
| <u>\$ 32,277</u> | <u>\$ 1,849</u> | <u>\$ 315,046</u> | <u>\$ 85,091</u> | <u>\$ 20,056</u> | <u>\$ 59</u> |
| \$ 840 | \$ | \$ 31 475 | \$ 15,527 | \$ (25) | \$ |
| 31,437 | | 311,967 2,573 | 69,564 | 20,081 | 59 |
| <u>32,277</u> | | <u>315,046</u> | <u>85,091</u> | <u>20,056</u> | <u>59</u> |
| 59 (59) | 1,849 | 2,835 (2,835) | 53,973 (53,973) | 662 (662) | |
| | <u>1,849</u> | | | | |
| <u>\$ 32,277</u> | <u>\$ 1,849</u> | <u>\$ 315,046</u> | <u>\$ 85,091</u> | <u>\$ 20,056</u> | <u>\$ 59</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund
 Federal Programs Special Revenue
 Combining Balance Sheet
 For the Year Ended June 30, 2009
 (With comparative totals for 2008)

| | <u>Title II Math/Science</u> | <u>Training for All Teachers</u> | <u>Title IID Technology</u> | <u>Learning Styles Center</u> |
|---|----------------------------------|--|---------------------------------|---------------------------------------|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ | \$ 5 | \$ | \$ |
| Accounts receivable: | | | | |
| Local | | | | 97 |
| State | 987,466 | | 17,596 | |
| Federal | | | | |
| Total assets | <u>\$ 987,466</u> | <u>\$ 5</u> | <u>\$ 17,596</u> | <u>\$ 97</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 11,600 | \$ | \$ | \$ |
| Deferred revenue | | | | |
| Due to other funds | 975,866 | | 17,596 | 97 |
| Due to external groups and agencies | | 5 | | |
| Total liabilities | <u>987,466</u> | <u>5</u> | <u>17,596</u> | <u>97</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | 1,400 | | | |
| Unreserved | (1,400) | | | |
| Total fund balances | | | | |
| Total liabilities and fund balances | <u>\$ 987,466</u> | <u>\$ 5</u> | <u>\$ 17,596</u> | <u>\$ 97</u> |

| <u>Alaska Reading First</u> | <u>Title IA District Improvement 10%</u> | <u>Title I School Improvement</u> | <u>Project ARTiculate</u> | <u>PLATO Professional Development</u> | <u>Title IA School Improvement Hunter 1003 (G)</u> |
|-------------------------------------|--|---|-------------------------------|---|--|
| \$ | \$ | \$ | \$ 120 | \$ | \$ |
| 131,613 | 152,600 | 12,045 | | 2,953 | 24,204 |
| <u>\$ 131,613</u> | <u>\$ 152,600</u> | <u>\$ 12,045</u> | <u>\$ 120</u> | <u>\$ 2,953</u> | <u>\$ 24,204</u> |
| \$ (470) | \$ 1,480 | \$ | \$ 120 | \$ | \$ |
| 129,731 | 151,120 | 12,045 | | 2,953 | 24,204 |
| <u>2,352</u> | | | | | |
| <u>131,613</u> | <u>152,600</u> | <u>12,045</u> | <u>120</u> | <u>2,953</u> | <u>24,204</u> |
| 4,190 | | | | | |
| <u>(4,190)</u> | | | | | |
| <u>\$ 131,613</u> | <u>\$ 152,600</u> | <u>\$ 12,045</u> | <u>\$ 120</u> | <u>\$ 2,953</u> | <u>\$ 24,204</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund
Federal Programs Special Revenue
Combining Balance Sheet
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | ARRA Title VIII Construction | Youth Risk Behavior Survey | Totals | |
|---|---|---|---------------------|---------------------|
| | | | 2009 | 2008 |
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ 438,937 | \$ 1,920 | \$ 442,835 | \$ 17,188 |
| Accounts receivable: | | | | |
| Local | | | 97 | 10,610 |
| State | | | 3,826,339 | 2,975,636 |
| Federal | | | 303,106 | 289,553 |
| Total assets | <u>\$ 438,937</u> | <u>\$ 1,920</u> | <u>\$ 4,572,377</u> | <u>\$ 3,292,987</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ | \$ | \$ 99,731 | \$ 84,422 |
| Deferred revenue | | 1,920 | 2,395 | 1,000 |
| Due to other funds | | | 4,024,044 | 3,179,270 |
| Due to external groups and agencies | | | 5,421 | |
| Total liabilities | | <u>1,920</u> | <u>4,131,591</u> | <u>3,264,692</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | | | 98,015 | 213,699 |
| Unreserved | 438,937 | | 342,771 | (185,404) |
| Total fund balances | <u>438,937</u> | | <u>440,786</u> | <u>28,295</u> |
| Total liabilities and fund balances | <u>\$ 438,937</u> | <u>\$ 1,920</u> | <u>\$ 4,572,377</u> | <u>\$ 3,292,987</u> |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Alaska Native Education</u> | <u>Title IA Basic Program</u> | <u>Title ID State Operated</u> | <u>Title IC Migrant Education</u> |
|--|--|---------------------------------------|--|---|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | 580,322 | | | |
| Through the State of Alaska | | 2,458,145 | 33,487 | 197,139 |
| Other intermediate agencies | | | | |
| Total federal sources | <u>580,322</u> | <u>2,458,145</u> | <u>33,487</u> | <u>197,139</u> |
| Total revenues | <u>580,322</u> | <u>2,458,145</u> | <u>33,487</u> | <u>197,139</u> |
| Expenditures - current: | | | | |
| Instruction | 546,024 | 2,309,915 | 31,467 | 185,246 |
| Special education instruction | | | | |
| Support services - students | | | | |
| Support services - instruction | | | | |
| School administration support services | | | | |
| District administration | | | | |
| District administration support services | <u>34,298</u> | <u>148,230</u> | <u>2,020</u> | <u>11,893</u> |
| Total expenditures | <u>580,322</u> | <u>2,458,145</u> | <u>33,487</u> | <u>197,139</u> |
| Excess (deficiency) of revenues over expenditures | | | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

| Drug Free Schools | Carl Perkins Basic Grant | Title V Chapter II | Migrant Education Summer | Air Force ROTC - North Pole HS | Air Force ROTC- Ben Eielson Jr/Sr |
|----------------------------------|---|-------------------------------|---|---|--|
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |
| 162,312 | 331,068 | 3,321 | 20,531 | (11,829) | (10,306) |
| <u>162,312</u> | <u>331,068</u> | <u>3,321</u> | <u>20,531</u> | <u>(11,829)</u> | <u>(10,306)</u> |
| <u>162,312</u> | <u>331,068</u> | <u>3,321</u> | <u>20,531</u> | <u>(11,829)</u> | <u>(10,306)</u> |
| 159,129 | 315,586 | 3,121 | 19,292 | 1,521 | 3,376 |
| 3,183 | 15,482 | 200 | 1,239 | | |
| <u>162,312</u> | <u>331,068</u> | <u>3,321</u> | <u>20,531</u> | <u>1,521</u> | <u>3,376</u> |
| | | | | (13,350) | (13,682) |
| | | | | (13,350) | (13,682) |
| | | | | 13,350 | 13,682 |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Title IIIA English Language</u> | <u>At Risk Youth Transitions</u> | <u>Title IA 20% Choice & Supplemental</u> | <u>IDEA, Part B Title VI-B</u> |
|--|--|--|---|------------------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |
| Revenue from federal sources: | | | | |
| Direct | | | | |
| Through the State of Alaska | 22,112 | 94,576 | 151,824 | 2,947,598 |
| Other intermediate agencies | | | | |
| Total federal sources | <u>22,112</u> | <u>94,576</u> | <u>151,824</u> | <u>2,947,598</u> |
| Total revenues | <u>22,112</u> | <u>94,576</u> | <u>151,824</u> | <u>2,947,598</u> |
| Expenditures - current: | | | | |
| Instruction | 21,678 | 88,871 | 142,673 | |
| Special education instruction | | | | 2,769,778 |
| Support services - students | | | | |
| Support services - instruction | | | | |
| School administration support services | | | | |
| District administration | | | | |
| District administration support services | 434 | 5,705 | 9,151 | 177,820 |
| Total expenditures | <u>22,112</u> | <u>94,576</u> | <u>151,824</u> | <u>2,947,598</u> |
| Excess (deficiency) of revenues over expenditures | | | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

| IDEA, Part B Preschool Disabled | Options Child Care Grant | Alaska Community Learning Centers | Mentoring for Success | Title IA 1% Parent Involvement | Migrant Education Parent Advisory Council |
|--|---|--|----------------------------------|---|--|
| \$ | \$ | \$ 73,749 | \$ | \$ | \$ |
| 106,728 | 1,362 | 1,180,336 | 150,834 | 28,284 | 601 |
| 106,728 | 1,362 | 1,180,336 | 150,834 | 28,284 | 601 |
| 106,728 | 1,362 | 1,254,085 | 150,834 | 28,284 | 601 |
| 100,289 | 776 | 1,182,873 | 142,740 | 26,578 | 565 |
| 6,439 | | 71,212 | 8,094 | 1,706 | 36 |
| 106,728 | 776 | 1,254,085 | 150,834 | 28,284 | 601 |
| | 586 | | | | |
| | 586 | | | | |
| | 1,263 | | | | |
| \$ | \$ 1,849 | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Title II Math/Science</u> | <u>Training for All Teachers</u> | <u>Title IID Technology</u> | <u>Learning Styles Center</u> |
|--|----------------------------------|--|---------------------------------|---------------------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | | 5,676 | | |
| Through the State of Alaska | 1,736,605 | | 47,370 | |
| Other intermediate agencies | | | | 470 |
| Total federal sources | <u>1,736,605</u> | <u>5,676</u> | <u>47,370</u> | <u>470</u> |
| Total revenues | <u>1,736,605</u> | <u>5,676</u> | <u>47,370</u> | <u>470</u> |
| Expenditures - current: | | | | |
| Instruction | | | | |
| Special education instruction | | | | |
| Support services - students | | | | |
| Support services - instruction | 1,631,841 | 5,387 | 44,512 | 470 |
| School administration support services | | | | |
| District administration | | | | |
| District administration support services | 104,764 | 289 | 2,858 | |
| Total expenditures | <u>1,736,605</u> | <u>5,676</u> | <u>47,370</u> | <u>470</u> |
| Excess (deficiency) of revenues over expenditures | | | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

| <u>Alaska Reading First</u> | <u>Title IA District Improvement 10%</u> | <u>Title I School Improvement</u> | <u>Project ARTiculate</u> | <u>Teaching American History</u> | <u>PLATO Professional Development</u> |
|-------------------------------------|--|---|-------------------------------|--|---|
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |
| 400,497 | 406,482 | 12,893 | 180,474 | 12,401 | 197,587 |
| <u>400,497</u> | <u>406,482</u> | <u>12,893</u> | <u>180,474</u> | <u>12,401</u> | <u>197,587</u> |
| <u>400,497</u> | <u>406,482</u> | <u>12,893</u> | <u>180,474</u> | <u>12,401</u> | <u>197,587</u> |
| 386,954 | 381,960 | 12,118 | 169,587 | 11,678 | 185,667 |
| <u>13,543</u> | <u>24,522</u> | <u>775</u> | <u>10,887</u> | <u>723</u> | <u>11,920</u> |
| <u>400,497</u> | <u>406,482</u> | <u>12,893</u> | <u>180,474</u> | <u>12,401</u> | <u>197,587</u> |
| | | | | | |
| | | | | | |
| | | | | | |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Title IA School Improvement Hunter 1003 (G)</u> | <u>ARRA Title VIII Construction</u> | <u>Youth Risk Behavior Study</u> | <u>Emergency Response Plans</u> |
|--|--|---|--|---|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | | | | (6,200) |
| Through the State of Alaska | 24,204 | 438,937 | 5,080 | |
| Other intermediate agencies | | | | |
| Total federal sources | <u>24,204</u> | <u>438,937</u> | <u>5,080</u> | <u>(6,200)</u> |
| Total revenues | <u>24,204</u> | <u>438,937</u> | <u>5,080</u> | <u>(6,200)</u> |
| Expenditures - current: | | | | |
| Instruction | | | | |
| Special education instruction | | | | |
| Support services - students | | | | |
| Support services - instruction | 22,744 | | | |
| School administration support services | | | 5,080 | |
| District administration | | | | (6,200) |
| District administration support services | 1,460 | | | |
| Total expenditures | <u>24,204</u> | | <u>5,080</u> | <u>(6,200)</u> |
| Excess (deficiency) of revenues over expenditures | | <u>438,937</u> | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | 438,937 | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$ 438,937</u> | <u>\$</u> | <u>\$</u> |

| Totals | |
|-------------------|-------------------|
| 2009 | 2008 |
| <u>\$ 73,749</u> | <u>\$ 62,062</u> |
| 1,121,094 | 1,080,472 |
| 10,811,492 | 10,346,961 |
| (21,665) | 27,802 |
| <u>11,910,921</u> | <u>11,455,235</u> |
| <u>11,984,670</u> | <u>11,517,297</u> |
| 3,827,899 | 3,567,493 |
| 2,870,067 | 3,395,874 |
| 1,353,532 | 1,276,308 |
| 2,852,918 | 2,671,425 |
| 5,080 | |
| (6,200) | |
| <u>668,883</u> | <u>611,640</u> |
| <u>11,572,179</u> | <u>11,522,740</u> |
| <u>412,491</u> | <u>(5,443)</u> |
| | (14) |
| <u>412,491</u> | <u>(5,457)</u> |
| <u>28,295</u> | <u>33,752</u> |
| <u>\$ 440,786</u> | <u>\$ 28,295</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Alaska Native Education</u> | <u>Title IA Basic Program</u> | <u>Title ID State Operated</u> | <u>Title IC Migrant Education</u> |
|--|--|---------------------------------------|--|---|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | 580,322 | | | |
| Through the State of Alaska | | 2,458,145 | 33,487 | 197,139 |
| Other intermediate agencies | | | | |
| Total federal sources | <u>580,322</u> | <u>2,458,145</u> | <u>33,487</u> | <u>197,139</u> |
| Total revenues | <u>580,322</u> | <u>2,458,145</u> | <u>33,487</u> | <u>197,139</u> |
| Expenditures - current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | 55,594 | 661,281 | | |
| Non-certificated salaries | 254,906 | 629,756 | 15,870 | 91,729 |
| Employee benefits | 150,222 | 431,348 | 8,343 | 41,628 |
| Total salaries and fringe benefits | <u>460,722</u> | <u>1,722,385</u> | <u>24,213</u> | <u>133,357</u> |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | 100 | 72,778 | | 2,151 |
| Staff travel | 9,617 | 90,615 | | 2,256 |
| Student travel | | 11,370 | | |
| Other purchased services | 552 | 369 | | |
| Supplies, materials and media | 74,028 | 400,720 | 7,254 | 25,864 |
| Tuition and stipends | | | | |
| Other expenses | 1,005 | 11,678 | | 21,618 |
| Indirect costs | 34,298 | 148,230 | 2,020 | 11,893 |
| Total materials, supplies, services and other | <u>119,600</u> | <u>735,760</u> | <u>9,274</u> | <u>63,782</u> |
| Capital outlay - equipment | | | | |
| Total expenditures | <u>580,322</u> | <u>2,458,145</u> | <u>33,487</u> | <u>197,139</u> |
| Excess (deficiency) of revenues over expenditures | | | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

| Drug Free Schools | Carl Perkins Basic Grant | Title V Chapter II | Migrant Education Summer | Air Force ROTC - North Pole HS | Air Force ROTC- Ben Eielson Jr/Sr |
|----------------------------------|---|-------------------------------|---|---|--|
| \$ | \$ | \$ | \$ | \$ | \$ |
| 162,312 | 331,068 | 3,321 | 20,531 | (11,829) | (10,306) |
| 162,312 | 331,068 | 3,321 | 20,531 | (11,829) | (10,306) |
| 162,312 | 331,068 | 3,321 | 20,531 | (11,829) | (10,306) |
| | | | | | |
| | 8,345 | 2,736 | | | |
| 31,915 | 54,951 | | 108 | | |
| 16,199 | 28,476 | 385 | 10 | | |
| 48,114 | 91,772 | 3,121 | 118 | | |
| | | | | | |
| 45,003 | 10,780 | | | | 75 |
| 3,307 | 16,172 | | | | |
| 963 | 25,428 | | | 1,718 | 563 |
| 4,614 | | | | | |
| 57,048 | 150,684 | | 16,564 | (197) | 2,738 |
| 80 | 14,805 | | 2,610 | | |
| 3,183 | 15,482 | 200 | 1,239 | | |
| 114,198 | 233,351 | 200 | 20,413 | 1,521 | 3,376 |
| | 5,945 | | | | |
| 162,312 | 331,068 | 3,321 | 20,531 | 1,521 | 3,376 |
| | | | | (13,350) | (13,682) |
| | | | | | |
| | | | | (13,350) | (13,682) |
| | | | | 13,350 | 13,682 |
| \$ | \$ | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Title IIIA English Language</u> | <u>At Risk Youth Transitions</u> | <u>Title IA 20% Choice & Supplemental</u> | <u>IDEA, Part B Title VI-B</u> |
|--|--|--|---|------------------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | | | | |
| Through the State of Alaska | 22,112 | 94,576 | 151,824 | 2,947,598 |
| Other intermediate agencies | | | | |
| Total federal sources | 22,112 | 94,576 | 151,824 | 2,947,598 |
| Total revenues | 22,112 | 94,576 | 151,824 | 2,947,598 |
| Expenditures - current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | 2,268 | 2,600 | | 143,356 |
| Non-certificated salaries | 5,487 | 50,810 | | 1,597,107 |
| Employee benefits | 1,708 | 27,126 | | 713,944 |
| Total salaries and fringe benefits | 9,463 | 80,536 | | 2,454,407 |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | | 625 | 112,451 | 279,894 |
| Staff travel | 8,797 | 91 | | 18,070 |
| Student travel | | | 30,222 | 2,689 |
| Other purchased services | | | | 940 |
| Supplies, materials and media | 3,418 | 3,992 | | 4,357 |
| Tuition and stipends | | | | 9,421 |
| Other expenses | | 3,627 | | |
| Indirect costs | 434 | 5,705 | 9,151 | 177,820 |
| Total materials, supplies, services and other | 12,649 | 14,040 | 151,824 | 493,191 |
| Capital outlay - equipment | | | | |
| Total expenditures | 22,112 | 94,576 | 151,824 | 2,947,598 |
| Excess (deficiency) of revenues over expenditures | | | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | \$ | \$ | \$ | \$ |

| IDEA, Part B Preschool Disabled | Options Child Care Grant | Alaska Community Learning Centers | Mentoring for Success | Title IA 1% Parent Involvement | Migrant Education Parent Advisory Council |
|--|---|--|----------------------------------|---|--|
| \$ | \$ | \$ 73,749 | \$ | \$ | \$ |
| 106,728 | 1,362 | 1,180,336 | 150,834 | 28,284 | 601 |
| 106,728 | 1,362 | 1,180,336 | 150,834 | 28,284 | 601 |
| 106,728 | 1,362 | 1,254,085 | 150,834 | 28,284 | 601 |
| 61,251 | | 191,517 | | 3,760 | |
| 31,788 | | 584,529 | 17,060 | 6,030 | |
| 93,039 | | 247,127 | 8,984 | 1,091 | |
| | | 1,023,173 | 26,044 | 10,881 | |
| | | 15,754 | 113,226 | 800 | |
| | | 28,320 | 3,409 | | 565 |
| | 50 | 27,609 | | | |
| 7,250 | 606 | 3,546 | | | |
| | | 84,152 | 61 | 14,897 | |
| | 120 | 319 | | | |
| 6,439 | | 71,212 | 8,094 | 1,706 | 36 |
| 13,689 | 776 | 230,912 | 124,790 | 17,403 | 601 |
| 106,728 | 776 | 1,254,085 | 150,834 | 28,284 | 601 |
| | 586 | | | | |
| | 586 | | | | |
| | 1,263 | | | | |
| \$ | \$ 1,849 | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Title II Math/Science</u> | <u>Training for All Teachers</u> | <u>Title IID Technology</u> | <u>Learning Styles Center</u> |
|--|----------------------------------|--|---------------------------------|---------------------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | | 5,676 | | |
| Through the State of Alaska | 1,736,605 | | 47,370 | |
| Other intermediate agencies | | | | 470 |
| Total federal sources | <u>1,736,605</u> | <u>5,676</u> | <u>47,370</u> | <u>470</u> |
| Total revenues | <u>1,736,605</u> | <u>5,676</u> | <u>47,370</u> | <u>470</u> |
| Expenditures - current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | 820,371 | | 31,748 | |
| Non-certificated salaries | 150,191 | 1,326 | | 445 |
| Employee benefits | <u>364,067</u> | <u>678</u> | <u>11,342</u> | <u>25</u> |
| Total salaries and fringe benefits | <u>1,334,629</u> | <u>2,004</u> | <u>43,090</u> | <u>470</u> |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | 15,789 | | | |
| Staff travel | 118,226 | | | |
| Student travel | | | | |
| Other purchased services | | | | |
| Supplies, materials and media | 138,659 | 3,383 | 1,422 | |
| Tuition and stipends | | | | |
| Other expenses | 24,538 | | | |
| Indirect costs | <u>104,764</u> | <u>289</u> | <u>2,858</u> | |
| Total materials, supplies, services and other | <u>401,976</u> | <u>3,672</u> | <u>4,280</u> | |
| Capital outlay - equipment | | | | |
| Total expenditures | <u>1,736,605</u> | <u>5,676</u> | <u>47,370</u> | <u>470</u> |
| Excess (deficiency) of revenues over expenditures | | | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

| Alaska Reading First | Title IA District Improvement 10% | Title I School Improvement | Project ARTiculate | Teaching American History | PLATO Professional Development |
|-------------------------------------|--|---|-------------------------------|--|---|
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |
| 400,497 | 406,482 | 12,893 | 180,474 | 12,401 | 197,587 |
| <u>400,497</u> | <u>406,482</u> | <u>12,893</u> | <u>180,474</u> | <u>12,401</u> | <u>197,587</u> |
| <u>400,497</u> | <u>406,482</u> | <u>12,893</u> | <u>180,474</u> | <u>12,401</u> | <u>197,587</u> |
| 82,553 | 67,861 | | 750 | 600 | |
| 193,814 | 124,384 | | 45,260 | 1,300 | 3,356 |
| 73,049 | 49,208 | | 9,849 | 697 | 1,578 |
| <u>349,416</u> | <u>241,453</u> | | <u>55,859</u> | <u>2,597</u> | <u>4,934</u> |
| 1,058 | 48,269 | | 81,473 | 8,400 | 21,000 |
| 25,244 | 46,222 | | 9,447 | | |
| | 4,060 | | | 640 | |
| 11,236 | 11,320 | 8,518 | 22,808 | 41 | 159,733 |
| | 30,636 | 3,600 | | | |
| 13,543 | 24,522 | 775 | 10,887 | 723 | 11,920 |
| <u>51,081</u> | <u>165,029</u> | <u>12,893</u> | <u>124,615</u> | <u>9,804</u> | <u>192,653</u> |
| <u>400,497</u> | <u>406,482</u> | <u>12,893</u> | <u>180,474</u> | <u>12,401</u> | <u>197,587</u> |
| | | | | | |
| | | | | | |
| | | | | | |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund

Federal Programs Special Revenue

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Title IA School Improvement Hunter 1003 (G) | ARRA Title VIII Construction | Youth Risk Behavior Study | Emergency Response Plans |
|--|--|---|--|---|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from federal sources: | | | | |
| Direct | | | | (6,200) |
| Through the State of Alaska | 24,204 | 438,937 | 5,080 | |
| Other intermediate agencies | | | | |
| Total federal sources | 24,204 | 438,937 | 5,080 | (6,200) |
| Total revenues | 24,204 | 438,937 | 5,080 | (6,200) |
| Expenditures - current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | 17,129 | | 2,510 | |
| Non-certificated salaries | 1,248 | | 1,244 | |
| Employee benefits | 948 | | 652 | |
| Total salaries and fringe benefits | 19,325 | | 4,406 | |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | | | | (6,200) |
| Staff travel | | | | |
| Student travel | | | | |
| Other purchased services | | | | |
| Supplies, materials and media | 3,419 | | 674 | |
| Tuition and stipends | | | | |
| Other expenses | | | | |
| Indirect costs | 1,460 | | | |
| Total materials, supplies, services and other | 4,879 | | 674 | (6,200) |
| Capital outlay - equipment | | | | |
| Total expenditures | 24,204 | | 5,080 | (6,200) |
| Excess (deficiency) of revenues over expenditures | | 438,937 | | |
| Other financing uses: | | | | |
| Transfers out | | | | |
| Net change in fund balances | | 438,937 | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | \$ | \$ 438,937 | \$ | \$ |

| Totals | |
|-------------------|-------------------|
| 2009 | 2008 |
| <u>\$ 73,749</u> | <u>\$ 62,062</u> |
| 1,121,094 | 1,080,472 |
| 10,811,492 | 10,346,961 |
| (21,665) | 27,802 |
| <u>11,910,921</u> | <u>11,455,235</u> |
| <u>11,984,670</u> | <u>11,517,297</u> |
| 2,094,979 | 2,230,248 |
| 3,924,077 | 4,028,648 |
| <u>2,220,472</u> | <u>2,307,043</u> |
| <u>8,239,528</u> | <u>8,565,939</u> |
| 823,426 | 1,014,505 |
| 380,358 | 272,775 |
| 100,562 | 91,827 |
| 14,771 | 107,035 |
| 1,214,649 | 760,894 |
| 9,421 | 11,754 |
| 114,636 | 61,891 |
| 668,883 | 611,640 |
| <u>3,326,706</u> | <u>2,932,321</u> |
| 5,945 | 24,480 |
| <u>11,572,179</u> | <u>11,522,740</u> |
| <u>412,491</u> | <u>(5,443)</u> |
| | (14) |
| <u>412,491</u> | <u>(5,457)</u> |
| <u>28,295</u> | <u>33,752</u> |
| <u>\$ 440,786</u> | <u>\$ 28,295</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
Federal Programs Special Revenue
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on</u> | <u>Variance with</u> |
|---|-------------------------|-------------------|-------------------|-------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Budgetary</u> | <u>Final Budget-</u> |
| | | | | <u>Basis</u> | <u>Positive</u> |
| | | | | | <u>(Negative)</u> |
| Revenues: | | | | | |
| Revenue from local sources: | | | | | |
| Other local revenue | \$ | \$ | \$ 73,749 | \$ 73,749 | \$ 73,749 |
| Revenue from federal sources: | | | | | |
| Direct | 1,071,715 | 1,231,675 | 1,121,094 | 1,015,695 | (215,980) |
| Through the State of Alaska | 13,080,583 | 12,443,763 | 10,811,492 | 10,801,207 | (1,642,556) |
| Other intermediate agencies | 3,270 | 3,270 | (21,665) | (21,665) | (24,935) |
| | <u>14,155,568</u> | <u>13,678,708</u> | <u>11,910,921</u> | <u>11,795,237</u> | <u>(1,883,471)</u> |
| Total revenues | <u>14,155,568</u> | <u>13,678,708</u> | <u>11,984,670</u> | <u>11,868,986</u> | <u>(1,809,722)</u> |
| Expenditures - current: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 2,459,106 | 2,328,259 | 2,094,979 | 2,094,979 | 233,280 |
| Non-certificated salaries | 4,003,023 | 4,287,809 | 3,924,077 | 3,924,077 | 363,732 |
| Employee benefits | 2,304,179 | 2,419,020 | 2,220,472 | 2,220,472 | 198,548 |
| Total salaries and fringe benefits | <u>8,766,308</u> | <u>9,035,088</u> | <u>8,239,528</u> | <u>8,239,528</u> | <u>795,560</u> |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 1,135,177 | 950,838 | 823,426 | 719,926 | 230,912 |
| Staff travel | 310,399 | 577,987 | 380,358 | 380,358 | 197,629 |
| Student travel | 306,443 | 146,682 | 100,562 | 95,809 | 50,873 |
| Other purchased services | 119,662 | 27,897 | 14,771 | 14,425 | 13,472 |
| Supplies, materials and media | 870,953 | 1,926,193 | 1,214,649 | 1,213,709 | 712,484 |
| Tuition and stipends | 8,200 | 10,000 | 9,421 | 9,421 | 579 |
| Other expenses | 80,894 | 150,114 | 114,636 | 114,436 | 35,678 |
| Indirect costs | 767,164 | 808,808 | 668,883 | 668,883 | 139,925 |
| Total materials, supplies, services and other | <u>3,598,892</u> | <u>4,598,519</u> | <u>3,326,706</u> | <u>3,216,967</u> | <u>1,381,552</u> |
| Capital outlay - equipment | | 45,101 | 5,945 | | 45,101 |
| Total expenditures | <u>12,365,200</u> | <u>13,678,708</u> | <u>11,572,179</u> | <u>11,456,495</u> | <u>2,222,213</u> |
| Net change in fund balance | <u>\$ 1,790,368</u> | <u>\$</u> | <u>412,491</u> | <u>\$ 412,491</u> | <u>\$ 412,491</u> |
| Fund balance - beginning | | | 28,295 | | |
| Fund balance - ending | | | <u>\$ 440,786</u> | | |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Major Governmental Fund
Student Transportation Special Revenue
Balance Sheet
June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|--|-------------------|-------------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Equity in central treasury cash | <u>\$ 508,967</u> | <u>\$ 241,135</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities: | | |
| Accounts payable | <u>\$ 65,872</u> | <u>\$ 9,214</u> |
| Fund balances: | | |
| Reserved for: | | |
| Encumbrances | 1,441 | 3,584 |
| Unreserved | <u>441,654</u> | <u>228,337</u> |
| Total fund balance | <u>443,095</u> | <u>231,921</u> |
| Total liabilities and fund balance | <u>\$ 508,967</u> | <u>\$ 241,135</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
Student Transportation Special Revenue
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|---------------|-------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Other local revenue | \$ 17,300 | \$ 18,450 |
| Revenue from state sources | 9,242,070 | 8,573,346 |
| Total revenues | 9,259,370 | 8,591,796 |
| Expenditures - current: | | |
| Salaries and fringe benefits: | | |
| Non-certificated salaries | 188,892 | 181,712 |
| Employee benefits | 99,981 | 95,832 |
| Total salaries and fringe benefits | 288,873 | 277,544 |
| Materials, supplies, services and other: | | |
| Professional and technical services | 349 | 13,174 |
| Staff travel | 2,587 | 4,036 |
| Other purchased services | 9,192,829 | 8,806,778 |
| Supplies, materials and media | 3,228 | 5,040 |
| Other expenses | 150 | 150 |
| Total materials, supplies, services and other | 9,199,143 | 8,829,178 |
| Total expenditures | 9,488,016 | 9,106,722 |
| Deficiency of revenues over expenditures | (228,646) | (514,926) |
| Other financing sources: | | |
| Transfers in | 439,820 | 512,550 |
| Net change in fund balance | 211,174 | (2,376) |
| Fund balance - beginning | 231,921 | 234,297 |
| Fund balance - ending | \$ 443,095 | \$ 231,921 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Major Governmental Fund
Student Transportation Special Revenue
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | <u>Actual on</u> | <u>Variance with</u> |
|---|-------------------------|--------------|------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Budgetary</u> | <u>Final Budget</u> |
| | | | <u>Basis</u> | <u>Positive</u> |
| | | | | <u>(Negative)</u> |
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ 17,300 | \$ 17,300 |
| Revenue from state sources | 9,151,700 | 9,148,116 | 9,242,070 | 91,811 |
| Total revenues | 9,151,700 | 9,148,116 | 9,259,370 | 109,111 |
| Expenditures - current: | | | | |
| Salaries and fringe benefits: | | | | |
| Non-certificated salaries | 186,270 | 186,270 | 188,892 | (2,622) |
| Employee benefits | 98,727 | 98,727 | 99,981 | (1,254) |
| Total salaries and fringe benefits | 284,997 | 284,997 | 288,873 | (3,876) |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | 7,000 | 6,651 | 349 | 6,651 |
| Staff travel | 4,700 | 4,700 | 2,587 | 2,113 |
| Other purchased services | 9,291,623 | 9,288,388 | 9,192,829 | 97,353 |
| Supplies, materials and media | 3,200 | 3,200 | 3,228 | (28) |
| Other expenses | | | 150 | (150) |
| Total materials, supplies, services and other | 9,306,523 | 9,302,939 | 9,199,143 | 105,939 |
| Total expenditures | 9,591,520 | 9,587,936 | 9,488,016 | 102,063 |
| Deficiency of revenues over expenditures | (439,820) | (439,820) | (228,646) | 211,174 |
| Other financing sources: | | | | |
| Transfers in | 439,820 | 439,820 | 439,820 | |
| Net change in fund balance | \$ | \$ | 211,174 | \$ 211,174 |
| Fund balance - beginning | | | 231,921 | |
| Fund balance - ending | | | \$ 443,095 | |

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NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS – BY FUND TYPE

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Balance Sheet - by Fund Type
June 30, 2009
(With comparative totals for 2008)

| | <u>Special Revenue</u> | <u>Capital Projects</u> | <u>Totals</u> | |
|---|----------------------------|-----------------------------|---------------------|---------------------|
| | | | <u>2009</u> | <u>2008</u> |
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ 2,389,148 | \$ 547,370 | \$ 2,936,518 | \$ 4,578,410 |
| Accounts receivable: | | | | |
| Local | 2,400 | | 2,400 | 420 |
| State | 143,193 | | 143,193 | 143,193 |
| Federal | | | | 36,321 |
| Due from Fairbanks North Star Borough | 171,761 | 8,409 | 180,170 | 164,494 |
| Inventories | 299,715 | | 299,715 | 293,122 |
| Total assets | <u>\$ 3,006,217</u> | <u>\$ 555,779</u> | <u>\$ 3,561,996</u> | <u>\$ 5,215,960</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 50,427 | \$ 1,369 | \$ 51,796 | \$ 68,850 |
| Deferred revenue | 15,854 | | 15,854 | 23,085 |
| Due to other funds | 296,513 | 7,040 | 303,553 | 283,935 |
| Due to Fairbanks North Star Borough | | | | 99,495 |
| Total liabilities | <u>362,794</u> | <u>8,409</u> | <u>371,203</u> | <u>475,365</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | 233,146 | 37,101 | 270,247 | 104,053 |
| Inventories | 299,715 | | 299,715 | 293,122 |
| Unreserved | 2,110,562 | 510,269 | 2,620,831 | 4,343,420 |
| Total fund balances | <u>2,643,423</u> | <u>547,370</u> | <u>3,190,793</u> | <u>4,740,595</u> |
| Total liabilities and fund balances | <u>\$ 3,006,217</u> | <u>\$ 555,779</u> | <u>\$ 3,561,996</u> | <u>\$ 5,215,960</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - by Fund Type
For the Year Ended June 20, 2009
(With comparative totals for 2008)

| | <u>Special Revenue</u> | <u>Capital Projects</u> | <u>Total</u> | <u>2009</u> | <u>2008</u> |
|--|----------------------------|-----------------------------|--------------|--------------|-------------|
| Revenues: | | | | | |
| Revenue from local sources: | | | | | |
| Food service | \$ 2,162,348 | \$ | \$ 2,162,348 | \$ 1,973,615 | |
| Other local revenue | 2,624,107 | 48,556 | 2,672,663 | 2,637,236 | |
| Total local sources | 4,786,455 | 48,556 | 4,835,011 | 4,610,851 | |
| Revenue from state sources | 916,767 | 10,430 | 927,197 | 1,068,351 | |
| Revenue from federal sources: | | | | | |
| Direct | | 2,423,525 | 2,423,525 | 10,304 | |
| Through the State of Alaska | 2,672,479 | 32,618 | 2,705,097 | 3,031,446 | |
| Total federal sources | 2,672,479 | 2,456,143 | 5,128,622 | 3,041,750 | |
| Total revenues | 8,375,701 | 2,515,129 | 10,890,830 | 8,720,952 | |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 1,818,069 | | 1,818,069 | 2,898,540 | |
| Support services - students | 6,991 | | 6,991 | 4,339 | |
| Support services - instruction | 443,447 | | 443,447 | 555,154 | |
| School administration | 30,342 | | 30,342 | 38,930 | |
| District administration support services | 5,588 | | 5,588 | 5,780 | |
| Student activities | 2,433,358 | | 2,433,358 | 2,485,424 | |
| Adult and continuing education instruction | 5,118 | | 5,118 | | |
| Food services | 4,829,664 | | 4,829,664 | 4,719,022 | |
| Total current | 9,572,577 | | 9,572,577 | 10,707,189 | |
| Debt service: | | | | | |
| Interest | 40,458 | | 40,458 | | |
| Principal | 419,967 | | 419,967 | 318,968 | |
| Total debt service | 460,425 | | 460,425 | 318,968 | |
| Capital outlay | | 3,969,640 | 3,969,640 | 165,733 | |
| Total expenditures | 10,033,002 | 3,969,640 | 14,002,642 | 11,191,890 | |
| Deficiency of revenues over expenditures | (1,657,301) | (1,454,511) | (3,111,812) | (2,470,938) | |
| Other financing sources (uses): | | | | | |
| Proceeds from sale of capital assets | 880 | | 880 | | |
| Issuance of capital leases | 528,173 | | 528,173 | 1,193,724 | |
| Transfers in | 1,169,170 | 75,000 | 1,244,170 | 3,178,742 | |
| Transfers out | | (193,969) | (193,969) | (1,510,420) | |
| Total other financing sources (uses) | 1,698,223 | (118,969) | 1,579,254 | 2,862,046 | |
| Net change in fund balances | 40,922 | (1,573,480) | (1,532,558) | 391,108 | |
| Fund balances - beginning | 2,602,501 | 2,120,850 | 4,723,351 | 4,332,243 | |
| Fund balances - ending | \$ 2,643,423 | \$ 547,370 | \$ 3,190,793 | \$ 4,723,351 | |

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NONMAJOR SPECIAL REVENUE FUNDS

Local Programs – accounts for transactions of programs funded by nonfederal and nonstate sources.

Community Schools – accounts for the costs of organizing and coordinating programs for community education.

State Programs – accounts for transactions of programs funded by nonfederal state sources.

Food Service – accounts for the operations of the School District's Student Nutrition program. Financing is provided by user fees and proceeds received under the National School Lunch and Breakfast programs.

School Activities – accounts for transactions of district controlled school activity programs. School activity funds are not budgeted and are non-lapsing.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2009
(With comparative totals for 2008)

| | <u>Local Programs</u> | <u>Community Schools</u> | <u>State Programs</u> |
|---|---------------------------|------------------------------|---------------------------|
| <u>ASSETS</u> | | | |
| Equity in central treasury cash | \$ 690,042 | \$ 4,788 | \$ 17,666 |
| Accounts receivable: | | | |
| Local | 2,400 | | |
| State | | | 143,193 |
| Due from Fairbanks North Star Borough | 7,267 | | 164,494 |
| Inventories | | | |
| Total assets | <u>\$ 699,709</u> | <u>\$ 4,788</u> | <u>\$ 325,353</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | |
| Liabilities: | | | |
| Accounts payable | \$ 3,395 | \$ 3,521 | \$ 24,594 |
| Deferred revenue | 15,854 | | |
| Due to other funds | <u>12,998</u> | | <u>283,515</u> |
| Total liabilities | <u>32,247</u> | <u>3,521</u> | <u>308,109</u> |
| Fund balances: | | | |
| Reserved for: | | | |
| Encumbrances | 58,748 | 321 | 3,551 |
| Inventories | | | |
| Unreserved | <u>608,714</u> | <u>946</u> | <u>13,693</u> |
| Total fund balances | <u>667,462</u> | <u>1,267</u> | <u>17,244</u> |
| Total liabilities and fund balances | <u>\$ 699,709</u> | <u>\$ 4,788</u> | <u>\$ 325,353</u> |

| Food Service | School Activities | Totals | |
|-------------------|----------------------|---------------------|---------------------|
| | | 2009 | 2008 |
| \$ 66,202 | \$ 1,610,450 | \$ 2,389,148 | \$ 2,394,167 |
| | | 2,400 | 420 |
| | | 143,193 | 143,193 |
| | | 171,761 | 164,494 |
| 299,715 | | 299,715 | 293,122 |
| <u>\$ 365,917</u> | <u>\$ 1,610,450</u> | <u>\$ 3,006,217</u> | <u>\$ 2,995,396</u> |

| | | | |
|--------------|---------------|----------------|----------------|
| \$ 6,668 | \$ 12,249 | \$ 50,427 | \$ 68,631 |
| | | 15,854 | 23,085 |
| | | 296,513 | 283,935 |
| <u>6,668</u> | <u>12,249</u> | <u>362,794</u> | <u>375,651</u> |

| | | | |
|-------------------|---------------------|---------------------|---------------------|
| 170,526 | | 233,146 | 28,006 |
| 299,715 | | 299,715 | 293,122 |
| (110,992) | 1,598,201 | 2,110,562 | 2,298,617 |
| <u>359,249</u> | <u>1,598,201</u> | <u>2,643,423</u> | <u>2,619,745</u> |
| <u>\$ 365,917</u> | <u>\$ 1,610,450</u> | <u>\$ 3,006,217</u> | <u>\$ 2,995,396</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | <u>Local Programs</u> | <u>Community Schools</u> | <u>State Programs</u> |
|---|---------------------------|------------------------------|---------------------------|
| Revenues: | | | |
| Revenue from local sources: | | | |
| Food service | \$ | \$ | \$ |
| Other local revenue | 229,563 | | |
| Total local sources | 229,563 | | |
| Revenue from state sources | 9,750 | | 907,017 |
| Revenue from federal sources: | | | |
| Through the State of Alaska | 8,691 | | |
| Total revenues | 248,004 | | 907,017 |
| Expenditures: | | | |
| Current: | | | |
| Instruction | 823,757 | | 994,312 |
| Support services - students | 6,991 | | |
| Support services - instruction | 144,404 | | 299,043 |
| School administration | 30,342 | | |
| District administration support services | | | 5,588 |
| Student activities | 1,906 | | |
| Adult and continuing education instruction | | 5,118 | |
| Food services | | | |
| Total current | 1,007,400 | 5,118 | 1,298,943 |
| Debt service: | | | |
| Interest | 40,458 | | |
| Principal | 419,967 | | |
| Total debt service | 460,425 | | |
| Total expenditures | 1,467,825 | 5,118 | 1,298,943 |
| Excess (deficiency) of revenues over expenditures | (1,219,821) | (5,118) | (391,926) |
| Other financing sources (uses): | | | |
| Proceeds from sale of capital assets | | | |
| Issuance of capital leases | 528,173 | | |
| Transfers in | 760,000 | | 409,170 |
| Transfers out | | | |
| Total other financing sources (uses) | 1,288,173 | | 409,170 |
| Net change in fund balances | 68,352 | (5,118) | 17,244 |
| Fund balances - beginning | 599,110 | 6,385 | |
| Fund balances - ending | \$ 667,462 | \$ 1,267 | \$ 17,244 |

| Food Service | School Activities | Totals | |
|-----------------|----------------------|--------------|--------------|
| | | 2009 | 2008 |
| \$ 2,162,348 | \$ | \$ 2,162,348 | \$ 1,973,615 |
| 4,327 | 2,390,217 | 2,624,107 | 2,589,701 |
| 2,166,675 | 2,390,217 | 4,786,455 | 4,563,316 |
| | | 916,767 | 1,068,351 |
| 2,663,788 | | 2,672,479 | 2,578,228 |
| 4,830,463 | 2,390,217 | 8,375,701 | 8,209,895 |
| | | 1,818,069 | 2,898,540 |
| | | 6,991 | 4,339 |
| | | 443,447 | 555,154 |
| | | 30,342 | 38,930 |
| | | 5,588 | 5,780 |
| | 2,431,452 | 2,433,358 | 2,485,424 |
| | | 5,118 | |
| 4,829,664 | | 4,829,664 | 4,719,022 |
| 4,829,664 | 2,431,452 | 9,572,577 | 10,707,189 |
| | | 40,458 | |
| | | 419,967 | 318,968 |
| | | 460,425 | 318,968 |
| 4,829,664 | 2,431,452 | 10,033,002 | 11,026,157 |
| 799 | (41,235) | (1,657,301) | (2,816,262) |
| 880 | | 880 | |
| | | 528,173 | 1,193,724 |
| | | 1,169,170 | 1,668,324 |
| | | | (2) |
| 880 | | 1,698,223 | 2,862,046 |
| 1,679 | (41,235) | 40,922 | 45,784 |
| 357,570 | 1,639,436 | 2,602,501 | 2,556,717 |
| \$ 359,249 | \$ 1,598,201 | \$ 2,643,423 | \$ 2,602,501 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | Options Day Care | TILT Grant: Caribou Mysteries | Miscellaneous Local Grants | One-to-One Digital Initiative |
|---|-----------------------------|--|---|--|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ | \$ 14 | \$ 321 | \$ 73,296 |
| Accounts receivable: | | | | |
| Local | | | | |
| Due from Fairbanks North Star Borough | | | | |
| Total assets | <u>\$</u> | <u>\$ 14</u> | <u>\$ 321</u> | <u>\$ 73,296</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 57 | \$ | \$ | \$ |
| Deferred revenue | | 14 | | |
| Due to other funds | <u>6,576</u> | | | |
| Total liabilities | <u>6,633</u> | <u>14</u> | | |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | 1,250 | | | |
| Unreserved | <u>(7,883)</u> | | <u>321</u> | <u>73,296</u> |
| Total fund balances | <u>(6,633)</u> | | <u>321</u> | <u>73,296</u> |
| Total liabilities and fund balances | <u>\$</u> | <u>\$ 14</u> | <u>\$ 321</u> | <u>\$ 73,296</u> |

| <u>Technology Fund</u> | <u>Melinda Gray Ardia Foundation</u> | <u>Partners in Science (Murdock)</u> | <u>Barnette Furniture & Equipment Phase 2</u> | <u>Substance Use Prevention</u> | <u>Langston Family Foundation</u> |
|----------------------------|--|--|---|---|---|
| \$ 313,236 | \$ 374 | \$ 3,314 | \$ | \$ 409 | \$ 600 |
| | | | 7,267 | | |
| <u>\$ 313,236</u> | <u>\$ 374</u> | <u>\$ 3,314</u> | <u>\$ 7,267</u> | <u>\$ 409</u> | <u>\$ 600</u> |
| | | | | | |
| \$ | \$ | \$ | \$ | \$ | \$ |
| | 374 | 3,314 | 3,245 | 409 | 600 |
| | | | 4,022 | | |
| | 374 | 3,314 | 7,267 | 409 | 600 |
| | | | | | |
| 313,236 | | | 57,276 | | |
| 313,236 | | | (57,276) | | |
| <u>\$ 313,236</u> | <u>\$ 374</u> | <u>\$ 3,314</u> | <u>\$ 7,267</u> | <u>\$ 409</u> | <u>\$ 600</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | <u>Curriculum Staff Development</u> | <u>Rose Urban Rural Exchange</u> | <u>Engineering Career Academy Exploration & Implementation</u> | <u>Engineering ACTE Implementation</u> |
|---|--|---|---|---|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ 167,854 | \$ | \$ | \$ 8,500 |
| Accounts receivable: | | | | |
| Local | | 100 | 2,300 | |
| Due from Fairbanks North Star Borough | | | | |
| Total assets | <u>\$ 167,854</u> | <u>\$ 100</u> | <u>\$ 2,300</u> | <u>\$ 8,500</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ | \$ | \$ | \$ |
| Deferred revenue | | | | 8,500 |
| Due to other funds | | 100 | 2,300 | |
| Total liabilities | | <u>100</u> | <u>2,300</u> | <u>8,500</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | | | | |
| Unreserved | 167,854 | | | |
| Total fund balances | <u>167,854</u> | | | |
| Total liabilities and fund balances | <u>\$ 167,854</u> | <u>\$ 100</u> | <u>\$ 2,300</u> | <u>\$ 8,500</u> |

| Community Donations | Leadership Development | Saucony Run for Good | Totals | |
|------------------------|---------------------------|-------------------------|-------------------|-------------------|
| | | | 2009 | 2008 |
| \$ 25,501 | \$ 93,980 | \$ 2,643 | \$ 690,042 | \$ 622,622 |
| | | | 2,400 | 420 |
| | | | 7,267 | |
| <u>\$ 25,501</u> | <u>\$ 93,980</u> | <u>\$ 2,643</u> | <u>\$ 699,709</u> | <u>\$ 623,042</u> |
| | | | | |
| \$ | \$ 93 | \$ 2,643 | \$ 3,395 | \$ 427 |
| | | | 15,854 | 23,085 |
| | | | 12,998 | 420 |
| | <u>93</u> | <u>2,643</u> | <u>32,247</u> | <u>23,932</u> |
| | | | | |
| 25,501 | 60 | 162 | 58,748 | 338 |
| <u>25,501</u> | <u>93,827</u> | <u>(162)</u> | <u>608,714</u> | <u>598,772</u> |
| <u>25,501</u> | <u>93,887</u> | | <u>667,462</u> | <u>599,110</u> |
| <u>\$ 25,501</u> | <u>\$ 93,980</u> | <u>\$ 2,643</u> | <u>\$ 699,709</u> | <u>\$ 623,042</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Options Day Care</u> | <u>TILT Grant: Caribou Mysteries</u> | <u>Miscellaneous Local Grants</u> | <u>One-to-One Digital Initiative</u> |
|---|-----------------------------|--|---|--|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ 42,227 | \$ 982 | \$ | \$ |
| Revenue from state sources | | | | |
| Revenue from federal sources: | | | | |
| Through the State of Alaska | 8,691 | | | |
| Total revenues | <u>50,918</u> | <u>982</u> | | |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | 74,433 | 982 | | |
| Support services - students | | | | |
| Support services - instruction | | | | |
| School administration | | | | |
| Student activities | | | | |
| Total current | <u>74,433</u> | <u>982</u> | | |
| Debt Service: | | | | |
| Interest | | | | |
| Principal | | | | |
| Total debt service | | | | |
| Total expenditures | <u>74,433</u> | <u>982</u> | | |
| Excess (deficiency) of revenues over expenditures | <u>(23,515)</u> | | | |
| Other financing sources: | | | | |
| Issuance of capital leases | | | | |
| Transfers in | | | | |
| Total other financing sources | | | | |
| Net change in fund balances | <u>(23,515)</u> | | | |
| Fund balances - beginning | <u>16,882</u> | | <u>321</u> | <u>73,296</u> |
| Fund balances - ending | <u>\$ (6,633)</u> | <u>\$</u> | <u>\$ 321</u> | <u>\$ 73,296</u> |

| Technology Fund | Melinda Gray Ardia Foundation | Partners in Science (Murdock) | Woodriver Elementary School Upgrades | Barnette Furniture & Equipment Phase 2 | Substance Use Prevention |
|----------------------------|--|--|---|---|---|
| \$ | \$ 626 | \$ 12,394 | \$ 6,569 | \$ 7,267 | \$ 2,591 |
| | 626 | 12,394 | 6,569 | 7,267 | 2,591 |
| 721,486 | 626 | 12,394 | 6,569 | 7,267 | 2,591 |
| 721,486 | 626 | 12,394 | 6,569 | 7,267 | 2,591 |
| 40,458 419,967 | | | | | |
| 460,425 | | | | | |
| 1,181,911 | 626 | 12,394 | 6,569 | 7,267 | 2,591 |
| (1,181,911) | | | | | |
| 528,173 700,000 | | | | | |
| 1,228,173 | | | | | |
| 46,262 | | | | | |
| 266,974 | | | | | |
| \$ 313,236 | \$ | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Langston Family Foundation</u> | <u>Artist in Schools Program</u> | <u>Curriculum Staff Development</u> | <u>Engineering Career Academy Exploration</u> |
|---|---|--|---|---|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ 4,400 | \$ 5,250 | \$ 69,971 | \$ 1,832 |
| Revenue from state sources | | 9,750 | | |
| Revenue from federal sources: | | | | |
| Through the State of Alaska | | | | |
| Total revenues | <u>4,400</u> | <u>15,000</u> | <u>69,971</u> | <u>1,832</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | | | | |
| Support services - students | 4,400 | | | |
| Support services - instruction | | 15,000 | 79,525 | 1,832 |
| School administration | | | | |
| Student activities | | | | |
| Total current | <u>4,400</u> | <u>15,000</u> | <u>79,525</u> | <u>1,832</u> |
| Debt Service: | | | | |
| Interest | | | | |
| Principal | | | | |
| Total debt service | | | | |
| Total expenditures | <u>4,400</u> | <u>15,000</u> | <u>79,525</u> | <u>1,832</u> |
| Excess (deficiency) of revenues over expenditures | | | <u>(9,554)</u> | |
| Other financing sources: | | | | |
| Issuance of capital leases | | | | |
| Transfers in | | | | |
| Total other financing sources | | | | |
| Net change in fund balances | | | (9,554) | |
| Fund balances - beginning | | | 177,408 | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$ 167,854</u> | <u>\$</u> |

| <u>Rose Urban Rural Exchange</u> | <u>Engineering Career Academy Exploration & Implementation</u> | <u>North Pole Middle School Safety & Site Upgrades</u> | <u>Community Donations</u> | <u>Leadership Development</u> | <u>Saucony Run for Good</u> |
|--|--|--|--------------------------------|-----------------------------------|---------------------------------|
| \$ 1,411 | \$ 22,580 | \$ 24,056 | \$ 25,501 | \$ | \$ 1,906 |
| <u>1,411</u> | <u>22,580</u> | <u>24,056</u> | <u>25,501</u> | | <u>1,906</u> |
| 1,411 | 22,580 | 24,056 | | 30,342 | 1,906 |
| <u>1,411</u> | <u>22,580</u> | <u>24,056</u> | | <u>30,342</u> | <u>1,906</u> |
| | | | | | |
| <u>1,411</u> | <u>22,580</u> | <u>24,056</u> | | <u>30,342</u> | <u>1,906</u> |
| | | | 25,501 | (30,342) | |
| | | | | 60,000 | |
| | | | | 60,000 | |
| | | | 25,501 | 29,658 | |
| | | | | 64,229 | |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$ 25,501</u> | <u>\$ 93,887</u> | <u>\$</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|---|--------------------|--------------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Other local revenue | \$ 229,563 | \$ 146,993 |
| Revenue from state sources | 9,750 | 9,750 |
| Revenue from federal sources: | | |
| Through the State of Alaska | 8,691 | 8,972 |
| Total revenues | <u>248,004</u> | <u>165,715</u> |
| Expenditures | | |
| Current: | | |
| Instruction | 823,757 | 1,948,326 |
| Support services - students | 6,991 | 4,339 |
| Support services - instruction | 144,404 | 121,304 |
| School administration | 30,342 | 38,930 |
| Student activities | 1,906 | 450 |
| Total current | <u>1,007,400</u> | <u>2,113,349</u> |
| Debt Service: | | |
| Interest | 40,458 | |
| Principal | 419,967 | 318,968 |
| Total debt service | <u>460,425</u> | <u>318,968</u> |
| Total expenditures | <u>1,467,825</u> | <u>2,432,317</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,219,821)</u> | <u>(2,266,602)</u> |
| Other financing sources: | | |
| Issuance of capital leases | 528,173 | 1,193,724 |
| Transfers in | 760,000 | 1,339,416 |
| Total other financing sources | <u>1,288,173</u> | <u>2,533,140</u> |
| Net change in fund balances | 68,352 | 266,538 |
| Fund balances - beginning | <u>599,110</u> | <u>332,572</u> |
| Fund balances - ending | <u>\$ 667,462</u> | <u>\$ 599,110</u> |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Options Day Care</u> | <u>TILT Grant: Caribou Mysteries</u> | <u>Miscellaneous Local Grants</u> | <u>One-to-One Digital Initiative</u> |
|---|-----------------------------|--|---|--|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ 42,227 | \$ 982 | \$ | \$ |
| Revenue from state sources | | | | |
| Revenue from federal sources: | | | | |
| Through the State of Alaska | 8,691 | | | |
| Total revenues | <u>50,918</u> | <u>982</u> | | |
| Expenditures: | | | | |
| Current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | | | | |
| Non-certificated salaries | 38,175 | | | |
| Employee benefits | 19,311 | | | |
| Total salaries and fringe benefits | <u>57,486</u> | | | |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | 750 | | | |
| Staff travel | 2,406 | | | |
| Student travel | 144 | | | |
| Other purchased services | 155 | | | |
| Supplies, materials and media | 13,492 | 982 | | |
| Other expenses | | | | |
| Total materials, supplies, services and other | <u>16,947</u> | <u>982</u> | | |
| Capital outlay - equipment | | | | |
| Debt Service: | | | | |
| Interest | | | | |
| Principal | | | | |
| Total debt service | | | | |
| Total expenditures | <u>74,433</u> | <u>982</u> | | |
| Excess (deficiency) of revenues over expenditures | <u>(23,515)</u> | | | |
| Other financing sources: | | | | |
| Issuance of capital leases | | | | |
| Transfers in | | | | |
| Total other financing sources | | | | |
| Net change in fund balances | <u>(23,515)</u> | | | |
| Fund balances - beginning | <u>16,882</u> | | <u>321</u> | <u>73,296</u> |
| Fund balances - ending | <u>\$ (6,633)</u> | <u>\$</u> | <u>\$ 321</u> | <u>\$ 73,296</u> |

| <u>Technology Fund</u> | <u>Melinda Gray Ardia Foundation</u> | <u>Partners in Science (Murdock)</u> | <u>Woodriver Elementary School Upgrades</u> | <u>Barnette Furniture & Equipment Phase 2</u> | <u>Substance Use Prevention</u> |
|----------------------------|--|--|---|---|---|
| \$ | \$ 626 | \$ 12,394 | \$ 6,569 | \$ 7,267 | \$ 2,591 |
| | 626 | 12,394 | 6,569 | 7,267 | 2,591 |
| 63 | | 1,000 | | | |
| 24,209 | | | | | |
| 2,173 | | 28 | | | |
| 26,445 | | 1,028 | | | |
| | | | 446 | | |
| | | 2,605 | | | 211 |
| 18,279 | | | | | |
| 676,762 | 626 | 8,761 | 6,123 | 7,267 | 2,380 |
| 695,041 | 626 | 11,366 | 6,569 | 7,267 | 2,591 |
| | | | | | |
| 40,458 | | | | | |
| 419,967 | | | | | |
| 460,425 | | | | | |
| 1,181,911 | 626 | 12,394 | 6,569 | 7,267 | 2,591 |
| (1,181,911) | | | | | |
| | | | | | |
| 528,173 | | | | | |
| 700,000 | | | | | |
| 1,228,173 | | | | | |
| 46,262 | | | | | |
| 266,974 | | | | | |
| \$ 313,236 | \$ | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | <u>Langston Family Foundation</u> | <u>Artist in Schools Program</u> | <u>Curriculum Staff Development</u> | <u>Engineering Career Academy Exploration</u> |
|---|---|--|---|---|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ 4,400 | \$ 5,250 | \$ 69,971 | \$ 1,832 |
| Revenue from state sources | | 9,750 | | |
| Revenue from federal sources: | | | | |
| Through the State of Alaska | | | | |
| Total revenues | <u>4,400</u> | <u>15,000</u> | <u>69,971</u> | <u>1,832</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | | | 9,736 | 1,539 |
| Non-certificated salaries | | | 7,470 | |
| Employee benefits | | | 908 | 138 |
| Total salaries and fringe benefits | | | <u>18,114</u> | <u>1,677</u> |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | 4,400 | 15,000 | 1,000 | |
| Staff travel | | | | |
| Student travel | | | 3,048 | |
| Other purchased services | | | | |
| Supplies, materials and media | | | 23 | |
| Other expenses | | | 57,340 | 155 |
| Total materials, supplies, services and other | <u>4,400</u> | <u>15,000</u> | <u>61,411</u> | <u>155</u> |
| Capital outlay - equipment | | | | |
| Debt Service: | | | | |
| Interest | | | | |
| Principal | | | | |
| Total debt service | | | | |
| Total expenditures | <u>4,400</u> | <u>15,000</u> | <u>79,525</u> | <u>1,832</u> |
| Excess (deficiency) of revenues over expenditures | | | <u>(9,554)</u> | |
| Other financing sources: | | | | |
| Issuance of capital leases | | | | |
| Transfers in | | | | |
| Total other financing sources | | | | |
| Net change in fund balances | | | (9,554) | |
| Fund balances - beginning | | | 177,408 | |
| Fund balances - ending | <u>\$</u> | <u>\$</u> | <u>\$ 167,854</u> | <u>\$</u> |

| <u>Rose Urban Rural Exchange</u> | <u>Engineering Career Academy Exploration & Implementation</u> | <u>North Pole Middle School Safety & Site Upgrades</u> | <u>Community Donations</u> | <u>Leadership Development</u> | <u>Saucony Run for Good</u> |
|--|--|--|--------------------------------|-----------------------------------|---------------------------------|
| \$ 1,411 | \$ 22,580 | \$ 24,056 | \$ 25,501 | \$ | \$ 1,906 |
| <u>1,411</u> | <u>22,580</u> | <u>24,056</u> | <u>25,501</u> | | <u>1,906</u> |
| 1,295 | | | | | |
| 116 | | | | | |
| <u>1,411</u> | | | | | |
| | 10,272 | | | 22,739 | 1,906 |
| | 3,780 | 4,239 | | 5,890 | |
| | | | | 870 | |
| | | | | 843 | |
| | <u>14,052</u> | <u>4,239</u> | | <u>30,342</u> | <u>1,906</u> |
| | <u>8,528</u> | <u>19,817</u> | | | |
| | | | | | |
| | | | | | |
| <u>1,411</u> | <u>22,580</u> | <u>24,056</u> | | <u>30,342</u> | <u>1,906</u> |
| | | | <u>25,501</u> | <u>(30,342)</u> | |
| | | | | 60,000 | |
| | | | | 60,000 | |
| | | | <u>25,501</u> | <u>29,658</u> | |
| | | | | <u>64,229</u> | |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$ 25,501</u> | <u>\$ 93,887</u> | <u>\$</u> |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Local Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|---|--------------------|--------------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Other local revenue | \$ 229,563 | \$ 146,993 |
| Revenue from state sources | 9,750 | 9,750 |
| Revenue from federal sources: | | |
| Through the State of Alaska | 8,691 | 8,972 |
| Total revenues | <u>248,004</u> | <u>165,715</u> |
| Expenditures: | | |
| Current: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 12,338 | 315,314 |
| Non-certificated salaries | 71,149 | 73,120 |
| Employee benefits | <u>22,674</u> | <u>116,816</u> |
| Total salaries and fringe benefits | <u>106,161</u> | <u>505,250</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 21,596 | 15,000 |
| Staff travel | 38,022 | 47,412 |
| Student travel | 5,309 | 872 |
| Other purchased services | 24,324 | 41,469 |
| Supplies, materials and media | 725,305 | 1,438,316 |
| Other expenses | <u>58,338</u> | <u>57,949</u> |
| Total materials, supplies, services and other | <u>872,894</u> | <u>1,601,018</u> |
| Capital outlay - equipment | <u>28,345</u> | <u>7,081</u> |
| Debt Service: | | |
| Interest | 40,458 | |
| Principal | <u>419,967</u> | <u>318,968</u> |
| Total debt service | <u>460,425</u> | <u>318,968</u> |
| Total expenditures | <u>1,467,825</u> | <u>2,432,317</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,219,821)</u> | <u>(2,266,602)</u> |
| Other financing sources: | | |
| Issuance of capital leases | 528,173 | 1,193,724 |
| Transfers in | <u>760,000</u> | <u>1,339,416</u> |
| Total other financing sources | <u>1,288,173</u> | <u>2,533,140</u> |
| Net change in fund balances | 68,352 | 266,538 |
| Fund balances - beginning | <u>599,110</u> | <u>332,572</u> |
| Fund balances - ending | <u>\$ 667,462</u> | <u>\$ 599,110</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
Local Programs
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on</u> | <u>Variance with</u> |
|---|-------------------------|---------------------|--------------------|--------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Budgetary</u> | <u>Final Budget-</u> |
| | | | | <u>Basis</u> | <u>Positive</u> |
| | | | | | <u>(Negative)</u> |
| Revenues: | | | | | |
| Revenue from local sources: | | | | | |
| Other local revenue | \$ 208,265 | \$ 240,899 | \$ 229,563 | \$ 287,369 | \$ 46,470 |
| Revenue from state sources | 9,750 | 9,750 | 9,750 | 9,750 | |
| Revenue from federal sources: | | | | | |
| Through the State of Alaska | | 10,000 | 8,691 | 8,691 | (1,309) |
| Total revenues | <u>218,015</u> | <u>260,649</u> | <u>248,004</u> | <u>305,810</u> | <u>45,161</u> |
| Expenditures: | | | | | |
| Current | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 41,875 | 42,475 | 12,338 | 12,338 | 30,137 |
| Non-certificated salaries | 78,221 | 107,697 | 71,149 | 71,149 | 36,548 |
| Employee benefits | 8,607 | 23,583 | 22,674 | 22,674 | 909 |
| Total salaries and fringe benefits | <u>128,703</u> | <u>173,755</u> | <u>106,161</u> | <u>106,161</u> | <u>67,594</u> |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 24,000 | 26,000 | 21,596 | 22,846 | 3,154 |
| Staff travel | 126,992 | 129,892 | 38,022 | 38,022 | 91,870 |
| Student travel | 200 | 700 | 5,309 | 5,309 | (4,609) |
| Other purchased services | 15,460 | 15,560 | 24,324 | 24,546 | (8,986) |
| Supplies, materials and media | 1,080,994 | 1,071,876 | 725,305 | 732,040 | 339,836 |
| Other expenses | 130,455 | 131,655 | 58,338 | 58,338 | 73,317 |
| Total materials, supplies, services and other | <u>1,378,101</u> | <u>1,375,683</u> | <u>872,894</u> | <u>881,101</u> | <u>494,582</u> |
| Capital outlay: | | | | | |
| Equipment | <u>70,000</u> | <u>70,000</u> | <u>28,345</u> | <u>77,944</u> | <u>(7,944)</u> |
| Debt service: | | | | | |
| Interest | | | 40,458 | 40,458 | (40,458) |
| Principal | | | 419,967 | 419,967 | (419,967) |
| Total debt service | | | <u>460,425</u> | <u>460,425</u> | <u>(460,425)</u> |
| Total expenditures | <u>1,576,804</u> | <u>1,619,438</u> | <u>1,467,825</u> | <u>1,525,631</u> | <u>93,807</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,358,789)</u> | <u>(1,358,789)</u> | <u>(1,219,821)</u> | <u>(1,219,821)</u> | <u>138,968</u> |
| Other financing sources: | | | | | |
| Issuance of capital leases | | | 528,173 | 528,173 | 528,173 |
| Transfers in | <u>760,000</u> | <u>760,000</u> | <u>760,000</u> | <u>760,000</u> | |
| Total other financing sources | <u>760,000</u> | <u>760,000</u> | <u>1,288,173</u> | <u>1,288,173</u> | <u>528,173</u> |
| Net change in fund balance | <u>\$ (598,789)</u> | <u>\$ (598,789)</u> | <u>68,352</u> | <u>\$ 68,352</u> | <u>\$ 667,141</u> |
| Fund balance - beginning | | | 599,110 | | |
| Fund balance - ending | | | <u>\$ 667,462</u> | | |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Community Schools

Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|---|-----------------|-----------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Equity in central treasury cash | <u>\$ 4,788</u> | <u>\$ 6,385</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | |
| Liabilities: | | |
| Accounts payable | \$ 3,521 | \$ |
| Fund balances: | | |
| Reserved for: | | |
| Encumbrances | 321 | |
| Unreserved | <u>946</u> | <u>6,385</u> |
| Total fund balances | <u>1,267</u> | <u>6,385</u> |
| Total liabilities and fund balances | <u>\$ 4,788</u> | <u>\$ 6,385</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Community Schools

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|--|-----------------|-----------------|
| | 2009 | 2008 |
| Expenditures - current: | | |
| Adult and continuing education instruction | \$ 5,118 | \$ |
| Net change in fund balance | (5,118) | |
| Fund balance - beginning | 6,385 | 6,385 |
| Fund balance - ending | <u>\$ 1,267</u> | <u>\$ 6,385</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Community Schools

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|--|---------------|-------------|
| | 2009 | 2008 |
| Expenditures - current: | | |
| Materials, supplies, services and other: | | |
| Supplies, materials and media | \$ 5,118 | |
| Net change in fund balance | (5,118) | |
| Fund balance - beginning | 6,385 | 6,385 |
| Fund balance - ending | \$ 1,267 | \$ 6,385 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
Community Schools
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on Budgetary Basis</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|--|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | | |
| Expenditures - current: | | | | | |
| Materials, supplies, services and other: | | | | | |
| Supplies, materials and media | \$ | \$ 6,380 | \$ 5,118 | \$ 5,439 | \$ 941 |
| Net change in fund balance | \$ | \$ (6,380) | (5,118) | \$ (5,439) | \$ 941 |
| Fund balance - beginning | | | 6,385 | | |
| Fund balance - ending | | | \$ 1,267 | | |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

State Programs

Combining Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | Alaska Railroad Youth Summer Employment | Youth in Detention | Staff Development Mini-grants | Youth First |
|---|--|-------------------------------|--|------------------------|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | \$ | \$ 17,403 | \$ | \$ |
| Accounts receivable: | | | | |
| State | 869 | | 1,812 | 21,379 |
| Due from Fairbanks North Star Borough | | | | |
| Total assets | <u>\$ 869</u> | <u>\$ 17,403</u> | <u>\$ 1,812</u> | <u>\$ 21,379</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ | \$ 159 | \$ | \$ |
| Due to other funds | 869 | | 1,812 | 21,379 |
| Total liabilities | <u>869</u> | <u>159</u> | <u>1,812</u> | <u>21,379</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | | 1,926 | | |
| Unreserved | | 15,318 | | |
| Total fund balances | | <u>17,244</u> | | |
| Total liabilities and fund balances | <u>\$ 869</u> | <u>\$ 17,403</u> | <u>\$ 1,812</u> | <u>\$ 21,379</u> |

| Legislative Small Grants | Alaska Construction Academy | Legislative Small Grants 08-09 | DCCED Small Grants List | Statewide Alaska Mentorship Program | North Pole Middle School Security System |
|---|--|---|--|--|---|
| \$ | \$ | \$ | \$ 263 | \$ | \$ |
| | 57,507 | | | 61,626 | |
| 457 | | 157,630 | | | 6,407 |
| <u>\$ 457</u> | <u>\$ 57,507</u> | <u>\$ 157,630</u> | <u>\$ 263</u> | <u>\$ 61,626</u> | <u>\$ 6,407</u> |
| | | | | | |
| \$ | \$ | \$ | \$ 263 | \$ | \$ |
| 457 | 79 | 17,798 | 263 | 61,626 | 6,295 |
| <u>457</u> | <u>57,428</u> | <u>139,832</u> | <u>263</u> | <u>61,626</u> | <u>112</u> |
| <u>457</u> | <u>57,507</u> | <u>157,630</u> | <u>263</u> | <u>61,626</u> | <u>6,407</u> |
| | | | | | |
| | 100 | 1,432 | 93 | | |
| | <u>(100)</u> | <u>(1,432)</u> | <u>(93)</u> | | |
| <u>\$ 457</u> | <u>\$ 57,507</u> | <u>\$ 157,630</u> | <u>\$ 263</u> | <u>\$ 61,626</u> | <u>\$ 6,407</u> |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

State Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Alaska Railroad Youth Summer Employment | Youth in Detention | Staff Development Mini-grants | Youth First |
|--|--|-------------------------------|--|------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from state sources | 29,000 | 112,923 | 19,788 | 92,627 |
| Total revenues | 29,000 | 112,923 | 19,788 | 92,627 |
| Expenditures - current: | | | | |
| Instruction | 29,000 | 504,849 | 19,788 | 87,039 |
| Support services - instruction | | | | |
| District administration support services | | | | 5,588 |
| Total expenditures | 29,000 | 504,849 | 19,788 | 92,627 |
| Deficiency of revenues over expenditures | | (391,926) | | |
| Other financing sources (uses): | | | | |
| Transfers in | | 409,170 | | |
| Transfers out | | | | |
| Total other financing sources (uses) | | 409,170 | | |
| Net change in fund balances | | 17,244 | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | \$ | \$ 17,244 | \$ | \$ |

| Legislative Small Grants | Alaska Construction Academy | Legislative Small Grants 08-09 | DCCED Small Grants List | Equipment North Pole High School | Statewide Alaska Mentorship Program |
|---|--|---|--|---|--|
| \$ | \$ | \$ | \$ | \$ | \$ |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| | | | | | |
| | | | | | |
| | | | | | |
| \$ | \$ | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

State Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Function

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | North Pole Middle School Security System | Totals | |
|--|---|-----------|-----------|
| | | 2009 | 2008 |
| Revenues: | | | |
| Revenue from local sources: | | | |
| Other local revenue | \$ | \$ | \$ 135 |
| Revenue from state sources | 6,407 | 907,017 | 1,058,601 |
| Total revenues | 6,407 | 907,017 | 1,058,736 |
| Expenditures - current: | | | |
| Instruction | | 994,312 | 950,214 |
| Support services - instruction | 6,407 | 299,043 | 433,850 |
| District administration support services | | 5,588 | 5,780 |
| Total expenditures | 6,407 | 1,298,943 | 1,389,844 |
| Deficiency of revenues over expenditures | | (391,926) | (331,108) |
| Other financing sources (uses): | | | |
| Transfers in | | 409,170 | 328,908 |
| Transfers out | | | (2) |
| Total other financing sources (uses) | | 409,170 | 328,906 |
| Net change in fund balances | | 17,244 | (2,202) |
| Fund balances - beginning | | | 2,202 |
| Fund balances - ending | \$ | \$ 17,244 | \$ |

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

State Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Alaska Railroad Youth Summer Employment | Youth in Detention | Staff Development Mini-grants | Youth First |
|---|--|-------------------------------|--|------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ | \$ | \$ | \$ |
| Revenue from state sources | 29,000 | 112,923 | 19,788 | 92,627 |
| Total revenues | <u>29,000</u> | <u>112,923</u> | <u>19,788</u> | <u>92,627</u> |
| Expenditures - current: | | | | |
| Salaries and fringe benefits: | | | | |
| Certificated salaries | 24,834 | 287,591 | | |
| Non-certificated salaries | 219 | 62,221 | 1,246 | 54,313 |
| Employee benefits | 3,528 | 123,169 | 126 | 28,441 |
| Total salaries and fringe benefits | <u>28,581</u> | <u>472,981</u> | <u>1,372</u> | <u>82,754</u> |
| Materials, supplies, services and other: | | | | |
| Professional and technical services | | | | |
| Staff travel | | | 18,416 | 1,304 |
| Student travel | | | | 720 |
| Utility services | | 1,723 | | |
| Other purchased services | 108 | 174 | | |
| Supplies, materials and media | 149 | 20,633 | | 2,261 |
| Other expenses | 162 | | | |
| Indirect costs | | | | 5,588 |
| Total materials, supplies, services and other | <u>419</u> | <u>22,530</u> | <u>18,416</u> | <u>9,873</u> |
| Capital outlay - equipment | | 9,338 | | |
| Total expenditures | <u>29,000</u> | <u>504,849</u> | <u>19,788</u> | <u>92,627</u> |
| Deficiency of revenues over expenditures | | <u>(391,926)</u> | | |
| Other financing sources (uses): | | | | |
| Transfers in | | 409,170 | | |
| Transfers out | | | | |
| Total other financing sources (uses) | | <u>409,170</u> | | |
| Net change in fund balances | | 17,244 | | |
| Fund balances - beginning | | | | |
| Fund balances - ending | <u>\$</u> | <u>\$ 17,244</u> | <u>\$</u> | <u>\$</u> |

| Legislative Small Grants | Alaska Construction Academy | Legislative Small Grants 08-09 | DCCED Small Grants List | Equipment North Pole High School | Statewide Alaska Mentorship Program |
|---|--|---|--|---|--|
| \$ | \$ | \$ | \$ | \$ | \$ |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| | 25,870 | | | | 147,063 |
| | 8,138 | | | | |
| | 4,383 | | | | 54,475 |
| | 38,391 | | | | 201,538 |
| | 2,865 | | | | |
| | 491 | | | | |
| | 407 | | | | |
| 28,982 | 62,108 | 155,227 | 72,752 | 7,621 | |
| 28,982 | 65,871 | 155,227 | 72,752 | 7,621 | |
| | 8,784 | 56,381 | 10,725 | | |
| 28,982 | 113,046 | 211,608 | 83,477 | 7,621 | 201,538 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| \$ | \$ | \$ | \$ | \$ | \$ |

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

State Programs

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | North Pole Middle School Security System | Totals | |
|---|---|---------------|-------------|
| | | 2009 | 2008 |
| Revenues: | | | |
| Revenue from local sources: | | | |
| Other local revenue | \$ | \$ | \$ 135 |
| Revenue from state sources | 6,407 | 907,017 | 1,058,601 |
| Total revenues | 6,407 | 907,017 | 1,058,736 |
| Expenditures - current: | | | |
| Salaries and fringe benefits: | | | |
| Certificated salaries | | 485,358 | 504,074 |
| Non-certificated salaries | | 126,137 | 197,800 |
| Employee benefits | | 214,122 | 267,242 |
| Total salaries and fringe benefits | | 825,617 | 969,116 |
| Materials, supplies, services and other: | | | |
| Professional and technical services | | | |
| Staff travel | | 22,585 | 33,195 |
| Student travel | | 1,211 | 1,435 |
| Utility services | | 1,723 | 1,151 |
| Other purchased services | | 689 | 4,902 |
| Supplies, materials and media | 6,407 | 356,140 | 321,014 |
| Other expenses | | 162 | |
| Indirect costs | | 5,588 | 5,780 |
| Total materials, supplies, services and other | 6,407 | 388,098 | 367,477 |
| Capital outlay - equipment | | 85,228 | 53,251 |
| Total expenditures | 6,407 | 1,298,943 | 1,389,844 |
| Deficiency of revenues over expenditures | | (391,926) | (331,108) |
| Other financing sources (uses): | | | |
| Transfers in | | 409,170 | 328,908 |
| Transfers out | | | (2) |
| Total other financing sources (uses) | | 409,170 | 328,906 |
| Net change in fund balances | | 17,244 | (2,202) |
| Fund balances - beginning | | | 2,202 |
| Fund balances - ending | \$ | \$ 17,244 | \$ |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
State Programs
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on</u> | <u>Variance with</u> |
|---|-------------------------|------------------|------------------|------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Budgetary</u> | <u>Final Budget-</u> |
| | | | | <u>Basis</u> | <u>Positive</u> |
| | | | | | <u>(Negative)</u> |
| Revenues: | | | | | |
| Revenue from state sources | \$ 1,058,892 | \$ 1,101,347 | \$ 907,017 | \$ 903,530 | \$ (197,817) |
| Total revenues | <u>1,058,892</u> | <u>1,101,347</u> | <u>907,017</u> | <u>903,530</u> | <u>(197,817)</u> |
| Expenditures-current: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Certificated salaries | 503,139 | 451,723 | 485,358 | 485,358 | (33,635) |
| Non-certificated salaries | 154,009 | 165,647 | 126,137 | 126,137 | 39,510 |
| Employee benefits | 231,729 | 224,911 | 214,122 | 214,122 | 10,789 |
| Total salaries and fringe benefits | <u>888,877</u> | <u>842,281</u> | <u>825,617</u> | <u>825,617</u> | <u>16,664</u> |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | | | | | |
| Staff travel | 13,821 | 45,894 | 22,585 | 22,585 | 23,309 |
| Student travel | 735 | 491 | 1,211 | 1,211 | (720) |
| Utility services | 2,500 | 2,500 | 1,723 | 1,723 | 777 |
| Other purchased services | 8,500 | 4,561 | 689 | 343 | 4,218 |
| Supplies, materials and media | 497,089 | 574,093 | 356,140 | 353,156 | 220,937 |
| Other expenses | 90 | | 162 | 162 | (162) |
| Indirect cost | 6,942 | 6,942 | 5,588 | 5,588 | 1,354 |
| Total materials, supplies, services and other | <u>529,677</u> | <u>634,481</u> | <u>388,098</u> | <u>384,768</u> | <u>249,713</u> |
| Capital outlay - equipment | <u>19,702</u> | <u>31,986</u> | <u>85,228</u> | <u>85,228</u> | <u>(53,242)</u> |
| Total expenditures | <u>1,438,256</u> | <u>1,508,748</u> | <u>1,298,943</u> | <u>1,295,613</u> | <u>213,135</u> |
| Excess (deficiency) of revenues over expenditures | <u>(379,364)</u> | <u>(407,401)</u> | <u>(391,926)</u> | <u>(392,083)</u> | <u>15,318</u> |
| Other financing sources: | | | | | |
| Transfers in | <u>409,170</u> | <u>407,401</u> | <u>409,170</u> | <u>409,327</u> | <u>1,926</u> |
| Net change in fund balance | <u>\$ 29,806</u> | <u>\$</u> | <u>17,244</u> | <u>\$ 17,244</u> | <u>\$ 17,244</u> |
| Fund balance, July 1 | | | | | |
| Fund balance, June 30 | | | <u>\$ 17,244</u> | | |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

Food Service

Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|--|-------------------|-------------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Equity in central treasury cash | \$ 66,202 | \$ 67,653 |
| Inventories | 299,715 | 293,122 |
| Total assets | <u>\$ 365,917</u> | <u>\$ 360,775</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | |
| Liabilities: | | |
| Accounts payable | <u>\$ 6,668</u> | <u>\$ 3,205</u> |
| Fund balance: | | |
| Reserved for: | | |
| Encumbrances | 170,526 | 24,117 |
| Inventories | 299,715 | 293,122 |
| Unreserved | <u>(110,992)</u> | <u>40,331</u> |
| Total fund balance | <u>359,249</u> | <u>357,570</u> |
| Total liabilities and fund balance | <u>\$ 365,917</u> | <u>\$ 360,775</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
Food Service
Statement of Revenues, Expenditures and Changes in Fund Balance - by Function
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|-------------------|-------------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Food service | \$ 2,162,348 | \$ 1,973,615 |
| Other local revenue | 4,327 | |
| Total local sources | <u>2,166,675</u> | <u>1,973,615</u> |
| Revenue from federal sources: | | |
| Through the State of Alaska | <u>2,663,788</u> | <u>2,569,256</u> |
| Total revenues | <u>4,830,463</u> | <u>4,542,871</u> |
| Expenditures - current: | | |
| Food services | <u>4,829,664</u> | <u>4,719,022</u> |
| Excess (deficiency) of revenues over expenditures | <u>799</u> | <u>(176,151)</u> |
| Other financing sources: | | |
| Proceeds from sale of capital assets | <u>880</u> | |
| Net change in fund balance | 1,679 | (176,151) |
| Fund balance - beginning | <u>357,570</u> | <u>533,721</u> |
| Fund balance - ending | <u>\$ 359,249</u> | <u>\$ 357,570</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
Food Service
Statement of Revenues, Expenditures and Changes in Fund Balance - by Object
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|---|-------------------|-------------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Food service | \$ 2,162,348 | \$ 1,973,615 |
| Other local revenue | 4,327 | |
| Total local sources | <u>2,166,675</u> | <u>1,973,615</u> |
| Revenue from federal sources: | | |
| Through the State of Alaska | <u>2,663,788</u> | <u>2,569,256</u> |
| Total revenues | <u>4,830,463</u> | <u>4,542,871</u> |
| Expenditures - current: | | |
| Salaries and fringe benefits: | | |
| Non-certificated salaries | 1,667,331 | 1,603,357 |
| Employee benefits | <u>790,953</u> | <u>757,796</u> |
| Total salaries and fringe benefits | <u>2,458,284</u> | <u>2,361,153</u> |
| Materials, supplies, services and other: | | |
| Professional and technical services | 237 | 3,846 |
| Staff travel | 10,834 | 14,092 |
| Utility services | 1,682 | 887 |
| Other purchased services | 2,835 | 3,195 |
| Supplies, materials and media | 2,344,392 | 2,320,151 |
| Other expenses | <u>3,994</u> | <u>2,160</u> |
| Total materials, supplies, services and other | <u>2,363,974</u> | <u>2,344,331</u> |
| Capital outlay - equipment | <u>7,406</u> | <u>13,538</u> |
| Total expenditures | <u>4,829,664</u> | <u>4,719,022</u> |
| Excess (deficiency) of revenues over expenditures | <u>799</u> | <u>(176,151)</u> |
| Other financing sources: | | |
| Proceeds from sale of capital assets | <u>880</u> | |
| Net change in fund balance | <u>1,679</u> | <u>(176,151)</u> |
| Fund balance - beginning | <u>357,570</u> | <u>533,721</u> |
| Fund balance - ending | <u>\$ 359,249</u> | <u>\$ 357,570</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
Food Service
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual - by Object
For the Year Ended June 30, 2009

| | <u>Budgeted Amounts</u> | | | <u>Actual on Budgetary Basis</u> | <u>Variance with Final Budget- Positive (Negative)</u> |
|---|-------------------------|--------------|---------------|--|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | | |
| Revenues: | | | | | |
| Revenue from local sources: | | | | | |
| Food Service | \$ 2,508,730 | \$ 2,508,730 | \$ 2,162,348 | \$ 2,162,348 | \$ (346,382) |
| Other local revenue | | | 4,327 | 4,327 | 4,327 |
| Total local sources | 2,508,730 | 2,508,730 | 2,166,675 | 2,166,675 | (342,055) |
| Revenue from federal sources: | | | | | |
| Through the State of Alaska | 2,550,650 | 2,526,533 | 2,663,788 | 2,810,197 | 283,664 |
| Total revenues | 5,059,380 | 5,035,263 | 4,830,463 | 4,976,872 | (58,391) |
| Expenditures - current: | | | | | |
| Salaries and fringe benefits: | | | | | |
| Non-certificated salaries | 1,769,012 | 1,769,012 | 1,667,331 | 1,667,331 | 101,681 |
| Employee benefits | 838,695 | 838,695 | 790,953 | 790,953 | 47,742 |
| Total salaries and fringe benefits | 2,607,707 | 2,607,707 | 2,458,284 | 2,458,284 | 149,423 |
| Materials, supplies, services and other: | | | | | |
| Professional and technical services | 12,200 | 12,200 | 237 | 237 | 11,963 |
| Staff travel | 13,200 | 12,825 | 10,834 | 10,459 | 2,366 |
| Utility services | 1,000 | 1,000 | 1,682 | 1,682 | (682) |
| Other purchased services | 12,500 | 8,700 | 2,835 | 2,835 | 5,865 |
| Supplies, materials and media | 2,312,573 | 2,296,237 | 2,344,392 | 2,489,638 | (193,401) |
| Other expenses | 200 | 4,000 | 3,994 | 3,994 | 6 |
| Indirect costs | 60,000 | 60,000 | | | 60,000 |
| Total materials, supplies, services and other | 2,411,673 | 2,394,962 | 2,363,974 | 2,508,845 | (113,883) |
| Capital outlay - equipment | 40,000 | 32,594 | 7,406 | 8,944 | 23,650 |
| Total expenditures | 5,059,380 | 5,035,263 | 4,829,664 | 4,976,073 | 59,190 |
| Excess of revenues over expenditures | | | 799 | 799 | 799 |
| Other financing sources: | | | | | |
| Proceeds from sale of capital assets | | | 880 | 880 | 880 |
| Net change in fund balance | \$ | \$ | 1,679 | \$ 1,679 | \$ 1,679 |
| Fund balance - beginning | | | 357,570 | | |
| Fund balance - ending | | | \$ 359,249 | | |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

School Activities

Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|--|---------------------|---------------------|
| | 2009 | 2008 |
| <u>ASSETS</u> | | |
| Equity in central treasury cash | <u>\$ 1,610,450</u> | <u>\$ 1,679,841</u> |
| <u>LIABILITIES & FUND BALANCE</u> | | |
| Liabilities: | | |
| Accounts payable | \$ 12,249 | \$ 40,405 |
| Fund balance: | | |
| Unreserved | <u>1,598,201</u> | <u>1,639,436</u> |
| Total liabilities and fund balance | <u>\$ 1,610,450</u> | <u>\$ 1,679,841</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Special Revenue Fund
School Activities
Statement of Revenues, Expenditures and Changes in Fund Balance - by Function
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | Totals | |
|-----------------------------|----------------------------|----------------------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Other local revenue | <u>\$ 2,390,217</u> | <u>\$ 2,442,573</u> |
| Expenditures - current: | | |
| Student activities | <u>2,431,452</u> | <u>2,484,974</u> |
| Net change in fund balance | <u>(41,235)</u> | <u>(42,401)</u> |
| Fund balance - beginning | <u>1,639,436</u> | <u>1,681,837</u> |
| Fund balance - ending | <u><u>\$ 1,598,201</u></u> | <u><u>\$ 1,639,436</u></u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Special Revenue Fund

School Activities

Statement of Revenues, Expenditures and Changes in Fund Balance - by Object

For the Year Ended June 30, 2009

(With comparative totals for 2008)

| | Totals | |
|---|---------------|--------------|
| | 2009 | 2008 |
| Revenues: | | |
| Revenue from local sources: | | |
| Other local revenue | \$ 2,390,217 | \$ 2,442,573 |
| Expenditures - current: | | |
| Salaries and fringe benefits: | | |
| Certificated salaries | 39,618 | 25,232 |
| Non-certificated salaries | 41,826 | 41,826 |
| Employee benefits | 8,384 | 6,114 |
| Total salaries and fringe benefits | 89,828 | 73,172 |
| Materials, supplies, services and other: | | |
| Professional and technical services | 61,976 | 54,004 |
| Staff travel | 1,154 | 5,632 |
| Student travel | 738,216 | 696,506 |
| Other purchased services | 12,847 | 8,167 |
| Supplies, materials and media | 1,508,940 | 1,623,681 |
| Tuition and stipends | 2,990 | |
| Other expenses | 420 | 1,013 |
| Total materials, supplies, services and other | 2,326,543 | 2,389,003 |
| Capital outlay - equipment | 15,081 | 22,799 |
| Total expenditures | 2,431,452 | 2,484,974 |
| Net change in fund balance | (41,235) | (42,401) |
| Fund balance - beginning | 1,639,436 | 1,681,837 |
| Fund balance - ending | \$ 1,598,201 | \$ 1,639,436 |

NONMAJOR CAPITAL PROJECTS FUNDS

**Anderson Elementary
Title VIII Construction
Hutchison High School
Central Kitchen
Ryan Facility Planning
Other Capital Projects**

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Nonmajor Capital Projects Funds

Combining Balance Sheet

June 30, 2009

(With comparative totals for 2008)

| | <u>Title VIII Construction</u> | <u>Central Kitchen</u> | <u>Other Capital Projects</u> |
|---|------------------------------------|----------------------------|---------------------------------------|
| <u>ASSETS</u> | | | |
| Equity in central treasury cash | \$ 485,836 | \$ | \$ 61,534 |
| Accounts receivable: | | | |
| Federal | | | |
| Due from Fairbanks North Star Borough | | 8,409 | |
| Total assets | <u>\$ 485,836</u> | <u>\$ 8,409</u> | <u>\$ 61,534</u> |
| <u>LIABILITIES AND FUND BALANCES</u> | | | |
| Liabilities: | | | |
| Accounts payable | \$ | \$ 1,369 | \$ |
| Due to other funds | | 7,040 | |
| Due to Fairbanks North Star Borough | | | |
| Total liabilities | | <u>8,409</u> | |
| Fund balances: | | | |
| Reserved for: | | | |
| Encumbrances | | 37,101 | |
| Unreserved | <u>485,836</u> | <u>(37,101)</u> | <u>61,534</u> |
| Total fund balances | <u>485,836</u> | | <u>61,534</u> |
| Total liabilities and fund balances | <u>\$ 485,836</u> | <u>\$ 8,409</u> | <u>\$ 61,534</u> |

| Totals | |
|-------------------|---------------------|
| 2009 | 2008 |
| \$ 547,370 | \$ 2,184,243 |
| | 36,321 |
| 8,409 | |
| <u>\$ 555,779</u> | <u>\$ 2,220,564</u> |

| | |
|--------------|---------------|
| \$ 1,369 | \$ 219 |
| 7,040 | |
| | 99,495 |
| <u>8,409</u> | <u>99,714</u> |

| | |
|-------------------|---------------------|
| 37,101 | 76,047 |
| <u>510,269</u> | <u>2,044,803</u> |
| 547,370 | 2,120,850 |
| <u>\$ 555,779</u> | <u>\$ 2,220,564</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2009
(With comparative totals for 2008)

| | <u>Anderson Elementary</u> | <u>Title VIII Construction</u> | <u>Hutchison High School</u> | <u>Central Kitchen</u> |
|---|--------------------------------|------------------------------------|----------------------------------|----------------------------|
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ 48,556 | \$ | \$ | \$ |
| Revenue from state sources | | | | 10,430 |
| Revenue from federal sources: | | | | |
| Direct | | | | 2,423,525 |
| Through the state of Alaska | | 32,618 | | |
| Total federal sources | | 32,618 | | 2,423,525 |
| Total revenues | 48,556 | 32,618 | | 2,433,955 |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Professional and technical services | | | | |
| Other purchased services | | | | |
| Supplies, materials and media | 22,562 | | | 7,606 |
| Indirect costs | | | | (1,475) |
| Equipment | 25,994 | | | 2,824 |
| Buildings and improvements purchased | | | | 3,835,923 |
| Total expenditures | 48,556 | | | 3,844,878 |
| Excess (deficiency) of revenues over expenditures | | 32,618 | | (1,410,923) |
| Other financing sources (uses): | | | | |
| Transfers in | | | | |
| Transfers out | | | (175,851) | |
| Total other financing sources (uses) | | | (175,851) | |
| Net change in fund balances | | 32,618 | (175,851) | (1,410,923) |
| Fund balances - beginning | | 453,218 | 175,851 | 1,410,923 |
| Fund balances - ending | \$ | \$ 485,836 | \$ | \$ |

| Ryan Facilities Planning | Other Capital Projects | Totals | |
|--------------------------------|------------------------------|-------------|--------------|
| | | 2009 | 2008 |
| \$ | \$ | \$ 48,556 | \$ 47,535 |
| | | 10,430 | |
| | | 2,423,525 | 10,304 |
| | | 32,618 | 453,218 |
| | | 2,456,143 | 463,522 |
| | | 2,515,129 | 511,057 |
| 75,000 | | 75,000 | |
| | 1,206 | 1,206 | 11,453 |
| | | 30,168 | 33,196 |
| | | (1,475) | (1,149) |
| | | 28,818 | 22,738 |
| | | 3,835,923 | 99,495 |
| 75,000 | 1,206 | 3,969,640 | 165,733 |
| (75,000) | (1,206) | (1,454,511) | 345,324 |
| 75,000 | | 75,000 | 1,510,418 |
| | (18,118) | (193,969) | (1,510,418) |
| 75,000 | (18,118) | (118,969) | |
| | (19,324) | (1,573,480) | 345,324 |
| | 80,858 | 2,120,850 | 1,775,526 |
| \$ | \$ 61,534 | \$ 547,370 | \$ 2,120,850 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT**Nonmajor Capital Projects Funds****Project Length Schedule of Revenues and Expenditures****Beginning of Projects to June 30, 2009**

| | Anderson Elementary | Title VIII Construction | Hutchison High School | Central Kitchen |
|--------------------------------------|--------------------------------|------------------------------------|----------------------------------|----------------------------|
| Project Authorizations: | <u>\$ 86,500</u> | <u>\$</u> | <u>\$ 1,932,269</u> | <u>\$ 4,041,468</u> |
| Revenues: | | | | |
| Revenue from local sources: | | | | |
| Other local revenue | \$ 79,361 | \$ | \$ 812,950 | \$ 10,430 |
| Revenue from state sources | | | | |
| Revenue from federal sources: | | | | |
| Direct | | | | 2,479,827 |
| Through the state of Alaska | | 2,614,294 | | |
| Transfers from other funds | | | 1,245,637 | 1,510,418 |
| Total revenues | <u>79,361</u> | <u>2,614,294</u> | <u>2,058,587</u> | <u>4,000,675</u> |
| Expenditures: | | | | |
| Capital outlay: | | | | |
| Professional and technical services | | | | 42,516 |
| Staff travel | | | | 858 |
| Other purchased services | | | 989,393 | 11,453 |
| Supplies, materials and media | 30,629 | | 564,858 | 7,606 |
| Equipment | 48,732 | | 190,370 | 2,824 |
| Buildings and improvements purchased | | | 126,318 | 3,935,418 |
| Other capital outlay | | | 11,797 | |
| Transfers to other funds | | 2,128,458 | 175,851 | |
| Total expenditures | <u>79,361</u> | <u>2,128,458</u> | <u>2,058,587</u> | <u>4,000,675</u> |
| Excess of revenues over expenditures | <u>\$</u> | <u>\$ 485,836</u> | <u>\$</u> | <u>\$</u> |

| Ryan Facilities Planning | Other Capital Projects | Project To Date Totals |
|---|---------------------------------------|---------------------------------------|
| <u>\$ 75,000</u> | <u>\$ 449,938</u> | <u>\$ 6,585,175</u> |
| | | |
| \$ | \$ | \$ 892,311 |
| | | 10,430 |
| | | 2,479,827 |
| | | 2,614,294 |
| <u>75,000</u> | <u>431,820</u> | <u>3,262,875</u> |
| <u>75,000</u> | <u>431,820</u> | <u>9,259,737</u> |
| | | |
| 75,000 | 27,198 | 144,714 |
| | | 858 |
| | 1,206 | 1,002,052 |
| | 20,893 | 623,986 |
| | 2,887 | 244,813 |
| | 318,102 | 4,379,838 |
| | | 11,797 |
| | <u>18,118</u> | <u>2,322,427</u> |
| <u>75,000</u> | <u>388,404</u> | <u>8,730,485</u> |
| <u>\$</u> | <u>\$ 43,416</u> | <u>\$ 529,252</u> |

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AGENCY FUND

AGENCY FUND

School District Agency Fund

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT**School District Agency Fund
Statement of Changes in Assets and Liabilities
Year Ended June 30, 2009**

| | Balance July 1, 2008 | Additions | Deductions | Balance June 30, 2009 |
|---------------------------------|---------------------------------|------------------|-------------------|----------------------------------|
| <u>ASSETS</u> | | | | |
| Equity in central treasury cash | <u>\$ 34,373</u> | <u>\$ 53,488</u> | <u>\$ 44,147</u> | <u>\$ 43,714</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ | \$ 44,226 | \$ 44,147 | \$ 79 |
| Due to external groups | <u>34,373</u> | <u>53,488</u> | <u>44,226</u> | <u>43,635</u> |
| Total liabilities | <u>\$ 34,373</u> | <u>\$ 97,714</u> | <u>\$ 88,373</u> | <u>\$ 43,714</u> |

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STATISTICAL SECTION

STATISTICAL SECTION

Statistical tables give readers detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health. Some tables provide data from the Fairbanks North Star Borough (Borough), the primary government, to give a consolidated overview of the School District's financial status.

Financial Trends – pages 166-177

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

Revenue Capacity – pages 178-188

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax levied by the Borough, and the School District's most significant own-sourced revenue.

Debt Capacity – page 189

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the Borough's ability to issue additional debt in the future.

Demographic and Economic Information – pages 190-191

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.

Operating Information – pages 192-207

These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2001-02.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
| Governmental activities: | | | | |
| Invested in capital assets, net of related debt | \$ 3,851,369 | \$ 3,501,604 | \$ 3,613,084 | \$ 3,918,778 |
| Net pension asset restricted for future contributions | | 958,054 | 960,355 | |
| Unrestricted | 23,825,074 | 21,362,399 | 19,756,987 | 22,426,155 |
| Total Net Assets | <u>\$ 27,676,443</u> | <u>\$ 25,822,057</u> | <u>\$ 24,330,426</u> | <u>\$ 26,344,933</u> |

Note: The district began reporting accrual information when it implemented GASB Statement 34 in fiscal year 2001-02.

| Fiscal Year | | | |
|----------------------|----------------------|----------------------|----------------------|
| <u>2005-06</u> | <u>2006-07</u> | <u>2007-08</u> | <u>2008-09</u> |
| \$ 4,235,371 | \$ 4,080,319 | \$ 3,967,368 | \$ 3,672,266 |
| 16,687,930 | 18,453,760 | 18,535,860 | 20,059,660 |
| <u>\$ 20,923,301</u> | <u>\$ 22,534,079</u> | <u>\$ 22,503,228</u> | <u>\$ 23,731,926</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | |
|---|----------------------|-----------------------|-----------------------|----------------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
| Expenses | | | | |
| Governmental activities: | | | | |
| Instruction | \$ 66,171,759 | \$ 67,453,075 | \$ 67,660,701 | \$ 68,023,960 |
| Special education instruction | 13,382,204 | 14,787,650 | 13,877,212 | 16,865,673 |
| Special education support services - students | 1,681,525 | 2,078,285 | 2,582,804 | 2,063,501 |
| Support services - students | 6,552,628 | 6,522,775 | 7,312,011 | 9,350,844 |
| Support Services - instruction | 5,081,273 | 6,498,343 | 6,974,143 | 9,209,619 |
| School administration | 4,799,454 | 4,936,782 | 4,774,139 | 5,154,874 |
| School administration support services | 2,911,294 | 3,454,402 | 3,276,869 | 3,818,035 |
| District administration | 1,320,843 | 1,399,353 | 1,416,391 | 1,528,370 |
| District administration support services | 5,319,599 | 5,660,384 | 5,871,070 | 6,316,689 |
| Operations and maintenance of plant | 14,704,252 | 15,382,626 | 15,231,101 | 17,873,136 |
| Student activities | 1,427,340 | 1,497,650 | 1,335,887 | 1,554,640 |
| Student transportation service | 8,487,332 | 9,004,576 | 8,923,006 | 8,745,633 |
| Adult and continuing education instruction | 178,035 | 130,498 | 84,038 | 53,217 |
| Food services | 4,222,604 | 4,077,988 | 3,945,655 | 4,284,462 |
| Interest expense | | 63,089 | 42,359 | 18,658 |
| Total expenses | 136,240,142 | 142,947,476 | 143,307,386 | 154,861,311 |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Charges for Services: | | | | |
| Instruction | 125,591 | 67,575 | 51,971 | 32,787 |
| Support services - students | | | 4,679 | 2,145 |
| Support services - instruction | | | | |
| District administration support services | 816,838 | | | |
| Student transportation service | | | | |
| Adult and continuing education instruction | 133,025 | 140,050 | 46,577 | 12,141 |
| Food services | 1,785,408 | 1,907,619 | 1,835,140 | 1,839,814 |
| Operating grants and contributions | 20,191,021 | 21,809,523 | 22,496,034 | 27,208,171 |
| Capital grants and contributions | 234,991 | 1,049,171 | 2,708,367 | 1,640,256 |
| Total program revenues | 23,286,874 | 24,973,938 | 27,142,768 | 30,735,314 |
| Net expense - governmental activities | (112,953,268) | (117,973,538) | (116,164,618) | (124,125,997) |
| General Revenues and Other Changes in Net Assets | | | | |
| Governmental activities: | | | | |
| Grants and contributions not restricted to specific programs: | | | | |
| Borough direct appropriation | 32,555,700 | 33,545,700 | 34,545,700 | 36,545,700 |
| Foundation program | 66,522,720 | 68,097,408 | 65,676,616 | 73,052,157 |
| Other state revenue | | | | |
| Federal impact aid | 13,425,434 | 11,144,790 | 11,943,538 | 14,267,731 |
| Other | 2,530,417 | 2,611,399 | 2,045,539 | 1,805,004 |
| Miscellaneous | 325,097 | 719,855 | 461,594 | 469,912 |
| Total general revenue | 115,359,368 | 116,119,152 | 114,672,987 | 126,140,504 |
| Change in Net Assets | \$ 2,406,100 | \$ (1,854,386) | \$ (1,491,631) | \$ 2,014,507 |

Note: The district began reporting accrual information when it implemented GASB Statement 34 in fiscal year 2001-02.

| Fiscal Year | | | |
|----------------|---------------|---------------|---------------|
| 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| \$ 74,278,540 | \$ 77,265,162 | \$ 96,385,094 | \$ 92,008,786 |
| 18,431,818 | 17,856,399 | 20,936,726 | 21,632,095 |
| 2,299,016 | 2,516,909 | 3,053,826 | 3,882,736 |
| 10,346,229 | 10,458,934 | 12,056,303 | 12,016,292 |
| 10,253,369 | 9,349,009 | 10,205,791 | 10,973,700 |
| 5,357,561 | 5,915,223 | 7,354,532 | 7,066,719 |
| 3,950,664 | 3,989,781 | 4,164,728 | 4,084,016 |
| 1,714,097 | 1,757,915 | 2,055,996 | 2,150,747 |
| 7,330,027 | 7,834,722 | 8,989,152 | 9,013,588 |
| 19,346,287 | 20,266,837 | 21,913,361 | 24,692,687 |
| 2,227,743 | 4,665,546 | 4,889,861 | 4,869,918 |
| 9,160,416 | 8,841,162 | 9,113,672 | 9,475,472 |
| 17,333 | 567 | | 5,118 |
| 4,598,738 | 4,522,847 | 4,979,963 | 4,823,175 |
| | | | 40,458 |
| 169,311,838 | 175,241,013 | 206,099,005 | 206,735,507 |
| 22,835 | 28,827 | 39,225 | 42,227 |
| 39,610 | 55,650 | 62,002 | 73,749 |
| | 86,644 | 69,246 | 69,971 |
| | | 18,450 | 17,300 |
| 1,832,119 | 1,863,410 | 1,973,615 | 2,162,348 |
| 27,354,672 | 27,084,712 | 55,175,797 | 50,760,894 |
| 1,544,726 | 676,148 | 511,057 | 2,515,129 |
| 30,793,962 | 29,795,391 | 57,849,392 | 55,641,618 |
| (138,517,876) | (145,445,622) | (148,249,613) | (151,093,889) |
| 38,022,700 | 40,022,700 | 42,222,700 | 44,222,700 |
| 80,045,140 | 88,513,723 | 85,688,097 | 96,001,077 |
| | 2,965,437 | 7,919,269 | 1,821,871 |
| 12,257,249 | 11,405,933 | 11,118,081 | 9,596,676 |
| 1,831,103 | 634,592 | 709,756 | 295,993 |
| 940,052 | 1,734,768 | 560,859 | 384,270 |
| 133,096,244 | 145,277,153 | 148,218,762 | 152,322,587 |
| \$ (5,421,632) | \$ (168,469) | \$ (30,851) | \$ 1,228,698 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

| | Fiscal Year | | | |
|------------------------------------|------------------------|---------------------|---------------------|---------------------|
| | 1999-2000 ^a | 2000-01 | 2001-02 | 2002-03 |
| General fund | | | | |
| Reserved | \$ 10,328,283 | \$ 9,830,675 | \$ 11,348,640 | \$ 12,234,963 |
| Unreserved | 4,279,985 | 8,756,129 | 10,272,208 | 8,579,741 |
| Total general fund | <u>14,608,268</u> | <u>18,586,804</u> | <u>21,620,848</u> | <u>20,814,704</u> |
| All other governmental funds | | | | |
| Reserved | 1,369,280 | 497,855 | 468,955 | 474,455 |
| Unreserved, reported in: | | | | |
| Special revenue funds | 1,111,242 | 814,215 | 674,863 | 1,085,639 |
| Capital projects funds | (740,215) | 411,975 | 450,569 | 1,170,525 |
| Total all other governmental funds | <u>\$ 1,740,307</u> | <u>\$ 1,724,045</u> | <u>\$ 1,594,387</u> | <u>\$ 2,730,619</u> |

Note:

^a Beginning in FY 1999-2000 timing of the School District's Title VIII Impact Aid payment changed. Payment for the subsequent fiscal year was received in the current fiscal year and reserved in fund balance in accordance with the *Alaska Department of Education and Early Development Uniform Chart of Accounts and Account Code Descriptions for Public School Districts, 2000 edition*.

| Fiscal Year | | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| \$ 12,537,659 | \$ 13,011,879 | \$ 13,728,824 | \$ 12,545,992 | \$ 11,939,473 | \$ 10,824,456 |
| 7,066,592 | 10,825,614 | 11,029,488 | 9,375,513 | 11,954,019 | 10,674,176 |
| <u>19,604,251</u> | <u>23,837,493</u> | <u>24,758,312</u> | <u>21,921,505</u> | <u>23,893,492</u> | <u>21,498,632</u> |
| 921,493 | 738,533 | 482,925 | 524,990 | 617,788 | 669,418 |
| 926,818 | 592,387 | 561,167 | 2,317,062 | 2,320,976 | 2,894,987 |
| 466,960 | 907,233 | 1,256,796 | 1,758,240 | 2,044,803 | 510,269 |
| <u>\$ 2,315,271</u> | <u>\$ 2,238,153</u> | <u>\$ 2,300,888</u> | <u>\$ 4,600,292</u> | <u>\$ 4,983,567</u> | <u>\$ 4,074,674</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | |
|--|----------------|----------------|----------------|----------------|
| | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| Revenues from local sources: | | | | |
| Borough direct appropriation | \$ 30,690,780 | \$ 32,045,700 | \$ 32,555,700 | \$ 33,545,700 |
| E-rate reimbursement | 244,786 | 220,433 | 25,489 | 244,595 |
| Food services | 384,376 | 364,958 | 323,058 | 284,170 |
| Earnings on investments | 16,747 | 10,015 | 324 | 236 |
| Other local revenue | 1,859,183 | 2,556,832 | 2,737,088 | 2,405,696 |
| Tuition from students | 57,865 | 48,420 | 185,997 | 141,913 |
| Total revenue from local sources | 33,253,737 | 35,246,358 | 35,827,656 | 36,622,310 |
| Revenue from state sources: | | | | |
| Foundation program | 66,557,417 | 64,696,850 | 64,742,484 | 64,439,501 |
| QSI grant | | | 357,066 | 356,140 |
| LOG grant | | | 1,423,170 | 2,667,315 |
| Supplemental aid | | | | 634,452 |
| Tuition | 596,762 | 697,596 | 847,097 | 667,967 |
| TRS on-behalf | | | | |
| PERS on-behalf | | | | |
| On-base schools | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Other state revenue | 9,364,282 | 10,683,446 | 8,745,741 | 10,483,696 |
| Total revenue from state sources | 77,968,461 | 77,527,892 | 77,565,558 | 80,699,071 |
| Revenue from federal sources: | | | | |
| Direct | 2,316,511 | 14,329,290 | 16,216,716 | 13,655,404 |
| Through the State of Alaska and other intermediate agencies ^a | 26,189,133 | 9,065,171 | 8,785,569 | 9,922,633 |
| Total revenue from federal sources | 28,505,644 | 23,394,461 | 25,002,285 | 23,578,037 |
| Other sources | 6,576 | 12,814 | 27,805 | 41,971 |
| Total revenues | \$ 139,734,418 | \$ 136,181,525 | \$ 138,423,304 | \$ 140,941,389 |

Note:

^a Beginning in fiscal year 1999-2000 timing of the School District's Title VIII Impact Aid payment changed. Payment for fiscal year 2000-01 was received in fiscal year 1999-2000 along with the fiscal year 1999-2000 payment.

| Fiscal Year | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|
| 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| \$ 34,545,700 | \$ 36,545,700 | \$ 38,022,700 | \$ 40,022,700 | \$ 42,222,700 | \$ 44,222,700 |
| 251,090 | 255,646 | 250,778 | 263,343 | 297,666 | 295,993 |
| 1,835,140 | 1,837,593 | 1,829,036 | 1,863,410 | 1,973,615 | 2,162,348 |
| 61 | 23 | 11 | 16 | | |
| 518,316 | 1,428,281 | 1,720,043 | 3,840,887 | 3,266,067 | 3,137,102 |
| 41,093 | 12,141 | | | | |
| 37,191,400 | 40,079,384 | 41,822,568 | 45,990,356 | 47,760,048 | 49,818,143 |
| 65,329,167 | 72,703,693 | 80,045,140 | 88,513,723 | 85,688,097 | 96,001,077 |
| 347,449 | 348,464 | 347,525 | 345,636 | 342,123 | 371,871 |
| | | | 1,169,801 | 6,127,146 | |
| 97,864 | | | | | |
| | | | | 26,641,081 | 19,640,125 |
| | | | | 2,181,753 | 3,753,051 |
| 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| 9,487,159 | 9,514,268 | 9,724,556 | 9,522,084 | 9,641,697 | 10,169,267 |
| 76,711,639 | 84,016,425 | 91,567,221 | 101,001,244 | 132,071,897 | 131,385,391 |
| 16,249,574 | 17,200,286 | 14,901,229 | 12,822,378 | 12,208,857 | 13,141,295 |
| 11,345,823 | 15,194,658 | 15,352,315 | 14,018,936 | 13,818,299 | 13,494,924 |
| 27,595,397 | 32,394,944 | 30,253,544 | 26,841,314 | 26,027,156 | 26,636,219 |
| 86,732 | 114,196 | | | | |
| \$ 141,585,168 | \$ 156,604,949 | \$ 163,643,333 | \$ 173,832,914 | \$ 205,859,101 | \$ 207,839,753 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| Instruction | \$ 63,900,738 | \$ 63,338,177 | \$ 65,858,858 | \$ 66,171,884 |
| Special education instruction | 12,265,871 | 12,734,020 | 13,363,432 | 14,586,791 |
| Special education support services - students | 1,640,581 | 1,459,317 | 1,676,261 | 2,031,842 |
| Support services - students | 5,472,435 | 6,045,824 | 6,536,088 | 6,422,978 |
| Support services - instruction | 3,662,597 | 4,590,331 | 5,005,634 | 6,347,659 |
| School administration | 7,611,407 | 7,377,956 | 4,791,419 | 4,854,888 |
| School administration support services | | | 2,904,251 | 3,418,105 |
| District administration | 1,352,499 | 1,208,287 | 1,340,829 | 1,348,953 |
| District administration support services | 6,029,307 | 5,705,129 | 5,185,172 | 5,420,372 |
| Operations and maintenance of plant | 14,364,228 | 14,393,763 | 14,665,825 | 15,174,695 |
| Student activities | 1,742,970 | 1,477,402 | 1,425,684 | 1,483,249 |
| Student transportation service | 7,144,762 | 7,900,429 | 8,485,824 | 9,000,647 |
| Adult and continuing education instruction | 119,395 | 155,437 | 180,376 | 126,191 |
| Food services | 3,712,398 | 4,368,909 | 4,079,614 | 3,836,273 |
| Debt service: | | | | |
| Interest | | | | 63,089 |
| Principal | | | | 144,897 |
| Capital outlay | 2,158,791 | 1,464,270 | 187,651 | 719,031 |
| Total expenditures | <u>\$ 131,177,979</u> | <u>\$ 132,219,251</u> | <u>\$ 135,686,918</u> | <u>\$ 141,151,544</u> |
| Capital expenditures ^a | <u>\$</u> | <u>\$</u> | <u>\$ 456,858</u> | <u>\$ 925,343</u> |
| Noncapital expenditures ^b | <u>\$</u> | <u>\$</u> | <u>\$ 135,230,060</u> | <u>\$ 140,226,201</u> |
| Debt service as a percentage of noncapital expenditures ^b | | | 0.00% | 0.15% |

Notes:

^a Source: *Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities* in the School District's CAFR for fiscal years 2001-02 through 2008-09.

Capital expenditures for governmental funds not readily available until fiscal year 2001-02 when the School District implemented GASB Statement 34.

^b Noncapital expenditures for governmental funds not readily available until fiscal year 2001-02 when the School District implemented GASB Statement 34.

| Fiscal Year | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| \$ 64,574,677 | \$ 66,766,094 | \$ 70,789,698 | \$ 78,785,644 | \$ 95,429,216 | \$ 92,319,548 |
| 13,891,957 | 16,562,850 | 17,600,175 | 18,108,218 | 20,768,748 | 22,307,877 |
| 2,593,004 | 2,026,832 | 2,189,892 | 2,537,779 | 3,054,051 | 3,956,716 |
| 7,346,447 | 9,006,169 | 9,781,117 | 10,559,783 | 11,988,071 | 12,669,547 |
| 6,963,972 | 9,079,305 | 9,955,245 | 9,490,060 | 10,131,281 | 11,452,623 |
| 4,795,942 | 5,184,832 | 5,162,345 | 6,066,905 | 7,285,455 | 7,071,644 |
| 3,271,186 | 3,567,137 | 3,662,612 | 3,973,048 | 4,155,048 | 4,487,658 |
| 1,365,456 | 1,483,126 | 1,626,251 | 1,783,260 | 2,101,406 | 2,223,108 |
| 5,933,888 | 5,757,343 | 6,678,883 | 7,789,156 | 8,838,960 | 9,470,375 |
| 15,108,739 | 16,896,566 | 18,309,436 | 20,043,520 | 21,775,769 | 22,049,314 |
| 1,333,434 | 1,544,539 | 2,148,068 | 4,691,257 | 4,891,073 | 4,921,666 |
| 8,925,429 | 8,730,549 | 9,135,639 | 8,837,951 | 9,106,723 | 9,488,016 |
| 99,620 | 49,539 | 15,469 | 472 | | 5,118 |
| 3,683,433 | 3,910,627 | 4,266,661 | 4,280,890 | 4,719,021 | 4,829,664 |
| 42,359 | 18,658 | | | | 40,458 |
| 165,627 | 189,327 | | | 318,968 | 419,967 |
| 3,131,446 | 1,682,134 | 1,362,695 | 259,075 | 165,733 | 3,969,640 |
| <u>\$ 143,226,616</u> | <u>\$ 152,455,627</u> | <u>\$ 162,684,186</u> | <u>\$ 177,207,018</u> | <u>\$ 204,729,523</u> | <u>\$ 211,682,939</u> |
| <u>\$ 838,934</u> | <u>\$ 881,112</u> | <u>\$ 1,092,234</u> | <u>\$ 531,325</u> | <u>\$ 629,531</u> | <u>\$ 736,938</u> |
| <u>\$ 142,387,682</u> | <u>\$ 151,574,515</u> | <u>\$ 161,591,952</u> | <u>\$ 176,675,693</u> | <u>\$ 204,099,992</u> | <u>\$ 210,946,001</u> |
| 0.15% | 0.14% | 0.00% | 0.00% | 0.16% | 0.22% |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Other Financing Sources and Uses and Net Change in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | |
|---|---------------------|---------------------|-----------------------------|--------------------|
| | <u>1999-2000</u> | <u>2000-01</u> | <u>2001-02 ^a</u> | <u>2002-03</u> |
| Excess (deficiency) of revenues over expenditures | \$ 8,556,439 | \$ 3,962,274 | \$ 2,736,386 | \$ (210,155) |
| Other financing sources (uses): | | | | |
| Proceeds from sale of capital assets | | | | 6,300 |
| Proceeds from insurance recovery | | | | |
| Issuance of capital leases | | | | 533,943 |
| Transfers in | 2,037,338 | 1,366,045 | 1,831,975 | 3,226,044 |
| Transfers out | <u>(2,037,338)</u> | <u>(1,366,045)</u> | <u>(3,431,975)</u> | <u>(3,226,044)</u> |
| Total other financing sources (uses) | | | <u>(1,600,000)</u> | <u>540,243</u> |
| Net change in fund balances | <u>\$ 8,556,439</u> | <u>\$ 3,962,274</u> | <u>\$ 1,136,386</u> | <u>\$ 330,088</u> |

Note:

^a In fiscal year 2001-02 the School District transferred \$1,600,000 in start up funds to the new Risk Management Internal Service fund.

| Fiscal Year | | | | | |
|-----------------------|---------------------|-------------------|-----------------------|---------------------|-----------------------|
| 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| \$ (1,641,448) | \$ 4,149,322 | \$ 959,147 | \$ (3,374,104) | \$ 1,129,578 | \$ (3,843,186) |
| 15,647 | 6,802 | 24,407 | 8,373 | 31,960 | 11,260 |
| | | | 1,049,081 | | |
| | | | | 1,193,724 | 528,173 |
| 1,784,852 | 828,950 | 618,073 | 614,025 | 3,691,292 | 1,877,959 |
| (1,784,852) | (828,950) | (618,073) | (614,025) | (3,691,292) | (1,877,959) |
| 15,647 | 6,802 | 24,407 | 1,057,454 | 1,225,684 | 539,433 |
| <u>\$ (1,625,801)</u> | <u>\$ 4,156,124</u> | <u>\$ 983,554</u> | <u>\$ (2,316,650)</u> | <u>\$ 2,355,262</u> | <u>\$ (3,303,753)</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by the Fairbanks North Star Borough

Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

| Calendar Year of Assessed Value | Residential Property | Commercial Property | Industrial Property | Pipeline and Personal Property | Vacant Land |
|--|---------------------------------|--------------------------------|--------------------------------|---|--------------------|
| 1998 | \$ 2,204,283,283 | \$ 426,460,821 | \$ 587,341,821 | \$ 286,560,750 | \$ 258,224,970 |
| 1999 | 2,361,729,135 | 488,193,989 | 617,550,101 | 303,577,810 | 255,285,201 |
| 2000 | 2,511,729,194 | 539,178,081 | 625,087,790 | 258,225,360 | 259,596,172 |
| 2001 | 2,587,074,209 | 589,404,786 | 632,107,765 | 277,581,520 | 254,297,594 |
| 2002 | 2,751,675,089 | 617,545,662 | 658,750,150 | 263,366,140 | 277,175,320 |
| 2003 | 2,963,148,571 | 653,082,170 | 685,991,689 | 270,805,700 | 281,742,922 |
| 2004 | 3,265,296,769 | 686,178,389 | 703,988,463 | 271,188,340 | 312,728,247 |
| 2005 | 3,690,431,430 | 757,571,240 | 699,161,448 | 275,302,600 | 317,147,285 |
| 2006 | 4,118,775,754 | 875,014,529 | 733,298,427 | 377,817,080 | 312,650,776 |
| 2007 | 4,595,949,320 | 943,261,759 | 767,721,675 | 369,500,480 | 367,089,029 |

Note: Property taxes are assessed on a calendar year basis. Estimated actual values are derived using the state-confirmed sales ratio plus state-assessed pipeline. Assessed values are per certified assessment rolls of the Fairbanks North Star Borough. All values are for real property only.

^(a) Includes tax-exempt property

Source: Fairbanks North Star Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Historically, information for the most recent fiscal year is not available until after the publication date of the School District's CAFR.

| Less: Tax Exempt Property | Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|--|-----------------------|--------------------------------------|---|---|
| | | | | (a) |
| \$ 291,291,298 | \$ 3,471,580,347 | 13.775 | \$ 3,556,634,978 | 97.609% |
| 308,363,625 | 3,717,972,611 | 14.480 | 3,856,205,349 | 96.415% |
| 331,043,832 | 3,862,772,765 | 13.662 | 3,991,843,960 | 96.767% |
| 349,634,461 | 3,990,831,413 | 13.860 | 4,164,987,187 | 95.819% |
| 375,715,896 | 4,192,796,465 | 13.693 | 4,317,501,674 | 97.112% |
| 402,570,639 | 4,452,200,413 | 13.693 | 4,588,376,599 | 97.032% |
| 438,116,409 | 4,801,263,799 | 13.606 | 5,020,392,059 | 95.635% |
| 479,593,358 | 5,260,020,645 | 13.219 | 5,522,981,852 | 95.239% |
| 652,965,644 | 5,764,590,922 | 12.923 | 6,102,033,479 | 94.470% |
| 691,802,402 | 6,351,719,861 | 12.209 | 6,732,886,695 | 94.339% |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by the Fairbanks North Star Borough

Property Tax Rates and Tax Levies - This Borough and All Underlying Governments
Last Ten Calendar Years

| | Tax Rates - Millage | | | | | | | | | |
|---------------------------------|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| This Borough: | | | | | | | | | | |
| Areawide | 13.775 | 14.480 | 13.662 | 13.860 | 13.693 | 13.693 | 13.606 | 12.923 | 12.209 | 11.287 |
| Non-Areawide | 0.511 | 0.516 | 0.522 | 0.521 | 0.525 | 0.523 | 0.435 | 0.418 | 0.409 | 0.040 |
| Solid Waste Collection District | 1.166 | 1.188 | 1.159 | 1.162 | 1.187 | 1.187 | 1.183 | 1.150 | 1.126 | 1.103 |
| Airway S.A. | 1.177 | 1.201 | 1.175 | 1.259 | 1.251 | 1.214 | 1.210 | 1.120 | 1.089 | 1.089 |
| Arctic Fox S.A. | 0.865 | 1.184 | 2.158 | 2.283 | 2.325 | 2.167 | 2.272 | 1.944 | 1.864 | 1.804 |
| Aztec S.A. | 1.623 | 1.647 | 1.622 | 1.674 | 1.580 | 1.555 | 1.576 | 1.431 | 1.339 | 1.257 |
| Ballaine Lake S & W S.A. | 8.134 | 8.085 | 8.411 | 8.797 | 11.744 | 11.543 | 11.758 | 13.775 | 12.828 | 12.413 |
| Becker Ridge S.A. | 1.495 | 1.517 | 1.490 | 1.542 | 1.527 | 1.490 | 1.500 | 1.359 | 1.346 | 1.376 |
| Birch Hill S.A. | 2.130 | 2.146 | 2.080 | 2.085 | 2.083 | 2.025 | 1.986 | 1.861 | 1.832 | 1.814 |
| Bluebird | 1.977 | 1.967 | 2.195 | 2.253 | 2.326 | 2.329 | 2.408 | 2.187 | 2.004 | 2.054 |
| Borda Road S.A. | 1.216 | 1.240 | 1.177 | 1.192 | 1.195 | 1.166 | 1.152 | 1.131 | 1.067 | 1.079 |
| Brookside S.A. | 0.462 | 0.493 | 0.484 | 0.488 | 0.487 | 0.495 | 0.482 | 0.457 | 0.435 | 0.437 |
| Chena-Goldstream | | | | | | | | | | |
| Volunteer Fire S.A. | 1.672 | 1.678 | 1.632 | 1.674 | 1.639 | 1.627 | 1.615 | 1.483 | 1.434 | 1.473 |
| Chena Hills Road S.A. | 1.038 | 1.059 | 1.046 | 1.097 | 1.051 | 1.067 | 1.068 | 1.001 | 0.987 | 0.985 |
| Chena Hot Springs II (a) | | | | | | | | 0.681 | 0.888 | 0.698 |
| Chena Marina S.A. | | | | | 0.493 | 0.471 | 0.893 | 0.825 | 0.792 | 0.756 |
| Chena Point | 1.863 | 1.974 | 1.997 | 2.002 | 1.708 | 1.710 | 1.705 | 3.176 | 3.154 | 2.958 |
| Chena Spur | 0.943 | 0.934 | 0.930 | 0.945 | 0.893 | 0.893 | 0.897 | 2.354 | 2.407 | 2.329 |
| Cleary Summit S.A. (b) | | | | | | | | | 0.189 | 0.183 |
| College S.A. | 1.508 | 1.502 | 1.469 | 1.476 | 1.480 | 1.418 | 1.391 | 1.292 | 1.249 | 1.257 |
| College Hills S.A. | 0.935 | 0.941 | 0.917 | 0.919 | 0.927 | 0.923 | 0.922 | 0.789 | 0.754 | 0.785 |
| Cooper Estates S.A. | 2.094 | 2.089 | 3.233 | 3.291 | 3.149 | 2.927 | 3.045 | 2.709 | 2.717 | 2.614 |
| Cordes Drive S.A. | 1.264 | 1.230 | 1.306 | 1.338 | 1.338 | 1.403 | 1.337 | 1.150 | 1.060 | 1.074 |
| Cripple Creek S.A. | 1.974 | 1.923 | 1.835 | 1.875 | 1.868 | 1.835 | 1.754 | 1.679 | 1.477 | 1.520 |
| Deep Forest S.A. (c) | | | | | 0.865 | 0.944 | 6.229 | 0.759 | 0.714 | 0.707 |
| Diane Subdivision S.A. | 0.384 | 0.377 | 0.362 | 0.359 | 0.359 | 0.362 | 0.351 | 0.322 | 0.303 | 0.310 |
| Drake Estates S.A. (d) | | | | | | 1.931 | 2.120 | 1.783 | 0.688 | 0.719 |
| Edanella Heights Road S.A. | 1.035 | 1.033 | 1.013 | 1.027 | 0.984 | 0.945 | 0.977 | 1.281 | 1.273 | 1.249 |
| Ester Lump Road S.A. | 2.027 | 2.031 | 2.000 | 2.016 | 2.000 | 2.053 | 2.021 | 1.881 | 1.710 | 1.741 |
| Ester Volunteer Fire S.A. | 2.611 | 2.577 | 2.545 | 2.580 | 2.634 | 2.657 | 2.590 | 2.501 | 2.270 | 2.384 |
| Fairfields S.A. | 0.871 | 0.894 | 0.870 | 0.887 | 0.861 | 0.824 | 0.812 | 0.707 | 0.683 | 0.675 |
| Fairhill S.A. | 1.311 | 1.328 | 1.305 | 1.296 | 1.332 | 1.295 | 1.211 | 1.170 | 1.163 | 1.093 |
| Fairwest S.A. | 2.029 | 2.015 | 2.030 | 2.007 | 2.024 | 1.999 | 1.971 | 1.878 | 1.850 | 1.789 |
| Garden S.A. | 1.255 | 1.250 | 1.203 | 1.225 | 1.205 | 1.116 | 1.158 | 1.103 | 1.074 | 1.035 |
| Golden Valley Road S.A. | 3.553 | 3.541 | 3.362 | 3.427 | 3.224 | 2.728 | 2.618 | 2.695 | 2.665 | 4.285 |
| Goldstream Alaska S.A. | 1.612 | 1.609 | 1.524 | 1.567 | 1.536 | 1.498 | 1.512 | 2.294 | 2.109 | 2.171 |
| Goldstream Moose Creek S.A. (e) | | 2.022 | 1.971 | 2.057 | 2.064 | 1.988 | 1.873 | 1.723 | 1.586 | 1.635 |
| Gordon S.A. | 1.314 | 1.312 | 1.267 | 1.303 | 1.289 | 1.281 | 1.245 | 1.167 | 1.112 | 1.028 |
| Granola Estates S.A. | 1.230 | 1.173 | 1.164 | 1.207 | 1.253 | 1.216 | 1.210 | 1.323 | 1.117 | 1.089 |
| Grieme Road S.A. | 2.892 | 3.016 | 2.855 | 3.617 | 3.542 | 3.137 | 3.144 | 3.486 | 3.418 | 3.466 |
| Haystack S.A. | 1.670 | 1.675 | 1.672 | 1.664 | 3.175 | 3.309 | 3.285 | 3.106 | 2.875 | 2.901 |
| Herning Hills S.A. | 1.397 | 1.480 | 1.465 | 1.495 | 1.469 | 1.511 | 1.482 | 1.382 | 1.318 | 1.258 |
| Hopeless Road S.A. (a) | | | | | | | | 0.869 | 0.833 | 0.838 |
| Horseshoe Downs S.A. | 1.384 | 1.459 | 1.447 | 1.486 | 1.577 | 2.633 | 2.591 | 2.384 | 2.278 | 2.297 |
| Jennifer Drive S.A. | 0.568 | 0.567 | 0.563 | 0.578 | 0.575 | 0.571 | 0.500 | 1.695 | 1.533 | 1.554 |
| Jones Road S.A. | 1.075 | 1.078 | 1.825 | 1.798 | 1.820 | 1.762 | 1.697 | 1.570 | 1.447 | 1.470 |
| Joy Road S.A. | 1.439 | 1.440 | 1.389 | 1.517 | 1.508 | 1.424 | 1.401 | 1.274 | 1.186 | 1.189 |
| Keeney Road S.A. | 0.673 | 0.683 | 0.668 | 0.681 | 0.706 | 0.670 | 0.646 | 0.549 | 0.552 | 0.545 |
| Kendall S.A. | 0.494 | 0.975 | 0.960 | 1.001 | 0.993 | 0.941 | 0.958 | 0.939 | 0.874 | 0.854 |
| Keystone S.A. | 4.105 | 3.268 | 3.247 | 3.283 | 3.373 | 3.166 | 2.976 | 3.125 | 3.065 | 3.002 |

| Tax Levies (In 000's) | | | | | | | | | |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| \$50,177 | \$56,487 | \$55,566 | \$58,314 | \$60,682 | \$64,568 | \$69,324 | \$74,094 | \$79,537 | \$82,628 |
| 1,189 | 1,290 | 1,356 | 1,412 | 1,496 | 1,588 | 1,424 | 1,543 | 1,672 | 1,812 |
| 2,932 | 3,260 | 3,295 | 3,436 | 3,683 | 3,916 | 4,194 | 4,536 | 4,912 | 5,319 |
| 8 | 8 | 8 | 8 | 9 | 9 | 10 | 10 | 11 | 12 |
| 1 | 2 | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 |
| 11 | 12 | 13 | 13 | 13 | 14 | 16 | 17 | 19 | 18 |
| 11 | 12 | 13 | 13 | 18 | 18 | 19 | 22 | 25 | 26 |
| 48 | 50 | 52 | 55 | 59 | 64 | 70 | 82 | 90 | 98 |
| 45 | 50 | 53 | 55 | 59 | 63 | 68 | 75 | 87 | 100 |
| 4 | 4 | 4 | 5 | 5 | 5 | 6 | 6 | 6 | 6 |
| 11 | 13 | 14 | 14 | 16 | 19 | 21 | 23 | 25 | 27 |
| 5 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 8 | 8 |
| 384 | 414 | 449 | 479 | 521 | 572 | 637 | 710 | 779 | 853 |
| 19 | 24 | 30 | 35 | 39 | 45 | 54 | 63 | 71 | 80 |
| | | | | 7 | 7 | 15 | 17 | 19 | 20 |
| 2 | 5 | 9 | 11 | 15 | 18 | 24 | 48 | 60 | 86 |
| 8 | 8 | 9 | 9 | 9 | 10 | 10 | 23 | 35 | 38 |
| | | | | | | | | | 1 |
| 312 | 322 | 330 | 341 | 356 | 370 | 390 | 419 | 447 | 474 |
| 17 | 17 | 18 | 19 | 20 | 21 | 22 | 21 | 22 | 23 |
| 7 | 7 | 12 | 12 | 12 | 13 | 16 | 18 | 20 | 23 |
| 4 | 5 | 12 | 13 | 13 | 15 | 17 | 18 | 20 | 21 |
| 18 | 21 | 24 | 27 | 29 | 32 | 37 | 41 | 46 | 52 |
| | | | | 11 | 15 | 46 | 46 | 17 | 18 |
| 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| | | | | | 10 | 12 | 13 | 15 | 7 |
| 13 | 14 | 14 | 15 | 16 | 16 | 17 | 26 | 27 | 29 |
| 11 | 12 | 12 | 12 | 13 | 14 | 14 | 15 | 15 | 17 |
| 144 | 155 | 166 | 182 | 195 | 207 | 228 | 255 | 277 | 318 |
| 12 | 12 | 12 | 13 | 13 | 14 | 14 | 14 | 14 | 15 |
| 8 | 8 | 8 | 9 | 10 | 10 | 10 | 11 | 11 | 12 |
| 15 | 15 | 16 | 16 | 17 | 17 | 18 | 19 | 21 | 23 |
| 8 | 8 | 9 | 9 | 10 | 10 | 12 | 20 | 26 | 32 |
| 3 | 3 | 3 | 3 | 4 | 4 | 5 | 6 | 7 | 7 |
| 6 | 7 | 7 | 8 | 9 | 9 | 11 | 11 | 22 | 23 |
| | 10 | 11 | 12 | 12 | 30 | 33 | 36 | 40 | 42 |
| 21 | 22 | 22 | 24 | 25 | 26 | 29 | 35 | 39 | 47 |
| 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 5 |
| 2 | 3 | 5 | 5 | 6 | 7 | 9 | 11 | 13 | 15 |
| 6 | 7 | 7 | 7 | 15 | 16 | 18 | 19 | 21 | 27 |
| 13 | 15 | 16 | 16 | 17 | 19 | 20 | 21 | 23 | 25 |
| | | | | | | | | 19 | 20 |
| 4 | 4 | 4 | 4 | 5 | 9 | 10 | 10 | 11 | 11 |
| 1 | 1 | 1 | 1 | 1 | 1 | 1 | 4 | 4 | 5 |
| 18 | 19 | 33 | 35 | 36 | 37 | 37 | 44 | 49 | 53 |
| 3 | 4 | 4 | 4 | 5 | 5 | 5 | 6 | 6 | 6 |
| 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 3 | 7 | 7 | 7 | 7 | 7 | 9 | 10 | 10 | 10 |
| 6 | 7 | 7 | 7 | 8 | 8 | 8 | 10 | 11 | 11 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by the Fairbanks North Star Borough

Property Tax Rates and Tax Levies - This Borough and All Underlying Governments Last Ten Calendar Years

| | Tax Rates - Millage | | | | | | | | | |
|--------------------------------|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| Kris Kringle S.A. | 1.923 | 1.924 | 1.883 | 1.916 | 3.719 | 3.942 | 2.077 | 1.938 | 1.871 | 1.911 |
| Lakloey Hill S.A. | 1.173 | 1.160 | 1.144 | 1.176 | 1.173 | 1.172 | 1.130 | 1.030 | 0.992 | 0.933 |
| Lee Lane S.A. | 1.646 | 1.696 | 1.655 | 1.678 | 1.701 | 1.650 | 1.649 | 1.598 | 1.615 | 1.561 |
| Loose Moose S.A. | 1.073 | 1.049 | 1.015 | 1.004 | 0.981 | 0.926 | 0.918 | 0.875 | 0.786 | 0.808 |
| Martin S.A. | 8.520 | 6.283 | 5.813 | 5.946 | 6.094 | 6.267 | 5.934 | 7.714 | 8.034 | 8.555 |
| McCloud S.A. | 11.163 | 9.301 | 9.190 | 8.992 | 9.164 | 8.620 | 8.237 | 14.746 | 14.787 | 15.075 |
| McGrath Estates S.A. | 1.300 | 1.315 | 1.308 | 1.336 | 1.322 | 1.440 | 1.431 | 1.207 | 1.176 | 1.212 |
| McKinley View S.A. | 1.523 | 1.725 | 2.842 | 2.532 | 2.510 | 2.191 | 2.055 | 1.808 | 1.644 | 1.692 |
| Mellow Woods Road S.A. | 0.869 | 0.897 | 1.236 | 1.297 | 1.275 | 1.360 | 1.330 | 1.253 | 1.161 | 1.194 |
| Miller Hill Extension S.A. | 2.560 | 2.641 | 2.507 | 2.569 | 2.493 | 2.516 | 5.597 | 4.607 | 4.354 | 4.400 |
| Moose Creek Road S.A. | 0.361 | 0.372 | 0.390 | 0.390 | 0.394 | 0.559 | 0.572 | 0.421 | 0.434 | 0.373 |
| Moose Meadows S.A. | | | | | | | 0.886 | 0.818 | 0.784 | 0.774 |
| Mountain View S.A. | 1.243 | 1.269 | 1.272 | 1.276 | 1.278 | 1.262 | 1.247 | 1.143 | 1.083 | 1.119 |
| Murphy S.A. | 1.833 | 1.773 | 1.708 | 1.744 | 1.761 | 1.647 | 1.593 | 1.571 | 1.456 | 1.506 |
| Musk Ox S.A. | 1.300 | 1.305 | 1.288 | 1.357 | 1.369 | 1.344 | 1.320 | 1.174 | 1.133 | 1.163 |
| Newby Park S.A. | 0.456 | 0.456 | 0.453 | 0.459 | 0.459 | 0.495 | 0.477 | 0.722 | 0.656 | 0.676 |
| North Ridge S.A. | | | | 4.075 | 4.446 | 3.858 | 3.921 | 4.534 | 4.500 | 4.009 |
| North Star Volunteer Fire S.A. | 1.362 | 1.377 | 1.359 | 1.382 | 1.374 | 1.488 | 1.462 | 1.257 | 1.205 | 1.153 |
| O'Connor Creek S.A. | 13.550 | 14.005 | 15.006 | 14.670 | 15.176 | 15.693 | 16.029 | 12.475 | 13.939 | 9.770 |
| Old Wood Road S.A. | 1.621 | 1.638 | 1.603 | 1.794 | 1.813 | 2.045 | 1.988 | 1.672 | 1.619 | 1.733 |
| Our S.A. | 1.004 | 1.012 | 0.975 | 0.983 | 0.970 | 1.015 | 0.986 | 0.929 | 0.860 | 0.838 |
| Parkside S.A. | 1.494 | 1.507 | 1.479 | 1.579 | 1.600 | 1.600 | 1.584 | 1.558 | 1.428 | 1.446 |
| Peede Country Estates S.A. | 1.587 | 1.683 | 1.558 | 1.585 | 1.554 | 1.499 | 1.475 | 1.402 | 1.345 | 1.287 |
| Pinestream S.A. | 1.009 | 1.064 | 1.041 | 1.039 | 1.028 | 0.989 | 0.975 | 0.902 | 0.911 | 0.928 |
| Pleasureland S.A. | 1.119 | 1.152 | 1.112 | 1.096 | 1.090 | 1.047 | 0.998 | 0.976 | 0.916 | 0.881 |
| Polar Heights S.A. | 1.064 | 1.088 | 1.091 | 1.095 | 1.081 | 1.172 | 1.166 | 1.027 | 1.014 | 0.926 |
| Potlatch S.A. | 2.655 | 2.594 | 2.551 | 2.595 | 2.496 | 2.430 | 3.514 | 2.374 | 2.277 | 2.436 |
| Prospect Park S.A. | 0.836 | 0.858 | 0.850 | 0.892 | 0.891 | 0.961 | 0.891 | 1.142 | 1.083 | 1.095 |
| Reed Acres Road S.A. | 1.373 | 1.374 | 1.381 | 1.411 | 1.371 | 1.380 | 1.359 | 1.259 | 1.145 | 1.146 |
| Ridgecrest S.A. | | 1.044 | 1.015 | 1.028 | 0.938 | 0.928 | 0.887 | 0.899 | 0.890 | 0.840 |
| Salchaket Heights S.A. | 4.393 | 4.475 | 4.465 | 4.589 | 4.543 | 4.668 | 4.292 | 4.590 | 4.806 | 4.966 |
| Scenic Heights S.A. | 1.652 | 1.664 | 1.698 | 1.701 | 1.573 | 1.584 | 1.527 | 1.377 | 1.370 | 1.415 |
| Seavy S.A. | 0.433 | 0.444 | 0.447 | 0.448 | 0.446 | 0.444 | 0.418 | 0.349 | 0.335 | 0.294 |
| Secluded Acres | | | 1.739 | 1.583 | 1.585 | 1.431 | 1.442 | 1.451 | 1.416 | 1.310 |
| Serendipity Hill S.A. | 2.590 | 2.605 | 2.661 | 2.674 | 3.377 | 3.287 | 3.153 | 3.029 | 2.716 | 2.998 |
| Six-Mile Village Road S.A. | 1.387 | 1.400 | 1.525 | 1.526 | 1.378 | 1.408 | 1.354 | 1.226 | 1.223 | 1.167 |
| Smallwood Trail Road S.A. | 0.685 | 0.694 | 0.674 | 0.688 | 0.680 | 0.787 | 0.743 | 0.613 | 0.600 | 0.596 |
| Smith Ranch S.A.(g) | | | | | | | | | | 1.299 |
| Spring Glade S.A. | 1.024 | 1.024 | 1.011 | 1.056 | 1.041 | 1.008 | 0.893 | 0.826 | 0.779 | 0.813 |
| Spruce Acres S.A. | 1.855 | 1.725 | 1.613 | 1.712 | 1.665 | 1.647 | 1.698 | 1.568 | 1.515 | 1.470 |
| Steamboat Landing S.A. | 1.318 | 1.356 | 1.334 | 1.315 | 1.260 | 1.251 | 1.317 | 1.171 | 1.176 | 1.192 |
| Steese Volunteer Fire S.A | 1.465 | 1.469 | 1.466 | 1.494 | 1.937 | 1.861 | 1.809 | 1.693 | 1.628 | 1.600 |
| Straight Creek S.A. | | | 3.472 | 3.376 | 3.373 | 3.444 | 3.315 | 3.393 | 2.963 | 3.926 |
| Summerwood S.A. | 1.719 | 1.735 | 1.657 | 4.683 | 2.716 | 2.658 | 2.506 | 2.340 | 2.185 | 2.258 |
| Summit Drive S.A. | 1.069 | 1.074 | 1.065 | 1.079 | 1.085 | 1.060 | 1.037 | 1.450 | 1.375 | 1.381 |
| Sunny Hills Terrace S.A. | 2.278 | 2.317 | 2.422 | 2.484 | 2.378 | 2.377 | 2.432 | 2.355 | 2.249 | 2.367 |
| Sunrise S.A. | 2.478 | 2.543 | 2.430 | 2.501 | 2.467 | 2.357 | 2.349 | 2.078 | 1.865 | 1.926 |
| Tan Terra S.A. | 1.041 | 1.079 | 1.023 | 1.027 | 0.970 | 0.977 | 0.926 | 1.624 | 1.559 | 1.559 |
| Thomas S.A. | 1.537 | 1.455 | 1.381 | 1.272 | 1.284 | 1.297 | 1.209 | 2.442 | 2.485 | 2.460 |
| Timberlane Road S.A. | 1.626 | 1.639 | 1.577 | 1.589 | 1.556 | 1.470 | 1.485 | 1.347 | 1.251 | 1.274 |
| Tungsten S.A. | 2.471 | 2.560 | 2.606 | 2.797 | 2.752 | 2.778 | 2.737 | 2.687 | 2.682 | 2.648 |
| Twenty Three Mile Slough S.A. | 2.925 | 3.120 | 2.912 | 2.847 | 2.455 | 2.445 | 2.489 | 3.887 | 3.698 | 3.986 |
| Ullrhaven S.A. | 2.062 | 1.958 | 1.897 | 1.928 | 1.926 | 1.916 | 1.835 | 1.910 | 1.787 | 1.658 |

Tax Levies (In 000's)

| 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|------|------|------|------|-------|-------|-------|-------|-------|-------|
| \$ 6 | \$ 6 | \$ 7 | \$ 7 | \$ 16 | \$ 17 | \$ 10 | \$ 11 | \$ 11 | \$ 12 |
| 20 | 21 | 22 | 22 | 23 | 25 | 26 | 28 | 31 | 33 |
| 3 | 3 | 3 | 4 | 4 | 4 | 4 | 5 | 5 | 5 |
| 4 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 |
| 5 | 6 | 6 | 7 | 7 | 7 | 9 | 11 | 16 | 21 |
| 7 | 7 | 8 | 9 | 9 | 9 | 11 | 23 | 24 | 25 |
| 38 | 40 | 42 | 44 | 46 | 53 | 58 | 55 | 58 | 61 |
| 2 | 2 | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 |
| 7 | 7 | 11 | 12 | 12 | 14 | 15 | 15 | 16 | 16 |
| 12 | 13 | 14 | 15 | 16 | 16 | 37 | 41 | 44 | 49 |
| 8 | 9 | 10 | 10 | 10 | 13 | 14 | 13 | 13 | 14 |
| | | | | | | 48 | 53 | 59 | 65 |
| 19 | 19 | 20 | 20 | 21 | 22 | 23 | 24 | 26 | 27 |
| 4 | 4 | 5 | 5 | 5 | 6 | 7 | 9 | 10 | 11 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 6 | 6 | 6 | 6 | 7 | 8 | 9 | 9 | 15 | 16 |
| | | | 3 | 4 | 4 | 5 | 8 | 8 | 10 |
| 666 | 709 | 770 | 815 | 867 | 1,019 | 1,110 | 1,135 | 1,269 | 1,387 |
| 73 | 78 | 79 | 81 | 83 | 85 | 87 | 90 | 95 | 106 |
| 5 | 6 | 6 | 7 | 7 | 9 | 9 | 8 | 8 | 10 |
| 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 |
| 4 | 4 | 4 | 4 | 5 | 5 | 5 | 7 | 8 | 9 |
| 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 5 | 5 |
| 10 | 12 | 13 | 14 | 14 | 14 | 15 | 18 | 19 | 21 |
| 4 | 4 | 4 | 5 | 5 | 5 | 6 | 6 | 7 | 7 |
| 12 | 12 | 13 | 13 | 13 | 14 | 15 | 16 | 17 | 17 |
| 7 | 7 | 8 | 9 | 9 | 9 | 7 | 11 | 9 | 10 |
| 3 | 3 | 3 | 4 | 4 | 5 | 5 | 4 | 7 | 8 |
| 4 | 4 | 5 | 5 | 5 | 6 | 6 | 6 | 7 | 8 |
| | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 |
| 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 13 | 14 | 14 | 14 | 14 | 15 | 16 | 16 | 17 | 18 |
| 6 | 6 | 6 | 7 | 7 | 8 | 9 | 8 | 9 | 9 |
| | | 5 | 5 | 5 | 6 | 6 | 7 | 7 | 7 |
| 2 | 2 | 3 | 4 | 5 | 6 | 6 | 6 | 6 | 6 |
| 3 | 3 | 4 | 4 | 4 | 5 | 5 | 8 | 8 | 8 |
| 3 | 3 | 3 | 3 | 3 | 4 | 5 | 5 | 5 | 5 |
| | | | | | | | | | |
| 13 | 15 | 15 | 16 | 18 | 20 | 20 | 22 | 24 | 26 |
| 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 6 | 6 |
| 7 | 7 | 8 | 8 | 8 | 9 | 10 | 12 | 13 | 15 |
| 430 | 460 | 490 | 516 | 736 | 800 | 862 | 935 | 1,018 | 1,097 |
| | | 7 | 8 | 8 | 8 | 9 | 9 | 10 | 13 |
| 4 | 4 | 5 | 13 | 21 | 23 | 26 | 28 | 30 | 32 |
| 33 | 35 | 37 | 38 | 42 | 45 | 48 | 79 | 89 | 99 |
| 18 | 19 | 19 | 20 | 20 | 21 | 23 | 25 | 27 | 28 |
| 7 | 7 | 8 | 8 | 8 | 9 | 9 | 10 | 11 | 11 |
| 7 | 7 | 7 | 7 | 8 | 8 | 9 | 9 | 19 | 19 |
| 3 | 3 | 4 | 4 | 4 | 4 | 4 | 10 | 10 | 11 |
| 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 |
| 4 | 5 | 7 | 10 | 13 | 17 | 22 | 25 | 26 | 29 |
| 4 | 5 | 7 | 8 | 9 | 10 | 12 | 19 | 23 | 24 |
| 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 4 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by the Fairbanks North Star Borough

Property Tax Rates and Tax Levies - This Borough and All Underlying Governments
Last Ten Calendar Years

| | Tax Rates - Millage | | | | | | | | | |
|------------------------------------|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| University Fire S.A. | 2.339 | 2.305 | 2.310 | 2.319 | 2.326 | 2.300 | 2.285 | 2.163 | 2.108 | 2.138 |
| University Heights S.A. | 1.704 | 1.706 | 1.700 | 1.684 | 1.697 | 1.652 | 1.600 | 1.533 | 1.475 | 1.520 |
| University West Street Lights S.A. | 0.545 | 0.541 | 0.529 | 0.527 | 0.528 | 0.500 | 0.485 | 0.443 | 0.418 | 0.419 |
| Vienna Woods | | | 1.151 | 1.179 | 1.148 | 0.960 | 0.904 | 0.856 | 0.815 | 0.772 |
| Viewpointe S.A. | 1.061 | 1.058 | 1.072 | 1.055 | 1.076 | 1.069 | 1.021 | 0.971 | 0.956 | 0.982 |
| Violet Drive S.A. | 2.315 | 2.356 | 2.244 | 2.264 | 2.203 | 2.191 | 2.118 | 2.711 | 2.667 | 2.572 |
| Vista Gold Road S.A. | 3.075 | 3.005 | 2.912 | 2.943 | 2.959 | 2.883 | 2.733 | 2.459 | 2.298 | 2.390 |
| Vue Crest, S.A. | 1.472 | 1.521 | 1.532 | 1.550 | 1.510 | 1.467 | 1.463 | 1.389 | 1.310 | 1.303 |
| Whitman S.A. | 4.057 | 1.897 | 1.863 | 1.742 | 1.625 | 1.616 | 1.623 | 1.485 | 1.424 | 1.369 |
| Wildview S.A. | 3.099 | 3.136 | 3.090 | 3.142 | 3.021 | 3.078 | 2.896 | 2.790 | 2.579 | 2.651 |
| Woodland S.A. | 1.420 | 1.332 | 1.233 | 1.246 | 1.222 | 1.204 | 1.189 | 0.999 | 0.980 | 0.964 |
| Woodridge/Mark Acres Road S.A. (f) | 3.016 | 3.016 | 2.802 | | | | | | | |
| Yak Road S.A. | 0.945 | 0.973 | 0.963 | 0.983 | 0.956 | 0.965 | 0.934 | 0.888 | 0.889 | 0.900 |
| City of Fairbanks | 5.999 | 6.000 | 6.442 | 6.426 | 6.511 | 6.516 | 7.171 | 6.804 | 6.700 | 6.594 |
| City of North Pole | 2.300 | 2.300 | 2.400 | 2.400 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 |

Note: Alaska Statute 29.45.090 limits the amount of taxes levied to 3% of the assessed value of the property within the municipality. Furthermore, no municipality, or combination of municipalities occupying the same geographic area, may levy taxes which result in tax revenues from all sources exceeding \$1,500 a year for each person residing in the Borough or which exceed the product of 225% of the average per capita full and true value in the state multiplied by the number of residents of the taxing municipality. However, there is no taxing limitation for debt service per Alaska Statute 29.45.100. With some exceptions, the total amount of tax that can be levied during a year cannot exceed the preceding year per FNSB 3.08.145.

- (a) Chena Hot Springs II and Hopeless Road S.A. began taxing real property owners in 2005.
- (b) Cleary Summit S.A. began taxing real property owners in 2006.
- (c) Deep Forest S.A., starting in 2004, includes a two-year road project under a differential tax zone.
- (d) Drake Estates S.A. was established October 10, 2002, with tax mill rate beginning in 2003.
- (e) Spinach Creek S.A. changed its name to Goldstream Moose Creek S.A. in 2004.
- (f) Woodridge/Mark Acres Road S.A. merged with Summerwood S.A. in fiscal year 2001-02.
- (g) Smith Ranch S.A. established its mill rate by vote on March 25, 2008

Source: Fairbanks North Star Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Historically, information for the most recent fiscal year is not available until after the publication date of the School District's CAFR.

| Tax Levies (In 000's) | | | | | | | | | |
|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| \$ 1,116 | \$ 1,172 | \$ 1,266 | \$ 1,355 | \$ 1,432 | \$ 1,519 | \$ 1,609 | \$ 1,727 | \$ 1,866 | \$ 2,020 |
| 33 | 33 | 36 | 38 | 40 | 42 | 44 | 46 | 49 | 52 |
| 40 | 41 | 41 | 43 | 44 | 46 | 49 | 52 | 57 | 60 |
| | | 8 | 10 | 11 | 12 | 14 | 16 | 19 | 20 |
| 12 | 12 | 13 | 13 | 14 | 14 | 15 | 15 | 16 | 17 |
| 21 | 22 | 23 | 24 | 26 | 27 | 29 | 44 | 48 | 53 |
| 17 | 18 | 20 | 21 | 23 | 26 | 28 | 29 | 31 | 33 |
| 18 | 18 | 19 | 19 | 20 | 21 | 22 | 23 | 25 | 27 |
| 6 | 3 | 3 | 3 | 2 | 3 | 3 | 3 | 3 | 3 |
| 67 | 73 | 80 | 89 | 97 | 109 | 120 | 131 | 145 | 158 |
| 2 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 7 | 7 | 7 | | | | | | | |
| 15 | 31 | 35 | 37 | 43 | 48 | 56 | 62 | 66 | 70 |
| 6,628 | 6,883 | 7,861 | 8,033 | 8,648 | 9,227 | 11,113 | 11,688 | 12,619 | 13,477 |
| 431 | 562 | 589 | 591 | 759 | 789 | 813 | 770 | 815 | 883 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
As Reported by Fairbanks North Star Borough

Principal Taxable Properties
Current Year and Nine Years Ago

| Taxpayer | Type of Business | 2007 | | | 1998 | | |
|--|--------------------|----------------------------|------|---|----------------------------|------|---|
| | | Taxable Assessed Valuation | Rank | Percentage of Total Assessed Valuation ^a | Taxable Assessed Valuation | Rank | Percentage of Total Assessed Valuation ^b |
| Alyeska and related activities | oil transportation | \$ 369,500,480 | 1 | 5.25% | \$ 286,560,750 | 1 | 7.62% |
| Fairbanks Gold Mining, Inc. ^c | gold mining | 220,988,050 | 2 | 3.14% | 253,484,687 | 2 | 6.74% |
| Flint Hills Resources, LLC ^d | oil refining | 146,693,594 | 3 | 2.08% | 114,973,400 | 3 | 3.06% |
| Alaska Communications Systems | communications | 41,006,736 | 4 | 0.58% | | | |
| Westmark Hotel | hotel | 32,639,001 | 5 | 0.46% | | | |
| HEBL Housing (Eielson) | military housing | 31,118,755 | 6 | 0.44% | | | |
| Alaska Hotel Properties, Inc. ^e | hotel | 27,252,837 | 7 | 0.39% | 15,506,075 | 6 | 0.41% |
| Wal-Mart ^f | shopping center | 24,864,040 | 8 | 0.35% | 13,480,281 | 8 | 0.36% |
| Fred Meyer Stores, Inc. (East) | shopping center | 23,832,905 | 9 | 0.34% | | | |
| Fred Meyer Stores, Inc. (West) | shopping center | 22,942,486 | 10 | 0.33% | 17,401,188 | 5 | 0.46% |
| North Star Alaska Housing Corp | military housing | | | | 31,186,178 | 4 | 0.83% |
| Polar Star Alaska Housing Corp | military housing | | | | 14,906,105 | 7 | 0.40% |
| Dura Corporation | military housing | | | | 13,030,214 | 9 | 0.35% |
| Jillian Square | apartment complex | | | | 12,535,345 | 10 | 0.33% |
| | | <u>\$ 940,838,884</u> | | <u>13.36%</u> | <u>\$ 773,064,223</u> | | <u>20.56%</u> |

Notes:

The table presented reports principal taxable properties rather than taxpayers. Cumulative totals for individual taxpayers are not stored or readily available on our system.

^a \$7,043,522,263

^b \$3,762,871,645

^c Fort Knox

^d Williams Alaska Petroleum, Inc. in 1998

^e Princess

^f Sam's Club in 1998

Source: Fairbanks North Star Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Historically, information for the most recent calendar year is not available until after the publication date of the School District's CAFR.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by the Fairbanks North Star Borough

Property Tax Levies and Collections Last Ten Fiscal Years

| Fiscal Year | Taxes Levied for the Fiscal Year | Net Tax Levy | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|-------------|----------------------------------|---------------|--|--------------------|---------------------------------|---------------------------|------------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Net Levy |
| 1998-99 | \$ 50,176,823 | \$ 47,727,454 | \$ 47,030,281 | 98.54% | \$ 484,190 | \$ 47,514,471 | 99.55% |
| 1999-00 | 56,487,428 | 53,750,770 | 52,965,407 | 98.54% | 678,874 | 53,644,281 | 99.80% |
| 2000-01 | 55,566,051 | 52,711,220 | 51,710,487 | 98.10% | 742,156 | 52,452,643 | 99.51% |
| 2001-02 | 58,313,709 | 55,223,773 | 54,516,342 | 98.72% | 621,148 | 55,137,490 | 99.84% |
| 2002-03 | 60,682,005 | 57,377,304 | 56,643,449 | 98.72% | 658,649 | 57,302,098 | 99.87% |
| 2003-04 | 64,568,352 | 60,900,931 | 60,228,158 | 98.90% | 596,965 | 60,825,123 | 99.88% |
| 2004-05 | 69,324,447 | 65,291,295 | 64,576,590 | 98.91% | 633,584 | 65,210,174 | 99.88% |
| 2005-06 | 74,094,284 | 69,496,812 | 68,689,017 | 98.84% | 726,773 | 69,415,790 | 99.88% |
| 2006-07 | 79,536,709 | 74,585,658 | 73,722,859 | 98.84% | 358,709 | 74,081,568 | 99.32% |
| 2007-08 | 82,687,871 | 77,656,254 | 76,752,199 | 98.84% | | 76,752,199 | 98.84% |

Notes: Only the areawide taxes levied by the Borough are included in this table. Collections for non-areawide functions, service areas, and other governmental units are not included.

Penalties, interest and legal fees are not included in the tax amounts above.

Farm use lands that have been sold, leased, or otherwise disposed of have been excluded from the tax amounts shown above.

Source: Fairbanks North Star Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Historically, information for the most recent fiscal year is not available until after the publication date of the School District's CAFR.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Significant Own-Sourced Revenue
Last Ten Fiscal Years

| Fiscal Year | Food Services Local Revenue | Cost of Full- Priced Meals ^a | | Percentage of Students Eligible for Free or Reduced-Price Meals |
|------------------------|--|--|--------------|--|
| | | Breakfast | Lunch | |
| 1999-2000 | \$ 1,574,843 | \$ | \$ | 28% |
| 2000-01 | 1,630,463 | | | 28% |
| 2001-02 | 1,784,955 | | | 28% |
| 2002-03 | 1,907,619 | | | 30% |
| 2003-04 | 1,835,140 | | | 30% |
| 2004-05 | 1,839,814 | | | 33% |
| 2005-06 | 1,832,119 | 1.25 | 2.35 | 32% |
| 2006-07 | 1,863,410 | 1.25 | 2.50 | 32% |
| 2007-08 | 1,973,615 | 1.25 | 2.50 | 36% |
| 2008-09 | 2,162,348 | 1.75 | 3.00 | 31% |

Note:

^a The cost of full-price meals prior to fiscal year 2005-06 is not available.

Source (non-accounting data): Nutrition Services Department

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Outstanding Debt by Type
Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Capital Leases</u> | <u>Percentage of Personal Income^a</u> | <u>Per Capita^a</u> |
|------------------------|---------------------------|--|-----------------------------------|
| 1999-2000 | \$ | | \$ |
| 2000-01 | | | |
| 2001-02 | | | |
| 2002-03 | 389,046 | 0.02% | 4.59 |
| 2003-04 | 223,419 | 0.01% | 2.62 |
| 2004-05 | | | |
| 2005-06 | | | |
| 2006-07 | | | |
| 2007-08 | 874,756 | 0.03% | 9.23 |
| 2008-09 | 982,962 | 0.03% | 10.37 |

Note:

^a See page 190, Demographic and Economic Statistics, for personal income and population data. These ratios are calculated using personal income and population from the prior calendar year. Data for calendar years 2007, 2008 and 2009, which is provided by the Fairbanks North Star Borough, was not available until after the publication of this CAFR. Therefore, personal income from the most recent available calendar year (2006) is used for fiscal year 2007-08 and 2008-09.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by Fairbanks North Star Borough

Demographic and Economic Statistics
Last Ten Calendar Years

| <u>Year</u> | <u>Population</u> | <u>Personal Income in 000's</u> | <u>Per Capita Personal Income</u> | <u>Unemployment Rate</u> |
|-------------|-------------------|---|---|------------------------------|
| | (a) | (a) | (a) | (b) |
| 1997 | 82,483 | \$ 2,008,671 | \$ 24,353 | 6.8% |
| 1998 | 83,299 | 2,097,376 | 25,179 | 5.9% |
| 1999 | 83,390 | 2,158,843 | 25,889 | 5.8% |
| 2000 | 82,770 | 2,303,272 | 27,827 | 6.0% |
| 2001 | 85,278 | 2,408,390 | 28,242 | 5.8% |
| 2002 | 87,388 | 2,521,539 | 28,855 | 6.4% |
| 2003 | 89,269 | 2,584,043 | 28,947 | 6.9% |
| 2004 | 92,379 | 2,735,669 | 29,614 | 6.4% |
| 2005 | 94,514 | 3,024,557 | 32,001 | 5.8% |
| 2006 | 94,803 | 3,291,707 | 34,722 | 5.6% |

(a) U.S. Department of Commerce: Bureau of Economic Analysis

(b) State of Alaska Department of Labor and Workforce Development: Research and Analysis Section.

Note:

Population data is available from multiple sources for the State of Alaska, and the numbers can vary widely. The source for this table has been selected because it also provides the personal income and per capita data. Data for calendar year 2007 is not available until April 2009.

Source:

Fairbanks North Star Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Historically, information for the most recent calendar year is not available until after the publication date of the School District's CAFR. However, data for the most recent three years was not available for this schedule.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

As Reported by the Fairbanks North Star Borough

Principal Employers
Current Year and Nine Years Ago

| Employer | 2007 | | | 1998 | | |
|--|---------------|------|---|---------------|------|---|
| | Employees | Rank | Percentage of Total Borough Employment ^a | Employees | Rank | Percentage of Total Borough Employment ^b |
| Federal Government ^c | 3,450 | 1 | 7.99% | 3,468 | 1 | 8.56% |
| University of Alaska Fairbanks ^d | 2,599 | 2 | 6.02% | 1,842 | 3 | 4.54% |
| Fairbanks North Star Borough School District | 2,126 | 3 | 4.92% | 1,768 | 4 | 4.36% |
| State Government ^e | 1,715 | 4 | 3.97% | 1,848 | 2 | 4.56% |
| Banner Health ^f | 1,287 | 5 | 2.98% | 1,002 | 5 | 2.47% |
| Fred Meyer | 653 | 6 | 1.51% | 590 | 7 | 1.46% |
| Sam's Club/Wal-Mart | 491 | 7 | 1.14% | | | |
| Fairbanks North Star Borough (FNSB) | 456 | 8 | 1.06% | 401 | 8 | 0.99% |
| Fairbanks Gold Mining, Inc. (Ft. Knox) | 389 | 9 | 0.90% | | | |
| Carrs/Safeway | 317 | 10 | 0.73% | | | |
| Tanana Chiefs Conference | | | | 610 | 6 | 1.50% |
| ASRC Energy Services (Houston/NANA) | | | | 374 | 9 | 0.92% |
| Westours Motorcoaches | | | | 268 | 10 | 0.66% |
| | <u>13,483</u> | | <u>31.23%</u> | <u>12,171</u> | | <u>30.03%</u> |

Notes: Data based on calendar year.

^a 43,176 Total Borough employment in 2007.

^b 40,532 Total Borough employment in 1998.

^c Excludes military uniformed personnel. Includes civilian employees at Fort Wainwright Army post 1,536 and civilian employees at Eielson Air Force Base 806.

^d Student employment not included: 2007 - 862, 1998 - not available.

^e State government is total state government excluding the University of Alaska.

^f Fairbanks Memorial Hospital (Lutheran Health Services in 1998)

Source: Fairbanks North Star Borough Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Historically, information for the most recent calendar year is not available until after the publication date of the School District CAFR.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Full-time Equivalent Operating Fund Employees by Department and Type Last Eight Years and Projected Next Year

| | Actual as of June 30 | | | | | |
|--|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
| Personnel by Department | | | | | | |
| Board / Superintendent | 7.50 | 7.20 | 7.50 | 7.50 | 7.50 | 8.50 |
| Research & Accountability ^a | 2.50 | 3.00 | 3.00 | 3.00 | 3.00 | 3.50 |
| Administrative Services | 31.00 | 39.00 | 37.00 | 38.04 | 39.04 | 39.04 |
| Human Resources | 6.50 | 9.50 | 9.00 | 10.50 | 18.00 | 16.50 |
| Facilities Management | 187.00 | 189.00 | 185.00 | 189.60 | 189.60 | 189.60 |
| Instruction and Supervision | 47.00 | 62.25 | 62.85 | 41.25 | 43.20 | 46.20 |
| Student Support Services | | | | | | |
| Instructional Technology Services | | | | | | |
| Curriculum | 4.50 | 7.00 | 3.50 | 3.00 | 4.50 | 4.50 |
| Special Education | 255.10 | 265.60 | 261.20 | 254.20 | 251.20 | 247.39 |
| Technology and Information Systems | 23.50 | 29.00 | 29.00 | 23.80 | 29.80 | 31.00 |
| Elementary Schools | 484.50 | 476.50 | 478.50 | 465.74 | 469.64 | 509.64 |
| Middle Schools | 166.50 | 164.50 | 154.00 | 144.80 | 142.30 | 133.00 |
| Junior/Senior High School | 49.50 | 48.00 | 49.00 | 48.50 | 50.50 | 48.50 |
| Alternative Learning System ^b | 40.00 | | | | | |
| Senior High Schools | 251.16 | 269.16 | 268.50 | 271.00 | 275.00 | 277.50 |
| Charter Schools ^c | | | | 25.50 | 48.58 | 45.70 |
| Total Personnel | <u>1,556.26</u> | <u>1,569.71</u> | <u>1,548.05</u> | <u>1,526.43</u> | <u>1,571.86</u> | <u>1,600.57</u> |
| Personnel by Employee Type | | | | | | |
| Districtwide Administration | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Professional Staff | 43.00 | 49.95 | 49.75 | 49.59 | 61.04 | 65.54 |
| Principals / Assistant Principals | 44.66 | 44.66 | 44.00 | 43.00 | 43.00 | 43.00 |
| Certified Staff | 941.60 | 933.60 | 913.20 | 880.70 | 897.20 | 894.69 |
| Support Staff | 523.00 | 537.50 | 537.10 | 549.14 | 567.62 | 593.34 |
| Total Personnel | <u>1,556.26</u> | <u>1,569.71</u> | <u>1,548.05</u> | <u>1,526.43</u> | <u>1,572.86</u> | <u>1,600.57</u> |

Notes:

School-term employees of the district work between 190 and 200 days at seven to seven and a half hours per day. All other district employees are based on 261 days at seven and a half to eight hours per day.

^a Prior to fiscal year 2008-09 Research & Accountability was known as Program, Planning & Evaluation.

^b After fiscal year 2001-02, Alternative Learning System personnel were included with Senior High School personnel.

^c During fiscal year 2009-10 Watershed Charter School will open, bringing the total number of Charter Schools to four.

Source: Fairbanks North Star Borough School District Approved Budget for fiscal years 2003-04 through 2009-10. Comparable data for fiscal years prior to 2001-2002 are not available for presentation in this schedule.

| | | Budgeted Positions |
|-----------------|-----------------|-------------------------------|
| <u>2007-08</u> | <u>2008-09</u> | <u>2009-10</u> |
| 8.50 | 8.50 | 9.50 |
| 4.50 | 4.50 | 3.50 |
| 39.04 | 39.50 | 38.50 |
| 16.50 | 16.50 | 15.50 |
| 189.60 | 189.60 | 187.60 |
| 27.60 | 33.30 | 34.30 |
| 15.20 | 15.20 | 13.65 |
| 5.00 | 12.00 | 11.00 |
| 5.50 | 5.50 | 5.00 |
| 249.82 | 259.32 | 270.50 |
| 31.00 | 35.00 | 33.00 |
| 503.14 | 488.14 | 494.14 |
| 136.00 | 142.00 | 152.00 |
| 49.60 | 47.10 | 47.00 |
| 276.40 | 274.40 | 273.00 |
| 46.70 | 47.00 | 55.00 |
| <u>1,604.10</u> | <u>1,617.56</u> | <u>1,643.19</u> |

| | | |
|-----------------|-----------------|-----------------|
| 4.00 | 5.00 | 5.00 |
| 67.54 | 68.00 | 69.65 |
| 43.00 | 43.00 | 43.00 |
| 902.12 | 903.42 | 920.95 |
| 587.44 | 598.14 | 604.59 |
| <u>1,604.10</u> | <u>1,617.56</u> | <u>1,643.19</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Operating Statistics
Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Enrollment</u> | <u>Operating Expenditures^a</u> | <u>Cost Per Pupil</u> | <u>Percentage Change</u> | <u>Employer's Contribution to PERS / TRS</u> | <u>State of Alaska's Contribution to PERS/TRS on Behalf of the School District</u> | <u>Total Cost of Contribution to PERS/TRS Per Pupil</u> |
|--------------------|-------------------|---|-----------------------|--------------------------|--|--|---|
| 1999-2000 | 15,804 | \$ 131,177,979 | \$ 8,300 | 7.44% | \$ 8,069,665 | \$ | \$ 511 |
| 2000-01 | 15,553 | 132,219,251 | 8,501 | 2.42% | 8,364,574 | | 538 |
| 2001-02 | 15,274 | 135,686,918 | 8,884 | 4.50% | 7,977,900 | | 522 |
| 2002-03 | 15,142 | 141,151,544 | 9,322 | 4.93% | 8,202,012 | | 542 |
| 2003-04 | 14,593 | 143,226,616 | 9,815 | 5.29% | 8,321,154 | | 570 |
| 2004-05 | 14,576 | 152,455,627 | 10,459 | 6.57% | 12,043,050 | | 826 |
| 2005-06 | 14,516 | 162,684,186 | 11,207 | 7.15% | 16,935,386 | | 1,167 |
| 2006-07 | 14,466 | 177,207,018 | 12,250 | 9.31% | 21,204,764 | | 1,466 |
| 2007-08 | 14,103 | 204,729,523 | 14,517 | 18.51% | 14,149,199 | 28,822,834 | 3,047 |
| 2008-09 | 14,132 | 211,682,939 | 14,979 | 3.13% | 14,497,208 | 23,393,176 | 2,681 |

Notes:

^a Operating expenditures are total expenditures in governmental funds.

^b Each year the Fairbanks North Star Borough School District reports the average number of students enrolled in elementary, middle, and high school classes. Average class size reflects the number of students enrolled in regular classes throughout the district, and does not include self-contained special education classes, bilingual classes, correspondence study, charter schools, or other alternative programs.

Source: Enrollment and Average Class Size: Fairbanks North Star Borough School District 2009-10 Approved Budget
Percentage of Students Eligible for Free or Reduced-Price Meals: Nutrition Services Department

| Percentage Change | Average Class Size^b | | | Percentage of Students Eligible for Free or Reduced-Price Meals |
|------------------------------|---------------------------------------|---------------------------|--------------------------------|--|
| | Elementary Schools | Middle Schools | Senior High Schools | |
| 3.87% | 22.2 | 25.3 | 23.7 | 28% |
| 5.33% | 23.1 | 25.4 | 24.5 | 28% |
| -2.88% | 22.8 | 24.5 | 24.5 | 28% |
| 3.71% | 22.9 | 24.7 | 24.6 | 30% |
| 5.27% | 22.8 | 22.4 | 23.7 | 30% |
| 44.90% | 23.4 | 22.9 | 23.7 | 33% |
| 41.20% | 23.4 | 21.8 | 23.5 | 32% |
| 25.62% | 22.6 | 22.9 | 23.8 | 32% |
| 108.25% | 22.1 | 21.7 | 21.4 | 36% |
| -12.04% | 23.5 | 21.5 | 22.0 | 31% |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Teacher Salary Information Last Ten School Years

| School Year | Entry Level Salary ^a | Maximum Teacher Salary ^b | Average Teacher Salary ^c | Percent of Teachers at Maximum on Column(s) ^d |
|-------------|---------------------------------|-------------------------------------|-------------------------------------|--|
| 1999-2000 | \$ 32,733 | \$ 61,865 | \$ 50,097 | 50% |
| 2000-01 | 32,733 | 61,865 | 50,755 | 49% |
| 2001-02 | 33,551 | 63,412 | 52,093 | 47% |
| 2002-03 | 34,222 | 64,680 | 53,322 | 49% |
| 2003-04 | 34,906 | 67,719 | 55,619 | 40% |
| 2004-05 | 35,605 | 69,073 | 56,616 | 43% |
| 2005-06 | 36,317 | 72,270 | 58,726 | 37% |
| 2006-07 | 37,043 | 73,715 | 59,894 | 39% |
| 2007-08 | 37,969 | 75,558 | 61,431 | 41% |
| 2008-09 | 41,110 | 80,537 ^e | 63,979 | 42% |

Notes:

- ^a Entry level salary represents a teacher with a bachelor degree and no experience.
- ^b Maximum salary represents teachers filling a position which requires a master's degree and a certification for a therapist or psychologist position, or teachers who hold a master's degree with National Board Certification.
- ^c Average teacher salary is based on a scattergram of contracted certificated salaries for that school year.
- ^d The teacher salary schedule has six columns:
 1. Bachelor
 2. Bachelor plus 18 credits
 3. Masters or Bachelor plus 36 credits
 4. Masters plus 18 credits
 5. Masters plus 36 credits.
 6. Masters plus license

The percent of teachers at maximum represents teachers topped out at each of those columns.

- ^e Beginning with school year 2008-09 a new column was added to the teacher salary schedule. The M+License column is for therapists, psychologists and those teachers and certified staff holding National Board Certification.

Source: School District records. Information for years prior to school year 1999-2000 is not available for this schedule.

FAIRBANKS NORTH BOROUGH SCHOOL DISTRICT

Comparative Results from College Entrance and Advance Placement (AP) Exams Last Ten School Years

| School Year | American College Test (ACT) | | Scholastic Assessment Test (SAT) ^a | | AP Exam results | | |
|----------------|-----------------------------|--------|---|-----------|-----------------|--------|--------|
| | Fairbanks | Alaska | Nation | Fairbanks | Alaska | Nation | Global |
| 1998-99 | 22.4 | 21.1 | 21.0 | 1,065 | 1,030 | 1,016 | 3.02 |
| 1999-2000 | 22.3 | 21.3 | 21.0 | 1,060 | 1,034 | 1,019 | 3.02 |
| 2000-01 | 22.6 | 21.0 | 21.0 | 1,029 | 1,024 | 1,020 | 2.97 |
| 2001-02 | 22.4 | 21.3 | 20.8 | 1,052 | 1,035 | 1,020 | 3.00 |
| 2002-03 | 22.1 | 21.1 | 20.8 | 1,062 | 1,036 | 1,026 | 2.96 |
| 2003-04 | 22.4 | 21.3 | 20.9 | 1,055 | 1,032 | 1,026 | 2.96 |
| 2004-05 | 21.8 | 21.3 | 20.9 | 1,049 | 1,042 | 1,028 | 2.90 |
| 2005-06 | 21.9 | 21.1 | 21.1 | 1,553 | 1,527 | 1,518 | 2.90 |
| 2006-07 | 21.8 | 21.2 | 21.2 | 1,542 | 1,527 | 1,511 | 2.89 |
| 2007-08 | 21.8 | 21.2 | 21.1 | 1,524 | 1,533 | 1,511 | 2.85 |

Notes:

^a Prior to 2005-06, the SAT test was comprised of reading and math components. In 2005-06, a writing component was added.

Source:

Results of the American College Test (ACT), the Scholastic Assessment Test (SAT), and Advanced Placement (AP) Exams, prepared by the Research and Accountability Department.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Miscellaneous Statistical Data
June 30, 2009

Number of Personnel ^a

| | |
|-------------------------------------|-----|
| Districtwide administration | 5 |
| Professional staff | 68 |
| Principals and assistant principals | 43 |
| Certified staff | 903 |
| Support staff | 598 |
| Number of schools | 34 |

Enrollment ^b

| | |
|--------------------------------|---------------|
| Elementary Schools - District | |
| Anne Wien | 431 |
| Badger Road | 565 |
| Barnette | 392 |
| Chinook Charter School | 153 |
| Denali | 395 |
| Hunter | 321 |
| Joy | 368 |
| Ladd | 381 |
| Nordale | 396 |
| North Pole Elementary | 533 |
| Pearl Creek | 406 |
| Salcha | 97 |
| Ticasuk Brown | 516 |
| Two Rivers | 99 |
| University Park | 489 |
| Weller | 502 |
| Woodriver | 440 |
| Secondary Schools - District | |
| Effie Kokrine Charter School | 141 |
| Hutchison High | 362 |
| Lathrop Senior High | 1,186 |
| North Pole Middle | 599 |
| North Pole Senior High | 823 |
| Randy Smith Middle | 366 |
| Ryan Middle | 361 |
| Star of the North Charter | 201 |
| Tanana Middle | 503 |
| West Valley Senior High | 1,095 |
| Alternative Learning System | 106 |
| Elementary Schools - On-Base | |
| Anderson | 310 |
| Arctic Light | 531 |
| Crawford | 280 |
| Secondary Schools - On-Base | |
| Ben Eielson Junior/Senior High | 512 |
| Guided Independent Study | 252 |
| Fairbanks Youth Facility | 20 |
| Total | <u>14,132</u> |

Sources:

^a Fairbanks North Star Borough School District Approved Budget for fiscal year 2009-10.

^b 2008-09 20 Day ADM Official Enrollment as reported to the State of Alaska Department of Education and Early Development.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Enrollment History by Grade Level Last Fifteen Fiscal Years

| Year | PK | KG | 1 | 2 | 3 | 4 | 5 | 6 | Total Elem | 7 | 8 | Total JR | 9 | 10 | 11 | 12 | Total SR | Grand Total | Change | Percentage Change |
|---|-----|-------|-------|-------|-------|-------|-------|-------|---------------|-------|-------|-------------|-------|-------|-------|-------|-------------|----------------|--------|----------------------|
| 15 Years Actual Enrollments^a | | | | | | | | | | | | | | | | | | | | |
| 94-95 | 145 | 1,308 | 1,333 | 1,330 | 1,399 | 1,304 | 1,303 | 1,207 | 9,329 | 1,186 | 1,173 | 2,359 | 1,484 | 1,059 | 753 | 732 | 4,028 | 15,716 | (153) | -1.0% |
| 95-96 | 116 | 1,401 | 1,369 | 1,287 | 1,313 | 1,350 | 1,292 | 1,273 | 9,401 | 1,195 | 1,151 | 2,346 | 1,595 | 1,165 | 831 | 718 | 4,309 | 16,056 | 340 | 2.2% |
| 96-97 | 129 | 1,298 | 1,407 | 1,366 | 1,301 | 1,303 | 1,331 | 1,283 | 9,418 | 1,253 | 1,172 | 2,425 | 1,611 | 1,180 | 900 | 788 | 4,479 | 16,322 | 266 | 1.7% |
| 97-98 | 128 | 1,268 | 1,359 | 1,361 | 1,366 | 1,245 | 1,296 | 1,307 | 9,330 | 1,324 | 1,207 | 2,531 | 1,659 | 1,169 | 895 | 847 | 4,570 | 16,431 | 109 | 0.7% |
| 98-99 | 119 | 1,118 | 1,314 | 1,350 | 1,310 | 1,292 | 1,226 | 1,237 | 8,966 | 1,269 | 1,287 | 2,556 | 1,704 | 1,158 | 909 | 861 | 4,632 | 16,154 | (277) | -1.7% |
| 99-00 | 61 | 1,139 | 1,167 | 1,283 | 1,306 | 1,282 | 1,256 | 1,170 | 8,664 | 1,240 | 1,291 | 2,531 | 1,694 | 1,163 | 916 | 836 | 4,609 | 15,804 | (350) | -2.2% |
| 00-01 | 50 | 1,060 | 1,193 | 1,141 | 1,245 | 1,292 | 1,262 | 1,248 | 8,491 | 1,236 | 1,187 | 2,423 | 1,657 | 1,228 | 925 | 829 | 4,639 | 15,553 | (251) | -1.6% |
| 01-02 | 86 | 1,031 | 1,155 | 1,183 | 1,147 | 1,222 | 1,266 | 1,201 | 8,291 | 1,245 | 1,171 | 2,416 | 1,583 | 1,168 | 997 | 819 | 4,567 | 15,274 | (279) | -1.8% |
| 02-03 | 84 | 1,032 | 1,086 | 1,131 | 1,161 | 1,145 | 1,200 | 1,276 | 8,115 | 1,195 | 1,221 | 2,416 | 1,528 | 1,181 | 959 | 945 | 4,613 | 15,144 | (130) | -0.9% |
| 03-04 | 86 | 1,037 | 1,079 | 1,070 | 1,095 | 1,096 | 1,107 | 1,171 | 7,741 | 1,227 | 1,139 | 2,366 | 1,486 | 1,175 | 951 | 874 | 4,486 | 14,593 | (551) | -3.6% |
| 04-05 | 87 | 1,104 | 1,082 | 1,074 | 1,076 | 1,089 | 1,069 | 1,123 | 7,704 | 1,160 | 1,167 | 2,327 | 1,504 | 1,202 | 964 | 875 | 4,545 | 14,576 | (17) | -0.1% |
| 05-06 | 72 | 1,195 | 1,108 | 1,046 | 1,066 | 1,058 | 1,089 | 1,054 | 7,688 | 1,105 | 1,133 | 2,238 | 1,233 | 1,157 | 1,138 | 1,062 | 4,590 | 14,516 | (60) | -0.4% |
| 06-07 | 101 | 1,080 | 1,230 | 1,081 | 1,027 | 1,049 | 1,052 | 1,083 | 7,703 | 1,071 | 1,060 | 2,131 | 1,167 | 1,212 | 1,057 | 1,196 | 4,632 | 14,466 | (50) | -0.3% |
| 07-08 | 124 | 1,077 | 1,080 | 1,146 | 1,060 | 1,008 | 1,025 | 1,032 | 7,552 | 1,062 | 1,040 | 2,102 | 1,075 | 1,131 | 1,104 | 1,139 | 4,449 | 14,103 | (363) | -2.5% |
| 08-09 | 115 | 1,131 | 1,143 | 1,101 | 1,133 | 1,050 | 1,031 | 1,023 | 7,727 | 1,023 | 1,054 | 2,077 | 1,057 | 1,066 | 1,235 | 970 | 4,328 | 14,132 | 29 | 0.2% |
| 2009-10 Projected Enrollment^b | | | | | | | | | | | | | | | | | | | | |
| 09-10 | 115 | 1,131 | 1,174 | 1,147 | 1,100 | 1,125 | 1,043 | 1,017 | 7,852 | 1,082 | 1,032 | 2,114 | 1,034 | 1,057 | 1,096 | 1,195 | 4,382 | 14,348 | 245 | 1.7% |

Sources:

^a ADM Official Enrollments as reported to the State of Alaska Department of Education and Early Development.

^b Fairbanks North Star Borough School District Financial Plan document for fiscal year 2009-10.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Capital Assets by Type and Function Last Eight Fiscal Years

| | Fiscal Year | | | |
|---|------------------------|----------------------|----------------------|----------------------|
| | 2001-02 ^{a b} | 2002-03 | 2003-04 | 2004-05 |
| Capital Assets by Type | | | | |
| Building improvements | \$ | \$ | \$ | \$ |
| Furniture and equipment | 9,469,672 | 10,270,934 | 10,516,707 | 11,135,339 |
| Intangible assets (software) | 136,421 | 139,420 | 205,056 | 205,056 |
| Total by type | <u>\$ 9,606,093</u> | <u>\$ 10,410,354</u> | <u>\$ 10,721,763</u> | <u>\$ 11,340,395</u> |
| Capital Assets by Function | | | | |
| Instruction | | 3,400,457 | 3,686,892 | 3,988,655 |
| Special education instruction | | 70,836 | 72,197 | 76,100 |
| Special education support services-students | | 29,322 | 29,322 | 29,322 |
| Support services-students | | 53,464 | 53,464 | 53,464 |
| Support services-instruction | | 926,760 | 1,031,521 | 1,126,093 |
| School administration | | 89,820 | 86,741 | 79,568 |
| School administration support services | | 61,247 | 66,707 | 66,707 |
| District administration | | 98,189 | 95,531 | 83,284 |
| District administration support services | | 2,131,977 | 2,052,866 | 2,032,780 |
| Operations and maintenance of plant | | 2,750,917 | 2,749,159 | 2,938,062 |
| Student activities | | 21,299 | 21,299 | 42,062 |
| Student transportation service | | 4,801 | 4,801 | 8,868 |
| Adult and continuing education | | 2,749 | 2,749 | 2,749 |
| Community services | | 2,855 | 2,855 | 2,855 |
| Food services | | 765,661 | 765,659 | 809,826 |
| Total by function | <u>\$</u> | <u>\$ 10,410,354</u> | <u>\$ 10,721,763</u> | <u>\$ 11,340,395</u> |

Note:

^a The district began reporting capital assets by type and function when it implemented GASB Statement 34 in fiscal year 2001-02.

^b The district was not able to recreate capital asset data by function for fiscal year 2001-02.

Source:

Capital Assets by Function is derived from the District's fixed assets subsystem.

| Fiscal Year | | | |
|----------------------|----------------------|----------------------|----------------------|
| 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| \$ | \$ 318,102 | \$ 318,102 | \$ |
| 11,212,351 | 11,558,422 | 11,670,579 | 12,146,653 |
| 205,056 | 205,056 | 205,056 | 205,056 |
| <u>\$ 11,417,407</u> | <u>\$ 12,081,580</u> | <u>\$ 12,193,737</u> | <u>\$ 12,351,709</u> |
| 3,351,793 | 3,322,276 | 3,429,971 | 3,477,101 |
| 117,075 | 107,066 | 85,634 | 89,114 |
| 29,322 | 29,322 | 38,257 | 38,257 |
| 58,730 | 61,717 | 65,440 | 67,964 |
| 1,356,760 | 1,521,488 | 1,659,872 | 1,932,229 |
| 76,915 | 76,915 | 43,915 | 43,915 |
| 66,707 | 77,226 | 69,306 | 66,607 |
| 83,284 | 86,037 | 99,496 | 110,889 |
| 1,954,587 | 2,435,480 | 2,223,433 | 2,005,723 |
| 3,399,281 | 3,473,084 | 3,545,608 | 3,607,023 |
| 49,850 | 49,850 | 78,149 | 89,322 |
| 8,868 | 4,067 | 4,067 | 4,067 |
| 2,749 | 2,749 | 2,749 | 2,749 |
| 2,855 | 2,855 | 2,855 | 2,855 |
| 858,631 | 831,448 | 844,985 | 813,894 |
| <u>\$ 11,417,407</u> | <u>\$ 12,081,580</u> | <u>\$ 12,193,737</u> | <u>\$ 12,351,709</u> |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

School Building Information
Last Eight Fiscal Years

| | Fiscal Year | | | | |
|----------------------------------|-------------|---------|----------------------|---------|---------|
| | 2001-02 | 2002-03 | 2003-04 ^a | 2004-05 | 2005-06 |
| <u>School</u> | | | | | |
| <u>Elementary</u> | | | | | |
| Anderson Elementary | | | | | |
| Square Feet | 43,996 | 43,996 | 43,996 | 43,996 | 43,996 |
| Capacity | 387 | 387 | 372 | 372 | 372 |
| Enrollment | 422 | 420 | 409 | 404 | 361 |
| Anne Wien Elementary | | | | | |
| Square Feet | 63,532 | 63,532 | 63,532 | 63,532 | 63,532 |
| Capacity | 574 | 574 | 553 | 553 | 553 |
| Enrollment | 464 | 435 | 402 | 388 | 447 |
| Arctic Light Elementary | | | | | |
| Square Feet | 68,272 | 68,272 | 68,272 | 68,272 | 68,272 |
| Capacity | 618 | 618 | 596 | 596 | 596 |
| Enrollment | 689 | 703 | 504 | 499 | 416 |
| Badger Road Elementary | | | | | |
| Square Feet | 61,686 | 61,686 | 61,686 | 61,686 | 61,686 |
| Capacity | 557 | 557 | 537 | 537 | 537 |
| Enrollment | 371 | 357 | 456 | 509 | 559 |
| Barnette Elementary ^b | | | | | |
| Square Feet | 52,625 | 52,625 | 52,625 | 52,625 | 52,625 |
| Capacity | 471 | 471 | 454 | 396 | 396 |
| Enrollment | 364 | 360 | 314 | 295 | 330 |
| Crawford Elementary | | | | | |
| Square Feet | 63,532 | 63,532 | 63,532 | 63,532 | 63,532 |
| Capacity | 574 | 574 | 553 | 553 | 553 |
| Enrollment | 545 | 534 | 497 | 447 | 409 |
| Denali Elementary ^c | | | | | |
| Square Feet | 46,349 | 48,421 | 48,421 | 49,210 | 49,210 |
| Capacity | 410 | 410 | 414 | 422 | 422 |
| Enrollment | 391 | 384 | 386 | 376 | 390 |
| Hunter Elementary | | | | | |
| Square Feet | 57,047 | 57,047 | 57,047 | 57,047 | 57,047 |
| Capacity | 513 | 513 | 494 | 494 | 494 |
| Enrollment | 370 | 340 | 341 | 341 | 339 |
| Joy Elementary | | | | | |
| Square Feet | 60,642 | 60,642 | 60,642 | 60,642 | 60,642 |
| Capacity | 547 | 547 | 527 | 527 | 527 |
| Enrollment | 384 | 365 | 357 | 328 | 369 |
| Ladd Elementary | | | | | |
| Square Feet | 63,455 | 63,455 | 63,455 | 63,455 | 63,455 |
| Capacity | 573 | 573 | 553 | 553 | 553 |
| Enrollment | 481 | 487 | 468 | 455 | 371 |
| Nordale Elementary ^c | | | | | |
| Square Feet | 49,744 | 51,071 | 51,071 | 49,210 | 49,210 |
| Capacity | 443 | 443 | 439 | 422 | 422 |
| Enrollment | 375 | 400 | 359 | 326 | 382 |
| North Pole Elementary | | | | | |
| Square Feet | 57,154 | 57,154 | 57,154 | 57,154 | 57,154 |
| Capacity | 514 | 514 | 495 | 495 | 495 |
| Enrollment | 450 | 480 | 505 | 465 | 458 |

| Fiscal Year | | |
|--------------------|----------------|----------------|
| 2006-07 | 2007-08 | 2008-09 |
| 43,996 | 43,996 | 43,996 |
| 372 | 372 | 372 |
| 348 | 294 | 310 |
| 63,532 | 63,532 | 63,532 |
| 553 | 553 | 553 |
| 467 | 470 | 431 |
| 68,272 | 68,272 | 68,272 |
| 596 | 596 | 596 |
| 508 | 533 | 531 |
| 61,686 | 61,686 | 61,686 |
| 537 | 537 | 537 |
| 577 | 591 | 565 |
| 52,625 | 52,625 | 54,895 |
| 396 | 417 | 417 |
| 370 | 379 | 392 |
| 63,532 | 63,532 | 63,532 |
| 553 | 553 | 553 |
| 378 | 309 | 280 |
| 49,210 | 49,210 | 49,210 |
| 422 | 422 | 422 |
| 398 | 379 | 395 |
| 57,047 | 57,047 | 57,047 |
| 494 | 494 | 494 |
| 317 | 313 | 321 |
| 60,642 | 60,642 | 60,642 |
| 527 | 527 | 527 |
| 372 | 355 | 368 |
| 63,455 | 63,455 | 63,455 |
| 553 | 553 | 553 |
| 333 | 305 | 381 |
| 49,210 | 49,210 | 49,210 |
| 422 | 422 | 422 |
| 378 | 365 | 396 |
| 57,154 | 57,154 | 57,154 |
| 495 | 495 | 495 |
| 516 | 531 | 533 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

School Building Information
Last Eight Fiscal Years

| | Fiscal Year | | | | |
|------------------------------------|-------------|---------|----------------------|---------|---------|
| | 2001-02 | 2002-03 | 2003-04 ^a | 2004-05 | 2005-06 |
| School | | | | | |
| Elementary (cont.) | | | | | |
| Pearl Creek Elementary | | | | | |
| Square Feet | 62,982 | 62,982 | 62,982 | 62,982 | 62,982 |
| Capacity | 569 | 569 | 548 | 548 | 548 |
| Enrollment | 498 | 483 | 453 | 477 | 448 |
| Salcha Elementary | | | | | |
| Square Feet | 13,608 | 13,608 | 13,608 | 13,608 | 13,608 |
| Capacity | 79 | 79 | 76 | 76 | 76 |
| Enrollment | 79 | 71 | 85 | 98 | 89 |
| Ticasuk Brown Elementary | | | | | |
| Square Feet | 63,761 | 63,761 | 63,761 | 63,761 | 63,761 |
| Capacity | 576 | 576 | 556 | 556 | 556 |
| Enrollment | 377 | 362 | 495 | 516 | 545 |
| Two Rivers Elementary ^b | | | | | |
| Square Feet | 22,200 | 22,200 | 22,200 | 22,200 | 22,200 |
| Capacity | 158 | 158 | 99 | 98 | 98 |
| Enrollment | 88 | 99 | 96 | 122 | 113 |
| University Park Elementary | | | | | |
| Square Feet | 64,699 | 64,699 | 64,699 | 64,699 | 64,699 |
| Capacity | 585 | 585 | 564 | 564 | 564 |
| Enrollment | 561 | 513 | 515 | 532 | 543 |
| Weller Elementary | | | | | |
| Square Feet | 65,259 | 65,259 | 65,259 | 65,259 | 65,259 |
| Capacity | 590 | 590 | 569 | 569 | 569 |
| Enrollment | 540 | 515 | 497 | 479 | 510 |
| Woodrider Elementary | | | | | |
| Square Feet | 64,408 | 64,408 | 64,408 | 64,408 | 64,408 |
| Capacity | 582 | 582 | 561 | 561 | 561 |
| Enrollment | 488 | 444 | 420 | 447 | 465 |
| Secondary | | | | | |
| Ben Eielson Jr. Sr. High | | | | | |
| Square Feet | 103,200 | 103,200 | 103,200 | 103,200 | 103,200 |
| Capacity | 649 | 649 | 616 | 616 | 616 |
| Enrollment | 636 | 621 | 607 | 580 | 572 |
| Howard Luke ^d | | | | | |
| Square Feet | 30,856 | 30,856 | 30,856 | 30,856 | 30,856 |
| Capacity | 107 | 107 | 102 | 102 | - |
| Enrollment | 118 | 116 | 109 | 111 | - |
| Hutchison High ^e | | | | | |
| Square Feet | 70,744 | - | - | 87,190 | 87,190 |
| Capacity | 418 | - | - | 510 | 510 |
| Enrollment | 120 | - | - | 275 | 317 |
| Lathrop High | | | | | |
| Square Feet | 234,412 | 234,412 | 234,412 | 234,412 | 234,412 |
| Capacity | 1,493 | 1,493 | 1,421 | 1,421 | 1,421 |
| Enrollment | 1,490 | 1,460 | 1,338 | 1,249 | 1,304 |

| Fiscal Year | | |
|-------------|---------|---------|
| 2006-07 | 2007-08 | 2008-09 |
| 62,982 | 62,982 | 62,982 |
| 548 | 548 | 548 |
| 420 | 410 | 406 |
| 13,608 | 13,608 | 13,608 |
| 76 | 76 | 76 |
| 100 | 87 | 97 |
| 63,761 | 63,761 | 63,761 |
| 556 | 556 | 556 |
| 525 | 501 | 516 |
| 22,200 | 22,200 | 22,200 |
| 98 | 98 | 98 |
| 91 | 109 | 99 |
| 64,699 | 64,699 | 64,699 |
| 564 | 564 | 564 |
| 533 | 515 | 489 |
| 65,259 | 65,259 | 65,259 |
| 569 | 569 | 569 |
| 474 | 489 | 502 |
| 64,408 | 64,408 | 64,408 |
| 561 | 561 | 561 |
| 470 | 443 | 440 |
| 103,200 | 103,200 | 103,200 |
| 616 | 616 | 616 |
| 597 | 547 | 512 |
| 30,856 | 30,856 | 30,856 |
| - | - | - |
| - | - | - |
| 87,190 | 87,190 | 87,190 |
| 510 | 510 | 510 |
| 348 | 349 | 362 |
| 234,412 | 234,412 | 234,412 |
| 1,421 | 1,421 | 1,421 |
| 1,278 | 1,146 | 1,186 |

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

School Building Information
Last Eight Fiscal Years

| | Fiscal Year | | | | |
|--------------------------|-------------|---------|----------------------|---------|---------|
| | 2001-02 | 2002-03 | 2003-04 ^a | 2004-05 | 2005-06 |
| School | | | | | |
| Secondary (cont.) | | | | | |
| North Pole Middle | | | | | |
| Square Feet | 113,306 | 113,306 | 113,306 | 113,306 | 113,306 |
| Capacity | 798 | 798 | 717 | 680 | 680 |
| Enrollment | 749 | 728 | 566 | 530 | 511 |
| North Pole High | | | | | |
| Square Feet | 156,362 | 156,362 | 156,362 | 156,362 | 156,362 |
| Capacity | 995 | 995 | 946 | 946 | 946 |
| Enrollment | 919 | 930 | 891 | 892 | 883 |
| Randy Smith Middle | | | | | |
| Square Feet | 74,589 | 74,589 | 74,589 | 74,589 | 74,589 |
| Capacity | 448 | 448 | 422 | 422 | 422 |
| Enrollment | 484 | 482 | 478 | 455 | 410 |
| Ryan Middle | | | | | |
| Square Feet | 99,880 | 99,880 | 99,880 | 99,880 | 99,880 |
| Capacity | 626 | 626 | 594 | 594 | 594 |
| Enrollment | 537 | 528 | 505 | 462 | 342 |
| Tanana Middle | | | | | |
| Square Feet | 101,069 | 101,069 | 101,069 | 101,069 | 101,069 |
| Capacity | 634 | 634 | 602 | 602 | 602 |
| Enrollment | 572 | 565 | 563 | 601 | 558 |
| West Valley High | | | | | |
| Square Feet | 216,884 | 216,884 | 216,884 | 216,884 | 216,884 |
| Capacity | 1,381 | 1,381 | 1,314 | 1,314 | 1,314 |
| Enrollment | 1,277 | 1,298 | 1,356 | 1,253 | 1,219 |

Notes:

- ^a Alaska Department of Education and Early Development regulation change reduced capacity by 4.7% (778) in 2003.
- ^b Barnette and Two Rivers are K-8 schools. Capacities will vary from year to year depending on the mix of elementary and secondary (grades 7 & 8) students.
- ^c Denali and Nordale Elementary Schools were entirely replaced with new buildings, opening in August, 2004.
- ^d During fiscal year 2005-06, Howard Luke became home to Effie Kokrine Charter School. The District leases the Howard Luke building to the Charter School; therefore, square footage information is included after this date, but capacity and enrollment data are not.
- ^e Hutchison High was closed for renovation during fiscal year 2002-03 through 2003-04. Hutchison is a joint-use facility with University of Alaska Fairbanks, Tanana Valley Campus. Total building size is 137,524 square feet. Hutchison High comprises 63.4% of the building, or 87,190 square feet.

Source:

School District Facilities & Maintenance Department. Information for fiscal years prior to 2001-02 was not readily available for this schedule.

| Fiscal Year | | |
|-------------|---------|---------|
| 2006-07 | 2007-08 | 2008-09 |
| 113,306 | 113,306 | 113,306 |
| 680 | 680 | 680 |
| 442 | 509 | 599 |
| 156,362 | 156,362 | 156,362 |
| 946 | 946 | 946 |
| 885 | 834 | 823 |
| 74,589 | 74,589 | 74,589 |
| 422 | 422 | 422 |
| 392 | 408 | 366 |
| 99,880 | 99,880 | 99,880 |
| 594 | 594 | 594 |
| 374 | 391 | 361 |
| 101,069 | 101,069 | 101,069 |
| 602 | 602 | 602 |
| 505 | 467 | 503 |
| 216,884 | 216,884 | 216,884 |
| 1,314 | 1,314 | 1,314 |
| 1,221 | 1,190 | 1,095 |

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SINGLE AUDIT

FEDERAL SINGLE AUDIT

Reports on Federal Single Audit Requirements

Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

Summary Schedule of Prior Audit Findings

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November 6, 2009

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairbanks North Star Borough School District (School District) as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. We also have audited the proprietary fund type and fiduciary fund type of the School District, as of and for the year ended June 30, 2009, as displayed in the School District's basic financial statements. In addition we also have audited the financial statements of each of the School District's nonmajor governmental funds in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, and have issued our report thereon dated November 6, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School District's financial statements that is more than inconsequential will not be prevented or detected by the School District's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the members of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District, and the federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cook + Haugeberg LLC

November 6, 2009

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Members of the Board of Education
Fairbanks North Star Borough School District

Compliance

We have audited the compliance of the Fairbanks North Star Borough School District (School District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School District's compliance with those requirements.

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the School District's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District, and the federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cook - Haugeberg LLC

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2009

| Federal Agency/ CFDA Title/ Pass-through Grantor/ Award Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Federal Expenditures |
|--|------------------------------------|---|---------------------------------|
| <u>U. S. Department of Education</u> | | | |
| <u>Title I Grants to Local Educational Agencies</u> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title I-D, Delinquent and At-Risk Youth | 84.010 | CD0901601 | \$ 94,576 |
| Title IA, 20% Choice/Supplemental Education Services | 84.010 I-A | IP0801601 | 2,140 |
| Title IA, 20% Choice/Supplemental Education Services | 84.010 I-A | IP0901601 | 149,684 |
| Title IA, District Improvement | 84.010 I-A | IP0801601 | 58 |
| Title IA, District Improvement | 84.010 I-A | IP0901601 | 406,424 |
| Title I, School Improvement | 84.010 | CA0801601 | 848 |
| Title I, School Improvement | 84.010 | CA0901601 | 12,045 |
| Title IA, Basic | 84.010 I-A | IP0801601 | 17,743 |
| Title IA, Basic | 84.010 I-A | IP0901601 | 2,440,402 |
| Subtotal 84.010 | | | 3,123,920 |
| <u>Migrant Education_State Grant Program</u> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title IC, Migrant Education | 84.011 I-C | IP0901601 | 197,139 |
| Migrant Ed Parent Advisory Council | 84.011 | MP0901601 | 601 |
| Migrant Ed Summer | 84.011 | MS0901601 | 20,531 |
| Subtotal 84.011 | | | 218,271 |
| <u>Title I Program for Neglected and Delinquent Children</u> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title ID, Delinquent | 84.013A | CO0901601 | 33,487 |
| <u>Special Education Cluster (IDEA)</u> | | | |
| <u>Special Education_Grants to States</u> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title VI-B (P.L. 94-142) | 84.027A | SE0901601 | 2,947,598 |
| <u>Special Education_Preschool Grants</u> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Preschool Disabled | 84.173 A | SE0901601 | 106,728 |
| Subtotal Special Education Cluster (IDEA) | | | 3,054,326 |
| <u>Impact Aid *</u> | | | |
| Direct Program: | | | |
| Impact Aid Earmark (Central Kitchen) | 84.041E | N/A | 2,423,525 |
| Passed through the State of Alaska Department of Education and Early Development | | | |
| Title VIII Impact Aid | 84.041 | N/A | 10,957,004 |
| Subtotal 84.041 | | | 13,380,529 |
| <u>Vocational Education_Basic Grants to States</u> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Carl Perkins Basic Grant | 84.048A | EK0801601 | 30,543 |
| Carl Perkins Basic Grant | 84.048A | EK0901601 | 300,525 |
| Subtotal 84.048 | | | 331,068 |

* Federal Major Program-FY09

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| Federal Agency/ CFDA Title/ Pass-through Grantor/ Award Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Federal Expenditures |
|--|------------------------------------|---|---------------------------------|
| <i>Indian Education_Grants to Local Educational Agencies *</i> | | | |
| Direct Program: | | | |
| Indian Education | 84.060A | N/A | \$ 580,322 |
| <i>Safe and Drug-Free School and Communities_National Programs</i> | | | |
| Direct Program: | | | |
| Mentoring for Success | 84.184B | N/A | 150,834 |
| Emergency Response Plans | 84.184E | N/A | (6,200) |
| <i>Subtotal 84.184</i> | | | <u>144,634</u> |
| <i>Safe and Drug-Free Schools and Communities_State Grants</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title IV-A, Safe & Drug Free Schools | 84.186 IV-A | IP0801601 | (491) |
| Title IV-A, Safe & Drug Free Schools | 84.186 IV-A | IP0901601 | 162,803 |
| <i>Subtotal 84.186</i> | | | <u>162,312</u> |
| <i>Bilingual Education-Professional Development</i> | | | |
| Direct Program: | | | |
| Training For All Teachers | 84.195B | N/A | 5,676 |
| <i>Fund for the Improvement of Education</i> | | | |
| Direct Program: | | | |
| Teaching American History | 84.215X | N/A | 12,401 |
| Plato Professional Development | 84.215K | N/A | 197,587 |
| <i>Subtotal 84.215</i> | | | <u>209,988</u> |
| <i>Twenty-First Century Community Learning Centers *</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| AK Community Centers Learning Program | 84.287C | AC0801601 | (1,748) |
| AK Community Centers Learning Program | 84.287C | AC0901601 | 1,182,084 |
| <i>Subtotal 84.287</i> | | | <u>1,180,336</u> |
| <i>State Grants for Innovative Programs</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title V-A, Innovative Programs | 84.298 V-A | IP0901601 | 3,321 |
| <i>Education Technology State Grants</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title II-D, Enhancing Education through Technology | 84.318 II-D | IP0901601 | 47,370 |
| <i>Arts in Education</i> | | | |
| Direct Program: | | | |
| Project ARTiculate | 84.351D | N/A | 180,474 |
| <i>Alaska Native Educational Programs</i> | | | |
| Passed through the Association of Interior Native Educators: | | | |
| AINE Learning Styles Center | 84.356A | N/A | 470 |

* Federal Major Program-FY09

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| Federal Agency/ CFDA Title/ Pass-through Grantor/ Award Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Federal Expenditures |
|---|------------------------------------|---|---------------------------------|
| <i>Reading First State Grants</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Alaska Reading First | 84.357A | RF0801601 | \$ (2,352) |
| Alaska Reading First | 84.357A | RF0901601 | 402,849 |
| <i>Subtotal 84.357</i> | | | <u>400,497</u> |
| <i>English Language Acquisition Grants</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title III-A, English Language Acquisition | 84.365 III-A | IP0901601 | 22,112 |
| <i>Improving Teacher Quality State Grants</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Title IIA, Teacher & Principal Training & Recruitment | 84.367 II-A | IP0901601 | 1,736,605 |
| <i>School Improvement Grants</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Migrant Ed Parent Advisory Council | 84.377 | IP0901601 | 28,284 |
| Title IA Parent Involvement 1% | 84.377 | SI0901601 | 24,204 |
| <i>Subtotal 84.377</i> | | | <u>52,488</u> |
| Total U. S. Department of Education | | | <u>24,868,206</u> |
| <u>U. S. Department of Agriculture</u> | | | |
| <i>National School Lunch Program</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Food Service | 10.555 | MA0901601 | 2,663,788 |
| <i>Child and Adult Care Food Program</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Child Nutrition Services | 10.558 | MA0733401 | 8,691 |
| Total U. S. Department of Agriculture | | | <u>2,672,479</u> |
| <u>U. S. Department of Health and Human Services</u> | | | |
| <i>Child Care and Development Block Grant</i> | | | |
| Passed through State of Alaska Department of Health and Social Services: | | | |
| Options Child Care Grant | 93.575 | HCC90337 | 776 |
| <i>Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems</i> | | | |
| Passed through the State of Alaska Department of Education and Early Development: | | | |
| Youth Risk Behavior Survey | 93.938 | YR0901601 | 5,080 |
| Total U. S. Department of Health and Human Services | | | <u>5,856</u> |
| Grand Total - Expenditures of Federal Awards | | | <u>\$ 27,546,541</u> |

* Federal Major Program-FY09

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards June 30, 2009

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Fairbanks North Star Borough School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2: U.S. DEPARTMENT OF AGRICULTURE (USDA) DONATED FOOD PROGRAM

The USDA makes food commodities available to State agencies for donation to schools for the school lunch program. Because governmental funds are uniquely concerned with flows of *financial* resources, the receipt of commodities is not reported as revenue in governmental funds. They are, however, reported at fair market value in the government-wide financial statements. Food commodities are considered expended when consumed in the school lunch program. The fair market value of food commodities expended in fiscal year 2009 was \$113,572.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes ☐ ☒ No

Significant deficiencies identified that are not considered to be material weaknesses? Yes ☐ ☒ None reported

Noncompliance material to financial statements noted? Yes ☐ ☒ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes ☐ ☒ No

Significant deficiencies identified that are not considered to be material weaknesses? Yes ☐ ☒ None reported

Type of auditor's report issued on compliance for major programs: unqualified

Audit findings disclosed that are required to be reported in accordance with section 510 (a) of OMB Circular A-133? Yes ☐ ☒ No

Identification of major programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> |
|---------------------|---|
| 84.041 | Impact Aid |
| 84.060 | Indian Education_Grants to Local Educational Agencies |
| 84.287 | Twenty-First Century Community Learning Centers |

Dollar threshold used to distinguish between type A and type B programs: \$ 826,396

Auditee qualified as low-risk auditee? Yes ☒ ☐ No

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters were reported

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Summary Schedule of Prior Audit Findings For the Year Ended June 30, 2009

FINDING:

08-01: 84.060 U.S. Department of Education Indian Education Grant to Local Education Agencies

The U.S. Department of Education provides Indian Education Grants to local education agencies for the administration of comprehensive programs designed to meet the unique educational and culturally related academic needs of eligible Indian students. Grant funding is calculated based on the number of Indian students who are considered to be eligible according to information provided by each student's family. The U.S. Department of Education Subpart 1, Section 7117 specifies that grant recipients are required to maintain a file for each applicant and each file should contain a completed ED 506 Form setting forth information establishing the status of the student as an Indian child eligible for assistance under the grant. Single audit sampling procedures performed to determine compliance with this eligibility requirement identified three instances where the ED 506 Form was incomplete or incorrectly filled out by the student's family. Due to incomplete information in the files, verification of eligibility for these students was not possible. The Fairbanks North Star Borough School District has developed a corrective action plan for meeting this compliance requirement, including implementation of a program to educate families and other stakeholders about the necessity of providing complete documentation for purposes of determining eligibility. The School District is also modifying the instructions for the ED 506 Form to more clearly address Alaska's unique tribal situations.

CORRECTIVE ACTION TAKEN AND COMPLETED:

The Fairbanks North Star Borough School District believes it is a fair statement to say that most school districts in Alaska struggle with the compliance requirements of ED 506 Forms for the following reasons:

1. Alaska has 41 percent of the total tribes in the United States (231 at last count), many whose names are not readily known to members. Regional and village native corporations are frequently but mistakenly identified as a student's tribe, band or group on the ED 506 Form.
2. The name and address of the organizations maintaining membership data for the tribe, band or group are not readily known by the parent or guardian.
3. Parents or guardians of students often do not have the membership or enrollment number for the student readily available and it is difficult for them to procure it.
4. It is not clear what evidence of Certificate of Indian Blood (CIB) is acceptable for the ED 506 Form.

During fiscal year 2009, the School District adopted the following corrective action plan to address its incomplete ED 506 Forms:

1. Hired temporary staff to review the 2,029 ED 506 Forms that were included in the fiscal year 2008 count period as well as the 1,917 ED 506 Forms included in the fiscal year 2009 count period for completeness and accuracy.
2. Asked parents to complete/correct incomplete or inaccurate forms.
3. Provided ED 506 Form completion training to appropriate district staff.
4. Provided clarifying information and the name and addresses of the 231 federally recognized tribes in Alaska to parents and guardians at the time they are requested to complete the form.
5. Prepared procedural guidelines on the ED 506 Form, which includes having the ANE Coordinator review in a timely manner all forms submitted to the program to ensure accuracy and completeness.

STATE SINGLE AUDIT

Reports on State Single Audit Requirements

Schedule of State Financial Assistance

Notes to Schedule of State Financial Assistance

Schedule of Findings and Questioned Costs

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November 6, 2009

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairbanks North Star Borough School District (School District) as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. We also have audited the proprietary fund type and fiduciary fund type of the School District, as of and for the year ended June 30, 2009, as displayed in the School District's basic financial statements. In addition, we also have audited the financial statements of each of the School District's nonmajor governmental funds in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, and have issued our report thereon dated November 6, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses, as defined above.

119 North Cushman Street, Suite 300 • Fairbanks, Alaska 99701 • 907-456-7762
www.ch-cpa.com e-mail: contact@ch-cpa.com

Senior Consultants: James F. Dieringer, Jr., CPA and Michael T. Cook, CPA

FAX 907-452-6184

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the members of the Board of Education, audit committee, and management of the Fairbanks North Star Borough School District, and the State of Alaska and is not intended to be and should not be used by anyone other than these specified parties.

Cook + Haugeberg LLC

November 6, 2009

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH STATE OF ALASKA AUDIT GUIDE AND
COMPLIANCE SUPPLEMENT FOR STATE SINGLE AUDITS**

Members of the Board of Education
Fairbanks North Star Borough School District

Compliance

We have audited the compliance of the Fairbanks North Star Borough School District (School District) with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that are applicable to each of its major state programs for the year ended June 30, 2009. The School District's major state programs are identified in the accompanying Schedule of State Financial Assistance. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School District's compliance with those requirements.

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered the School District's internal control over compliance with the requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of the members of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District and the State of Alaska, and is not intended to be and should not be used by anyone other than these specified parties.

Cook + Haugeberg LLC

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

For the Year Ended June 30, 2009

| State Agency/ Pass-through Grantor/ Program Title | Grant ID Number | State Expenditures |
|---|--------------------------------|-------------------------------|
| <u>State of Alaska Department of Education and Early Development</u> | | |
| Direct Program: | | |
| Public School Foundation Funding Program * | N/A | \$ 96,001,077 |
| On-Base Schools * | N/A | 1,450,000 |
| Pupil Transportation * | NA | 9,242,070 |
| Youth in Detention | EY0901601 | 112,923 |
| Quality Schools * | N/A | 371,871 |
| Passed through the Alaska State Council on the Arts: | | |
| Independent Artists in Schools Program | FY07-IAIS-02 | 9,750 |
| Total State of Alaska Department of Education and Early Development | | 107,187,691 |
| <u>State of Alaska Department of Administration</u> | | |
| Direct Program: | | |
| Alaska Teachers' Retirement System On-Behalf Funding * | N/A | 19,640,125 |
| Alaska Public Employees' Retirement System On-Behalf Funding * | N/A | 3,753,051 |
| Total State of Alaska Department of Administration | | 23,393,176 |
| <u>Alaska State Railroad</u> | | |
| Direct Program: | | |
| Host/Hostess Program - FY09 | | 29,000 |
| Total Alaska State Railroad | | 29,000 |
| <u>State of Alaska Department of Commerce, Community and Economic Development-</u> | | |
| <u>Division of Community Advocacy</u> | | |
| Passed through the Fairbanks North Star Borough: | | |
| Designated Legislative Grant Program: | | |
| Capital Projects on the School District Small Grants List | 06-DC-349 | 83,477 |
| North Pole Middle School Security System | 07-DC-299 | 6,407 |
| Bandwidth Upgrade at North Pole Schools | 08-DC-265 | 1,653 |
| North Pole Middle School Mobile Learning Labs | 08-DC-271 | 19,014 |
| Woodriver Elementary School Mobile Computer Learning Lab | 08-DC-276 | 8,315 |
| Hutchison High School Security Upgrades | 09-DC-459 | 24,464 |
| Joy Elementary Mobile Learning Lab | 09-DC-460 | 55,000 |
| North Pole Elementary School Wireless Access Project | 09-DC-463 | 19,539 |
| North Pole Middle School Replacement of Chalk Boards | 09-DC-465 | 20,902 |
| Pearl Creek Elementary School Replacement Office Intercom Panel | 09-DC-466 | 19,339 |
| Weller Elementary School Mobile Learning Lab | 09-DC-469 | 52,710 |
| Lathrop Athletic, Fitness, Wellness Equipment | 09-DC-205 | 8,021 |
| Lathrop High School Library Book Security System | 09-DC-206 | 11,633 |
| Equipment North Pole High School | 06-RR-025 | 7,621 |
| Phone System and Trash Compactor | 07-DC-291 | 10,430 |
| Total State of Alaska Department of Commerce, Community and Economic Development | | 348,525 |

*State Major Program-FY09

(continued)

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

For the Year Ended June 30, 2009

| State Agency/ Pass-through Grantor/ Program Title | Grant ID Number | State Expenditures |
|---|--------------------------------|-------------------------------|
| <u>State of Alaska Department of Labor & Workforce Development</u> | | |
| <u>Division of Business Partnerships</u> | | |
| Direct Program: | | |
| Youth First Initiative Program | 8-1212 | \$ (51) |
| Youth First Initiative Program | 9-1304 | 92,678 |
| | | <u>92,627</u> |
| Passed through the Associated General Contractors of Alaska (AGC) | | |
| Alaska (Fairbanks) Construction Academy | 8-501 | <u>113,046</u> |
| Total State of Alaska Department Labor & Workforce Development | | <u><u>205,673</u></u> |
| Grand Total - State Financial Assistance | | <u><u>\$ 131,164,065</u></u> |

*State Major Program-FY09

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance
June 30, 2009

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of state financial assistance includes the state grant activity of the Fairbanks North Star Borough School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2009

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes ☐ ☒ No

Significant deficiencies identified that are
not considered to be material weaknesses? Yes ☐ ☒ None reported

Noncompliance material to financial statements noted? Yes ☐ ☒ No

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? Yes ☐ ☒ No

Significant deficiencies identified that are
not considered to be material weaknesses? Yes ☐ ☒ None reported

Type of auditor's report issued on compliance for major programs: unqualified

Identification of major programs:

Name of State Program

State of Alaska Department of Education and Early Development:

Public School Foundation Funding Program

On-Base Schools

Pupil Transportation

Quality Schools

State of Alaska Department of Administration:

Retirement System (TRS) Funding

Retirement System (PERS) Funding

Dollar threshold used to distinguish a state major program: \$ 300,000

SECTION II - FINANCIAL STATEMENT FINDINGS

The Fairbanks North Star Borough School District did not have any findings that relate to the financial statements that are required to be reported in accordance with GAGAS.

SECTION III - STATE AWARDS FINDINGS AND QUESTIONED COSTS

No matters were reported.

SUPPLEMENTAL REPORTS

SUPPLEMENTAL REPORTS

Statements of Compliance

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November 6, 2009

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON FUND BALANCE
COMPLIANCE REQUIREMENTS**

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairbanks North Star Borough School District (School District) as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. We also have audited the proprietary fund type and fiduciary fund type of the School District, as of and for the year ended June 30, 2009, as displayed in the School District's basic financial statements. In addition we also have audited the financial statements of each of the School District's nonmajor governmental funds in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, and have issued our report thereon dated November 6, 2009. Our audit was made 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 and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with our audit, as presented in the Statement of Compliance - AS 14.17.505, nothing came to our attention which caused us to believe that the School District had failed to comply with the accumulated fund balance restriction in AS 14.17.505 as interpreted by the State of Alaska, Department of Education and Early Development. However, it should be noted that our audit was not directed primarily toward obtaining knowledge of noncompliance with such requirements.

This report is intended solely for the information and use of the members of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District and the State of Alaska, Department of Education and Early Development and is not intended to be and should not be used by anyone other than these specified parties.

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FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

Statement of Compliance - AS 14.17.505

Year Ended June 30, 2009

| | General Fund | | |
|---|--------------------------------------|--|----------------------|
| | Reserved Fund Balance | Unreserved Fund Balance | Total |
| Reserved: | | | |
| Reserve for encumbrances | \$ 1,492,438 | \$ | \$ 1,492,438 |
| Reserve for inventory | 506,511 | | 506,511 |
| Reserve for prepaid items | 12,075 | | 12,075 |
| Reserve for impact aid advance | 8,813,432 | | 8,813,432 |
| Unreserved: | | | |
| Designated for subsequent year's expenditures | | 5,480,390 | 5,480,390 |
| Undesignated | | 5,193,786 | 5,193,786 |
| | <u>\$ 10,824,456</u> | <u>\$ 10,674,176</u> | <u>\$ 21,498,632</u> |

Unreserved fund balance as a percentage of current year expenditures:

| | | | | |
|--|---|--|---|--------------|
| <u>Unreserved fund balance</u> <u>Current year expenditures</u> | = | <u>\$ 10,674,176</u> <u>176,620,102</u> | = | 6.04% |
|--|---|--|---|--------------|

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November 6, 2009

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON CERTAIN STATE
COMPLIANCE REQUIREMENTS**

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairbanks North Star Borough School District (School District) as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. We also have audited the proprietary fund type and fiduciary fund type of the School District, as of and for the year ended June 30, 2009, as displayed in the School District's basic financial statements. In addition we also have audited the financial statements of each of the School District's nonmajor governmental funds in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, and have issued our report thereon dated November 6, 2009. Our audit was made 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 and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In the course of our audit, nothing came to our attention that caused us to believe that:

- a) The statements of revenues and expenditures of the Special Revenue Funds do not present fairly the allowable funds expended within the limits of project budgets.
- b) The Fairbanks North Star Borough School District has not complied with the State of Alaska, Department of Education and Early Development State Chart of Accounts.
- c) The Fairbanks North Star Borough School District has not complied with the bonding requirements of AS 14.14.020.

However, it should be noted that our audit was not directed primarily toward obtaining knowledge of noncompliance with the foregoing requirements.

This report is intended solely for the information and use of the members of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District and the State of Alaska, Department of Education and Early Development and is not intended to be and should not be used by anyone other than these specified parties.

Cook & Haugeberg LLC

119 North Cushman Street, Suite 300 • Fairbanks, Alaska 99701 • 907-456-7762
www.ch-cpa.com e-mail: contact@ch-cpa.com

Senior Consultants: James F. Dieringer, Jr., CPA and Michael T. Cook, CPA

FAX 907-452-6184

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SUPPLEMENTAL REPORTS

Other Reports

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November 6, 2009

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
THE SUMMARY REPORT OF REIMBURSABLE EXPENDITURES**

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the accompanying Summary Report of Reimbursable Expenditures of the Fairbanks North Star Borough School District (School District) as of and for the year ended June 30, 2009. This report is the responsibility of the School District's management. Our responsibility is to express an opinion on this report based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Summary Report of Reimbursable Expenditures is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Summary Report of Reimbursable Expenditures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Summary Report of Reimbursable Expenditures presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the report referred to above presents fairly, in all material respects, the reimbursable expenditures of the Fairbanks North Star Borough School District for the year ended June 30, 2009.

This report is intended solely for the information and use of the members of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District and the State of Alaska, Department of Education and Early Development and is not intended to be and should not be used by anyone other than these specified parties.

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**SCHEDULE OF PAYMENTS MADE FOR PRINCIPAL AND INTEREST ON BONDS
TO FUND SCHOOL CONSTRUCTION FOR THE FISCAL YEAR ENDING JUNE 30, 2009
For the Fairbanks North Star Borough School District**

1. Payments made for retirement of principal and interest on outstanding bonds incurred before July 1, 1977, to pay costs of school construction:

| Bond Issue | Payor | Principal | Interest | Total |
|------------|-------|-----------|----------|-------|
| | | | | |
| | | | | |

2. Payments made for retirement of principal and interest on outstanding bonds incurred after June 30, 1977, and before January 1, 1982, to pay costs of school construction:

| Bond Issue | Payor | Principal | Interest | Total |
|------------|-------|-----------|----------|-------|
| | | | | |
| | | | | |

3. Cash payments to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved by the department by July 1, 1990, under AS 14.07.020 (a) (11):

| DOE Project # | Amount Authorized | Prior Year Expenditures | Current Exp. Claim for Reimb. | Total |
|---------------|-------------------|-------------------------|-------------------------------|-----------|
| 05-90-125 | 4,526,000 | 2,397,877 | 1,203 | 2,399,080 |
| | | | | |

4. Payments made for retirement of principal and interest on outstanding bonds incurred after December 31, 1981, and authorized by the qualified voters before July 1, 1983, to pay costs of school construction:

| Bond Issue | Payor | Principal | Interest | Total |
|------------|-------|-----------|----------|-------|
| | | | | |

5. Payments made for retirement of principal and interest on outstanding bonds authorized by the qualified voters after June 30, 1983, and before March 31, 1990, to pay costs of school construction:

| Bond Issue | Payor | Principal | Interest | Total |
|------------|-------|-----------|----------|-------|
| | | | | |
| | | | | |

6. Payments made for the retirement of principal and interest on outstanding bonds authorized by the qualified voters after March 31, 1990, and before June 30, 1995, to pay costs of school construction:

| Bond Issue | Payor | Principal | Interest | Total |
|-----------------|------------|-----------|----------|---------|
| K - Refunding * | US Bank NA | 313,617 | 133,009 | 446,626 |
| | | | | |

7. Payments made for the retirement of principal and interest on outstanding bonds authorized by the qualified voters after July 1, 1995, to pay costs of school construction:

| Project Name/Number | Bond Issue | Payor | Principal | Interest | Total |
|----------------------------------|-----------------|----------------------|-----------|-----------|-----------|
| 05-96-102 to 110,114 | K - Refunding * | US Bank NA | 101,825 | 43,185 | 145,010 |
| 05-96-102 to 110,114 | 1997 A | AK USA Trust Co | 1,056,170 | 1,736,170 | 2,792,340 |
| 05-96-102 to 110,114 | 1999 B | Union Bank of CA NA | 1,199,470 | 801,689 | 2,001,159 |
| 05-99-141 to 144, 146, 147, 150 | 2000 C | Wells Fargo Bank NA | 390,000 | 328,125 | 718,125 |
| 05-99-141 to 144, 146, 147, 150 | 2001 D | Wells Fargo Bank NA | 385,000 | 308,588 | 693,588 |
| 05-99-141 to 144, 146, 147, 150; | 2002 E | Wells Fargo Bank NA | 545,000 | 498,535 | 1,043,535 |
| 05-03-102 to 104 | | | | | |
| 05-03-102 to 104 | 2003 F | JP Morgan Trst Co NA | 540,000 | 479,625 | 1,019,625 |
| 05-03-102 to 104 | 2004 G | US Bank NA | 570,000 | 434,445 | 1,004,445 |
| 05-03-102 to 104; | 2005 H | Wells Fargo Bank NA | 540,000 | 484,735 | 1,024,735 |
| DR-05-101 | | | | | |
| DR-05-101 | 2006 I | US Bank NA | 190,000 | 206,725 | 396,725 |
| DR-07-103 to 104 | 2007 J | US Bank NA | 415,000 | 494,788 | 909,788 |
| DR-07-105 | 2008 L | US Bank NA | 248,000 | 547,846 | 795,846 |

**SCHEDULE OF INTEREST PROCEEDS FOR BONDS APPROVED BY VOTERS
FOR SCHOOL CONSTRUCTION AFTER JULY 1, 1986
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

For the Fairbanks North Star Borough School District

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--|-----------------------------|--|-------------------|-----------------|-----------------|---------------|--|
| Expenditures to | | | | | | | |
| Bond Issue | Election Date | Interest Earned | Interest Payments | Bond Redemption | Bond Sale Costs | Project Costs | DOE Project # |
| Series R, Series S Refunding | 4/21//87 (Ord. 87-009) | \$ - | N/A | N/A | N/A | N/A | 05-87-107 |
| Series U, Series K Refunding | 10/5/1993 (Ord. 93-041) | \$ - \$ - | N/A | N/A | N/A | N/A | 05-94-112 05-94-114 |
| Series U, Series K Refunding, Series A & B | 5/7/1996 (Ord. 96-009) | \$ - \$ 136 \$ 8 \$ - \$ 8 \$ 8 \$ 58 \$ 8 \$ 58 \$ - | N/A | N/A | N/A | N/A | 05-96-102 05-96-103 05-96-104 05-96-105 05-96-106 05-96-107 05-96-108 05-96-109 05-96-110 05-96-114 |
| Series C, D, & E | 10/3/2000 (Ord. 2000-37) | \$ 187 \$ 761 \$ 187 \$ 187 \$ 187 \$ 44 \$ 187 | N/A | N/A | N/A | N/A | 99-141 99-142 99-143 99-144 99-146 99-147 99-150 |
| Series E, F, G, & H | 10/8/2002 (Ord. 2002-34) | \$ 8,142 \$ 1,061 \$ 3,251 | N/A | N/A | N/A | N/A | 03-102 03-103 03-104 |
| Series H & I | 10/5/2004 (Ord 2004-23) | \$ 10,792 | N/A | N/A | N/A | N/A | DR-05-101 |
| Series J & L | 10/3/2006 (Ord 2006-41) | \$ 88,652 \$ 87,489 \$ 25,417 | N/A | N/A | N/A | N/A | DR-07-103 DR-07-104 DR-07-105 |

1. Identify the bond series.
2. Enter the date the bond election was held.
3. Enter the total interest earned on bond proceeds to date by the municipality or borough.
4. Enter the amount of interest proceeds use to pay accrued interest on the bond issue.
5. Enter the amount of interest proceeds used to redeem all or part of the bonds.
6. Enter the amount of interest proceeds used to pay the costs of the bond sale. (Fiscal agent fees, etc.)
7. Enter the amount of interest proceeds, individually by project, used to pay project costs.
8. Identify the DOE project numbers for which the amounts in column 7 were expended.

Note: 1. Use of interest proceeds is restricted according to 4 AAC 31.063.
2. According to 4 AAC 31.063 (d), for interest earned on bonds approved by voters after July 1, 1986, the accounts in which the proceeds of bonds are placed are subject to audit under 4 AAC 31.062 and the district shall report, in accordance with 4 AAC 31.060, on forms prescribed by the department.

November 6, 2009

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
THE TUITION RATE REPORT**

Members of the Board of Education
Fairbanks North Star Borough School District

We have audited the accompanying Tuition Rate Report of the Fairbanks North Star Borough School District (School District) as of and for the year ended June 30, 2009. This report is the responsibility of the School District's management. Our responsibility is to express an opinion on this report based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Tuition Rate Report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Tuition Rate Report. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Tuition Rate Report presentation. We believe that our audit provides a reasonable basis for our opinion.

Since our audit did not include tests of the average daily membership, we do not express an opinion thereon or upon the resulting tuition rate (2008-2009 fiscal year). However, in our opinion, except for the average daily membership described in the preceding sentence and the resulting tuition rate (2008-2009 fiscal year), the accompanying report presents fairly, in all material respects, the information required in the related instructions from the State of Alaska, Department of Education and Early Development.

This report is intended solely for the information and use of the members of the Board of Education, audit committee and management of the Fairbanks North Star Borough School District and the State of Alaska, Department of Education and Early Development and is not intended to be and should not be used by anyone other than these specified parties.

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STATE OF ALASKA
Department of Education and Early Development (DEED)
Tuition Rate Report
2009-10 Fiscal Year

Fairbanks North Star Borough School District

| | |
|--|-------------------------------|
| Local revenues for support of schools: | |
| Borough contribution to school district general fund | \$ 44,222,700 |
| Expenditures by borough for school purposes: | |
| From: <i>Summary Report of Reimbursable Expenditures</i> | |
| Capital outlay | 1,203 |
| Bond redemption | 12,991,547 |
| Less: State aid for school construction | <u>(9,440,605)</u> |
| Total expenditures from local sources | <u>47,774,845</u> |
| Plus: | |
| Title VIII Impact Aid | 9,596,676 |
| On-base tuition | <u>1,450,000</u> |
| | <u>11,046,676</u> |
| Total local cost for tuition purposes | <u><u>\$ 58,821,521</u></u> |
| Average daily membership as approved by the DEED for foundation support in FY 2008-09 (Form No. 05-00-014) | 14,132 |
| Tuition Rate | <u><u>\$ 4,162.29</u></u> |

Auditor's Certification
See Accountant's Report

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