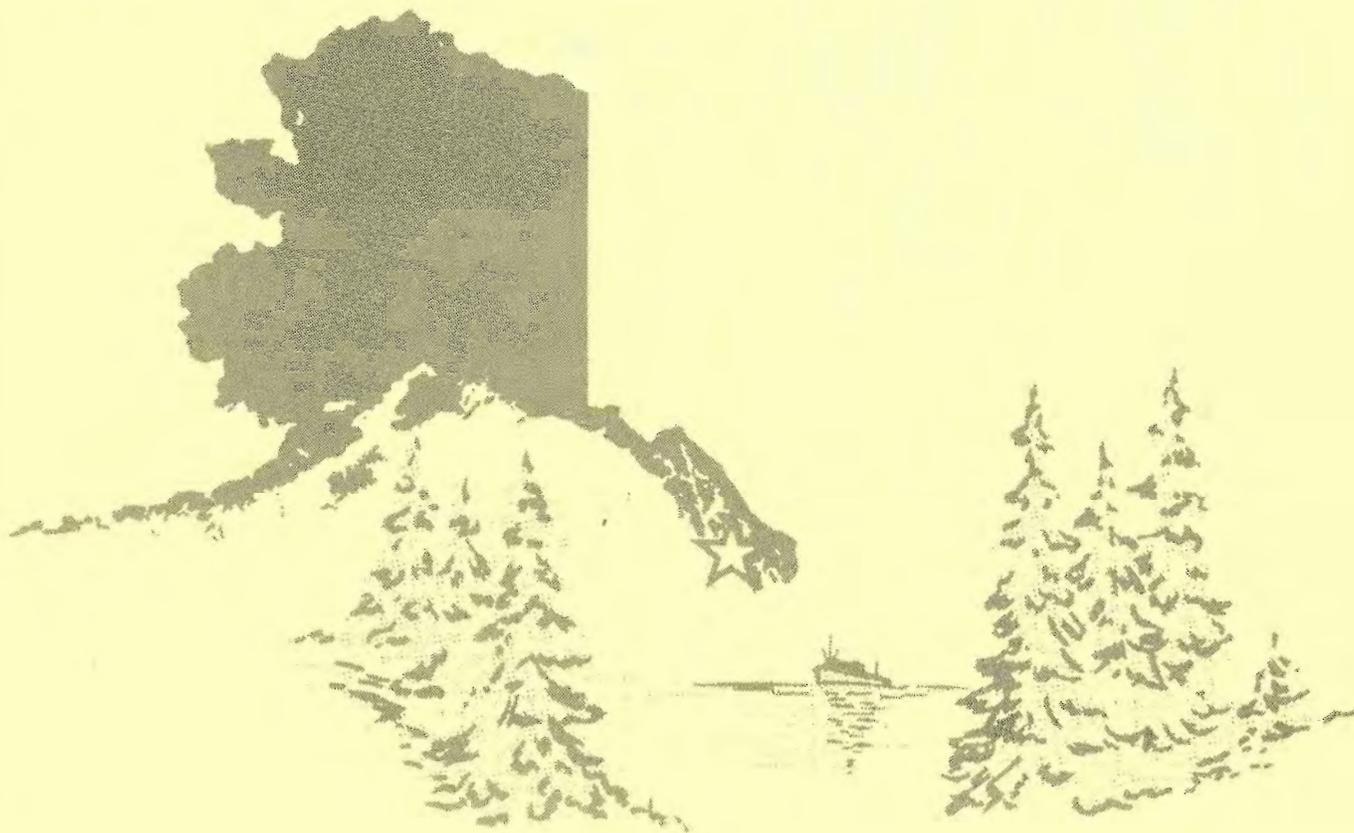


KETCHIKAN
GATEWAY
BOROUGH
ALASKA



**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

FOR FISCAL YEAR
ENDED JUNE 30, 1992

KETCHIKAN GATEWAY BOROUGH
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal year Ended June 30, 1992

Prepared by
KETCHIKAN GATEWAY BOROUGH
ACCOUNTING DEPARTMENT

Alvin E. Hall
Director of Accounting

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KETCHIKAN GATEWAY BOROUGH

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 1992

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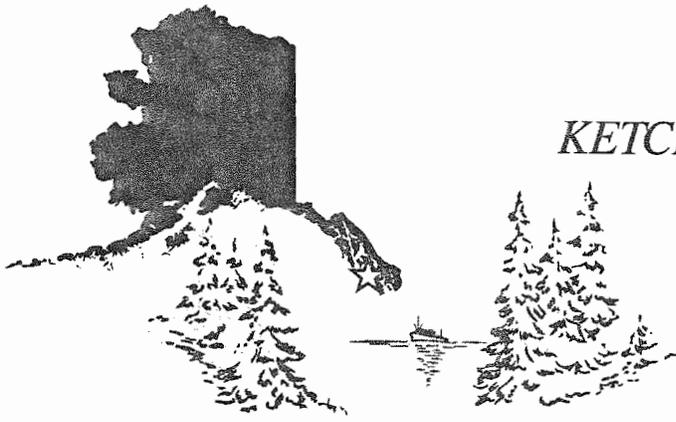
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INTRODUCTORY SECTION

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KETCHIKAN GATEWAY BOROUGH

Accounting Department
344 Front Street
Ketchikan, Alaska 99901
(907) 228-6630

November 2, 1992

Honorable Mayor and Members of the Assembly
Ketchikan Gateway Borough
Ketchikan, Alaska

The Comprehensive Annual Financial Report of the Ketchikan Gateway Borough, Alaska for the fiscal year ended June 30, 1992, is hereby submitted. The Borough Finance Department has prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Borough. We believe the data, as presented, is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Borough as measured by the financial activity of the various funds. All disclosures have been included to enable the reader to gain a maximum understanding of the Borough's financial activity.

ECONOMIC CONDITION AND OUTLOOK

The economy of the Ketchikan area is based primarily on forest products, fishing, and tourism. This results in the economy of Ketchikan being more stable than in other areas of Alaska that are much more dependent on oil production revenues. Although both fishing and forest products industries experience economic fluctuations, the long term outlook for both of these industries remains favorable. In addition, Ketchikan has experienced a large growth in tourism during the last few years as the number of visitors arriving on cruise ships, planes and boats has increased substantially. This trend of increased tourism is expected to continue in the future.

FINANCIAL INFORMATION

Management of the Borough is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Borough are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal and state financial assistance, the Borough also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the single audit performed by the Borough's independent accountants, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs and state awards, as well to determine that the Borough has complied with applicable laws and regulations. The results of the Borough's single audit for the fiscal year ended June 30, 1992, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Controls. Formal budgetary integration is employed as a management control device during the year for the General Fund and certain special revenue funds. The debt service funds do not use formal budgetary integration because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. The remaining special revenue funds and the capital projects funds are budgeted on a project length basis, and formal budgetary control is achieved as such.

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Ketchikan Gateway Borough Assembly. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. The Assembly may by ordinance, transfer appropriations between funds and amend the original budget in total. The Borough Manager may transfer amounts between line items within a department. The legal level of control (that is, the level at which expenditures cannot legally exceed the appropriation) is at the fund level.

Capital projects and grant activities are budgeted on project length basis. Activities of the General Fund and certain special revenue funds are included in the annual appropriating budget, and appropriations lapse at year end. The Borough also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Open encumbered amounts lapse at year end; however, they are reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Ketchikan Gateway Borough continues to meet its responsibility for sound financial management.

General Fund Balance. The General Fund fund balance declined to \$118,200 from the prior year. It is unlikely that the Borough will need to enter the short-term market to pay for current operating expenditures.

Enterprise Operations. The Ketchikan Gateway Borough enterprise operations are comprised of the Ketchikan International Airport, Bus Transit System and Recreation Programs. The intent of the Borough is that the cost of providing services to the general public be financed primarily through user charges. The acquisition, maintenance, and improvements of the facilities are financed from existing cash resources from operations, tax levies, the issuance of general obligation and revenue bonds, and state revenue sharing.

Fiduciary Responsibility. The Ketchikan Gateway Borough has fiduciary responsibility in three areas. First, Alaska statutes require the Borough to be responsible for collection and distribution of property and sales taxes for cities within the Borough. The second area of fiduciary responsibility involves participation by Borough employees in a deferred compensation plan. While the Borough does not administer the plan, contributions are assets of the Borough and are reported in an agency fund. Finally, the School District acts as an agent for student associations and booster clubs through student activity funds.

Debt Administration. At June 30, 1992, the Ketchikan Gateway Borough had outstanding debt of \$17,346,004. This comprised of \$16,194,000 in general obligation school debt, \$62,004 in capital leases, and enterprise funds have outstanding debt of \$1,090,000 comprised of \$815,000 in general obligation bonds and \$275,000 in revenue bonds.

Cash Management. Cash temporarily idle during the year was invested in obligations of the U.S. Government, its agencies and instrumentalities, certificates of deposit, and repurchase agreements. Central treasury balances earned interest of \$1,726,957 on all investments for the year ended June 30, 1992. Central treasury balances consisted of the General Fund, special revenue funds, capital projects funds, and portions of the enterprise and agency funds.

The Borough's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Normally all bank balances are covered by federal depository insurance, or by collateral held by the Borough's agent in the Borough's name. Borough investments are insured, registered, or are securities which are held by the Borough or its agent in the Borough's name, which places them in the lowest risk category as defined by Statement No. 3 of the Governmental Accounting Standards Board.

Risk Management. The Borough currently maintains coverage for comprehensive general liability, automobile liability, building and contents, education errors and omissions, and public officials liability.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

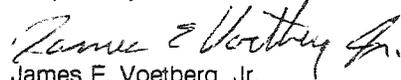
A legislative appropriation was approved for the Ketchikan High School in the amount of \$5,623,700. The legislature also appropriated \$1,800,000 for Mountain Point Water and Sewer, \$1,500,000 for Airport Apron and Taxiway Improvements, and Street Improvements of \$532,000.

OTHER INFORMATION

Alaska State Statutes 29.35.120 requires an annual independent audit of the accounts and financial transactions of the Borough by a certified public accountant. The accounting firm of Hogan, Mecham, Richardson and Company, CPA's, was selected and ratified by the Borough Assembly. In addition to meeting the requirements set forth in the State Statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-128 and the State of Alaska Single Audit Act 2 AAC 45.010. The Auditor's report on the general purpose financial statements is included in the financial section of this report. The combining, individual fund and account group financial statements and schedules are presented for purposes of additional analysis. The auditor's reports related specifically to the single audit are contained in a separate report.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Accounting Department. We wish to express our opinion to all members of the Accounting Department who assisted and contributed in many ways in making possible the preparation of this report. We also want to thank you, the Mayor and Members of the Borough Assembly, for your interest and support in planning and conducting the financial operations of the Borough in a responsible and progressive manner.

Respectfully submitted,



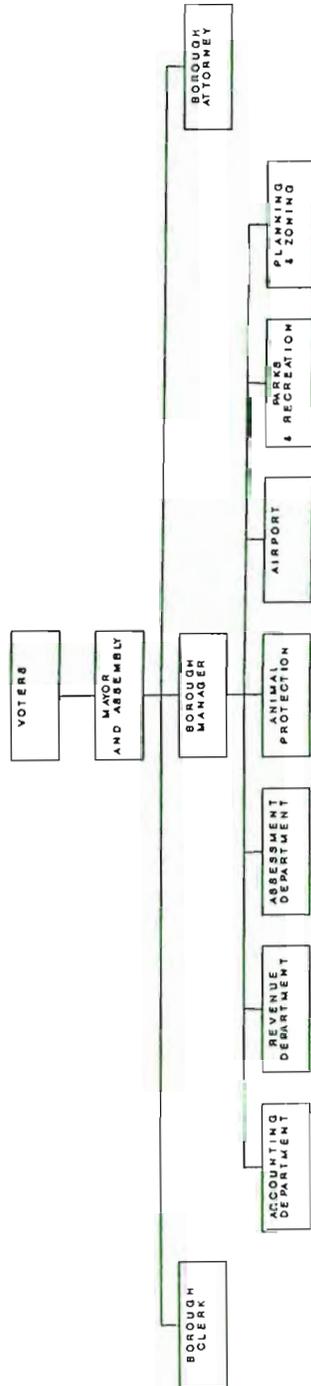
James E. Voetberg, Jr.
Interim Borough Manager



Alvin E. Hall
Director of Accounting

KETCHIKAN GATEWAY BOROUGH

Organization Chart



KETCHIKAN GATEWAY BOROUGH
PRINCIPAL BOROUGH OFFICIALS
JUNE 30, 1992

MAYOR & ASSEMBLY

Ralph M. Bartholomew	Mayor
Michael Holman	Vice Mayor/Assemblymember
Dennis McCarty	Assemblymember
Michael R. Cruise	Assemblymember
John Cote	Assemblymember
Bob Boatwright	Assemblymember
Carrol Fader	Assemblymember
John Conley	Assemblymember

BOROUGH STAFF

David G. Crow	Borough Manager
Teresa Williams	Municipal Attorney
Georgianna C. Zimmerle	Borough Clerk
Alvin E. Hall	Director of Accounting
Sandra L. Isley	Director of Revenue
Dennis Finnegan	Director of Assessing
Lester E. Williams	Chief of Animal Control
Gary Munsterman	Director of Planning
Ken Linder	Airport Manager
Sue Daly	Director Parks & Recreation

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

HOGAN, MECHAM, RICHARDSON AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

1734 TONGASS AVENUE
KETCHIKAN, ALASKA 99901
(907) 225-9688
FAX (907) 225-9687

Partners:
L. Pete Hogan, CPA
Edward B. Mecham, CPA
S. Dirk Richardson, CPA

A Member of the
AICPA Private
Company Practice
Section

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Borough Assembly
Ketchikan Gateway Borough
Ketchikan, Alaska

We have audited the accompanying general purpose financial statements of the Ketchikan Gateway Borough ("the Borough") as of June 30, 1992, and for the year then ended. These general purpose financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. The financial statements of the Ketchikan Gateway Borough as of June 30, 1991 were audited by other auditors, whose unqualified report was dated November 8, 1991.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Ketchikan Gateway Borough as of June 30, 1992, and the results of its operations and the cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund,

HOGAN, MECHAM, RICHARDSON AND COMPANY
Certified Public Accountants

To the Honorable Mayor and
Members of the Borough Assembly
Ketchikan Gateway Borough

and accounts group statements and schedules listed in the accompanying table of contents, are presented for purposes of additional analysis of the general purpose financial statements, and are not a required part of the general purpose financial statements of the Ketchikan Gateway Borough. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The other data included in this report, designated as the "Statistical Section - Unaudited" in the table of contents, has not been audited by us and, accordingly, we do not express an opinion on such data.

Hogan, Mecham, Richardson and Company

October 9, 1992

GENERAL PURPOSE FINANCIAL STATEMENTS

The financial statements in this section provide a summary overview of the financial position of all funds and account groups including summary operating results of all funds.

The following statements are included in this section:

Combined Balance Sheet - All Fund Types and Account Groups

Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Funds

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget & Actual - General and Special Revenue Fund Types

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances - All Proprietary Fund Types and Similar Trust Funds

Combined Statement of Cash Flows - All Proprietary Fund Types and Similar Trust Funds

KETCHIKAN GATEWAY BOROUGH
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1992

(With comparative totals for June 30, 1991)

	Governmental Fund Types		Capital Projects	Proprietary Fund Types Enterprises	Fiduciary Fund Types Trust and Agency Funds	Account Groups		(Total Memorandum Only)	
	General	Special Revenue				Debt Service	General Fixed Assets	General Long Term Debt	Year Ended June 30, 1992
ASSETS									
Cash and Temporary Investments	\$ 2,018,357	\$ 8,262,706	\$ 15,736,793	\$ 185,607	\$ 227,361			\$ 26,430,824	\$ 23,237,302
Funds with Fiscal Agents					1,001,580			1,001,580	1,098,033
Property Taxes Receivable	8,866							8,866	27,727
Due From Other Governments		323,147		12,821				335,968	542,457
Accounts Receivable	202,371	426,971		264,254				893,596	243,827
Due From Other Funds		2,029,448			8,143			3,389,471	975,484
Accrued Interest Receivable	33,272		1,351,880					226,886	550,546
Prepaid Insurance	2,715	291,936	193,614					294,651	287,556
Deferred Accounts Receivable		350,533						350,533	743,774
Inventory		24,536						24,536	22,321
Restricted Assets									
Bond Redemption Fund Cash and									
Investments				59,733				59,733	59,733
Plant in Service				7,949,965				7,949,965	6,827,034
Construction in Progress				611,502				611,502	236,570
Accumulated Depreciation				(3,446,837)				(3,446,837)	(2,874,386)
Land									148,081
Buildings							\$ 148,081		148,081
Equipment							28,883,152		28,894,027
Leasehold Improvements							5,115,395		4,675,141
Amount to be Provided for							17,867		17,867
Payment of Long Term Debt								16,256,004	23,375,601
Total Assets	\$ 2,265,581	\$ 11,706,277	\$ 17,282,287	\$ 5,637,045	\$ 1,237,094	\$ 34,164,495	\$ 16,256,004	\$ 88,551,773	\$ 99,088,695

KETCHIKAN GATEWAY BOROUGH
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1992

(With comparative totals for June 30, 1991)

	Governmental Fund Types			Proprietary Fund Types Enterprises	Fiduciary Fund Types Trust and Agency Funds	Account Groups		(Total Memorandum Only) Year Ended June 30, 1992	Year Endec June 30, 19	
	General	Special Revenue	Debt Service			Capital Projects	General Fixed Assets			General Long Term Debt
LIABILITIES AND FUND EQUITY										
Liabilities										
Accounts Payable	\$ 73,712	\$ 1,075,094	\$ 1,348,338	\$ 220,242	\$ 187,287			\$ 2,904,674	\$ 1,454,495	
Due to Other Governments	107,988							107,988	656,579	
Due to Other Funds	1,788,471	1,554,545	74,669	64,843	13,163			3,495,691	975,484	
Accrued Interest Payable			250,000	14,308				264,308	19,759	
Accrued Vacation and Sick Leave	169,707	169,940	3,542	204,543				547,732	438,021	
Deferred Revenue	7,503	1,707,897	6,504,188					8,219,588	1,414,586	
Deferred Compensation				1,090,000	1,001,580			1,001,580	1,098,033	
Bonds Payable							\$ 16,194,000	17,284,000	24,684,000	
Capital Lease Payable							62,004	62,004	186,601	
Total Liabilities	2,147,381	4,507,476	8,180,738	1,593,936	1,202,030		16,256,004	33,887,565	30,927,558	
Fund Equity										
Contributed Capital				1,998,740				1,998,740	2,087,725	
Investment in General										
Fixed Assets								\$ 34,164,495	33,735,116	
Retained Earnings				59,733				59,733	59,733	
Reserved for Bond Retirement				1,984,636				1,984,636	672,364	
Unreserved										
Fund Balances										
Reserved for Encumbrances	19,408	282,811						302,219	229,892	
Reserved for Prepaid	2,715							2,715	287,556	
Reserved for Inventory		24,536						24,536	22,321	
Reserved for Endowments					3,061			3,061		
Designated for Pupil Activities		32,387						32,387	10,000	
Unreserved Fund Balance	96,077	6,862,067	9,101,549		31,993			15,091,686	21,056,430	
Total Fund Equity	118,200	7,201,801	9,101,549	4,043,109	35,054		34,164,495	54,664,208	58,161,137	
Total Liabilities and Fund Equity	\$ 2,265,581	\$ 11,709,277	\$ 17,282,287	\$ 5,637,045	\$ 1,237,084		\$ 34,164,495	\$ 88,551,773	\$ 89,088,695	

KETCHIKAN GATEWAY BOROUGH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 1992
(With comparative totals for the fiscal year ended June 30, 1991)

	Governmental Fund Type				Fiduciary Fund Type Expendable Trust	(Total Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects		Year Ended June 30 1992	Year Ended June 30, 1991
REVENUES							
Taxes	\$ 7,830,745	\$ 383,978				\$ 8,214,723	\$ 7,148,218
Payments in Lieu of Taxes	20,149					20,149	15,003
Licenses and Permits	15,546					15,546	13,786
Revenues from Other Govts	1,534,264	17,905,300		\$ 21,592		19,461,156	16,153,373
Charges for Services	91,599	241,379				332,978	585,612
Donations		24,000				24,000	
Other Revenues	220,516	931,848		941,307	\$ 997	2,094,668	1,708,565
Total Revenues	9,712,819	19,486,505		962,899	997	30,163,220	25,624,557
EXPENDITURES							
Administration	1,845,420					1,845,420	1,849,959
Animal Control	240,263					240,263	201,577
Public Services	1,273,620	2,618,603				3,892,223	2,045,650
Non-Departmental	128,700					128,700	178,640
Education	608,548	17,760,819			1,750	18,371,117	16,752,154
Capital Projects							
General	226,677	338,111				564,788	318,390
Education				3,462,737		3,462,737	460,616
Debt Service			\$ 5,240,176	250,000		5,490,176	3,243,835
Total Expenditures	4,323,228	20,717,533	5,240,176	3,712,737	1,750	33,995,424	25,050,821
Excess (Deficit) of Revenues over Expenditures	5,389,591	(1,231,028)	(5,240,176)	(2,749,838)	(753)	(3,832,204)	573,736
Other Financing Sources (Uses)							
Operating Transfers In	666,806	6,115,976	5,067,379			11,850,161	10,267,565
Operating Transfers Out	(7,274,504)	(5,741,300)				(13,015,804)	(10,324,310)
Bond Proceeds							12,000,000
Total Other Financing Sources (Uses)	(6,607,698)	374,676	5,067,379			(1,165,643)	11,943,255
Excess (Deficit) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(1,218,107)	(856,352)	(172,797)	(2,749,838)	(753)	(4,997,847)	12,516,991
Fund Balance, Beginning of Year Before Restatement	1,336,307	8,012,785	172,797	11,851,387	7,746	21,381,022	9,077,775
Prior Period Adjustment		45,368				45,368	
Fund Balances, Beginning of Year After Restatement	1,336,307	8,058,153	172,797	11,851,387	7,746	21,426,390	9,077,775
Fund Balances, End of Year	\$ 118,200	\$ 7,201,801	\$ 0	\$ 9,101,549	\$ 6,993	\$ 16,428,543	\$ 21,594,766

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

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL – GENERAL AND SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 1992

	General			Special Revenue			Total Memorandum Only		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES									
Taxes	\$ 8,165,663	\$ 7,830,745	\$ (334,918)	\$ 378,120	\$ 383,978	\$ 5,858	\$ 8,543,783	\$ 8,214,723	\$ (329,060)
Payments in Lieu of Taxes	15,000	20,149	5,149				15,000	20,149	5,149
Licenses and Permits	25,675	15,546	(10,129)				25,675	15,546	(10,129)
Revenue from Other Govts	1,787,623	1,534,264	(253,359)	15,811,829	15,820,453	8,624	17,599,452	17,354,717	(244,735)
Charges for Services	104,100	91,599	(12,501)	251,313	241,379	(9,934)	355,413	332,978	(22,435)
Other Revenues	385,000	220,516	(164,484)	2,043,924	848,343	(1,195,581)	2,428,924	1,068,859	(1,360,065)
Total Revenues	10,483,061	9,712,819	(770,242)	18,485,186	17,294,153	(1,191,033)	28,968,247	27,006,972	(1,961,275)
EXPENDITURES									
Administration	1,755,214	1,845,420	(90,206)				1,755,214	1,845,420	(90,206)
Animal Control	231,387	240,263	(8,876)				231,387	240,263	(8,876)
Public Services	1,337,966	1,273,620	64,346	683,910	571,844	112,066	2,021,876	1,845,464	176,412
Non-Departmental	150,811	128,700	22,111				150,811	128,700	22,111
Education	594,054	608,548	(14,494)	17,745,156	17,760,819	(15,663)	18,339,210	18,369,367	(30,157)
Capital Projects	374,570	226,677	147,893	463,214	289,711	173,503	837,784	516,388	321,396
Total Expenditures	4,444,002	4,323,228	120,774	18,892,280	18,622,374	269,906	23,336,282	22,945,602	390,680
Excess (Deficit) of Revenues over Expenditures	6,039,059	5,389,591	(649,468)	(407,094)	(1,328,221)	(921,127)	5,631,965	4,061,370	(1,570,595)
Other Financing Sources (Uses)									
Transfers from Other Funds	672,713	666,806	(5,907)	6,114,546	6,115,976	1,430	6,787,259	6,782,782	(4,477)
Transfers to Other Funds	(7,386,534)	(7,274,504)	112,030	(5,695,279)	(5,695,887)	(608)	(13,081,813)	(12,970,391)	111,422
Total Other Financing Sources (Uses)	(6,713,821)	(6,607,698)	106,123	419,267	420,089	822	(6,294,554)	(6,187,609)	106,945
Excess (Deficit) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(674,762)	(1,218,107)	(543,345)	12,173	(908,132)	(920,305)	(662,589)	(2,126,239)	(1,463,650)
Fund Balance, Beginning of Year Before Restatement	1,336,307	1,336,307		7,586,362	7,925,062	338,700	8,922,669	9,261,369	338,700
Prior Period Adjustment					45,368	45,368		45,368	45,368
Fund Balance, Beginning of Year After Restatement	1,336,307	1,336,307		7,586,362	7,970,430	384,068	8,922,669	9,306,737	384,068
Fund Balances, End of Year	\$ 661,545	\$ 118,200	\$ (543,345)	\$ 7,598,535	\$ 7,062,298	\$ (536,237)	\$ 8,260,080	\$ 7,180,498	\$ (1,079,582)

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

KETCHIKAN GATEWAY BOROUGH

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

ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS

For the Fiscal Year Ended June 30, 1992

	Proprietary Fund Types Enterprise Funds	Fiduciary Fund Types Nonexpendable Trusts	(Memorandum Only) Total
OPERATING REVENUES			
Charges for Services	\$ 2,544,432	_____	\$ 2,544,432
Total Operating Revenues	<u>2,544,432</u>	_____	<u>2,544,432</u>
OPERATING EXPENSES			
Education		250	250
Operations	806,888		806,888
Field	630,865		630,865
Terminal	468,945		468,945
Ferry	988,694		988,694
Depreciation	<u>301,049</u>	_____	<u>301,049</u>
Total Expenditures	<u>3,196,441</u>	<u>250</u>	<u>3,196,691</u>
Operating Loss	<u>(652,009)</u>	<u>(250)</u>	<u>(652,259)</u>
Non operating Revenues (Expenses)			
Interest Earnings	16,405		16,405
Other Revenues		16,317	16,317
State Operating Grants	321,724		321,724
Interest Expense	<u>(78,278)</u>	_____	<u>(78,278)</u>
Total Nonoperating Revenues (Expenses)	<u>259,851</u>	<u>16,317</u>	<u>276,168</u>
Income (Loss) Before Operating Transfers	<u>(392,158)</u>	16,067	<u>(376,091)</u>
Operating Transfers In	1,180,643		1,180,643
Operating Transfers Out	<u>(15,000)</u>	_____	<u>(15,000)</u>
Net Income	773,485	16,067	789,552
Depreciation of Fixed Assets Acquired by Grant	<u>119,932</u>	_____	<u>119,932</u>
Net Increase	893,417	16,067	909,484
Retained Earnings/Fund Balances, Beginning of Year	<u>1,150,952</u>	<u>11,994</u>	<u>1,162,946</u>
Retained Earnings/ Fund Balances, End of Year	<u>\$ 2,044,369</u>	<u>\$ 28,061</u>	<u>\$ 2,072,430</u>

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

KETCHIKAN GATEWAY BOROUGH
COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS

For the Fiscal Year Ended June 30, 1992

	Proprietary Fund Types Enterprise Funds	Fiduciary Fund Types Nonexpendable Trusts	(Memorandum Only) Total
Cash Flows for Operating Activities:			
Operating Income (Loss)	\$ (652,009)	\$ (250)	\$ (652,259)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	301,049		301,049
Change in Assets and Liabilities:			
(Increase) in Accounts Receivables	(94,844)		(94,844)
Decrease in Due from Others	1,578		1,578
(Decrease) in Accounts Payable	159,300		159,300
(Decrease) in Deferred Revenue	(7,557)		(7,557)
(Decrease) in Accrued Liabilities	44,688		44,688
Net Cash Provided by (Used in) Operating Activities	<u>(247,795)</u>	<u>(250)</u>	<u>(248,045)</u>
Cash Flows from Noncapital Financing Activities:			
Other Revenues	12		12
Miscellaneous Income		15,000	15,000
Operating Grants Received	321,724		321,724
Contributed Capital	55,557		55,557
Increase (Decrease) in Due to Other Funds	19,790	(557)	19,233
Transfers in from General Fund	1,180,643		1,180,643
Transfers out to General Fund	<u>(15,000)</u>		<u>(15,000)</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,562,726</u>	<u>14,443</u>	<u>1,577,169</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Equipment	(548,748)		(548,748)
Construction in Progress	(370,489)		(370,489)
Principal Paid on Bonds Payable	(210,000)		(210,000)
Interest Paid on Bonds Payable	<u>(78,278)</u>		<u>(78,278)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(1,207,515)</u>		<u>(1,207,515)</u>
Cash Flows from Investing Activities			
Interest on Investments	<u>16,393</u>	<u>1,317</u>	<u>17,710</u>
Net (Decrease) in Cash and Cash Equivalents	123,809	15,510	139,319
Cash and Cash Equivalents, Beginning of Year	<u>121,531</u>	<u>10,000</u>	<u>131,531</u>
Cash and Cash Equivalents, End of Year	\$ <u>245,340</u>	\$ <u>25,510</u>	\$ <u>270,850</u>

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

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KETCHIKAN GATEWAY BOROUGH

Notes to the Financial Statements
June 30, 1992

Note 1. Summary of Significant Accounting Policies

The financial statements of the Ketchikan Gateway Borough have been prepared in conformity with 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 more significant of the Borough's accounting policies are described below.

A. Reporting Entity

The Ketchikan Gateway Borough was incorporated September 13, 1963, under the provisions of the State of Alaska Borough Act of 1961, as a second class borough. The Borough operates under a seven member elected assembly and manager form of government and provides the following areawide services: assessment and collection of taxes for the Borough and cities within the Borough, animal control, parks and recreation, transportation, economic development, planning and zoning, education, senior citizen funding, and general administrative services. The Borough also provides fire protection, sewer, water services and road maintenance on a non-areawide basis represented by service areas. The Borough also provides limited emergency management services.

Included within the Ketchikan Gateway Borough's Comprehensive Annual Financial Report is the Ketchikan Gateway Borough School District in accordance with the National Council of Governmental Accounting (NCGA) Statement 3 on "Defining the Governmental Reporting Entity." Oversight responsibility is derived from the governmental unit's powers and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. While the School District and service areas are governed by separately elected or appointed boards, final responsibility rests with the Borough. The Borough Assembly is responsible for approving their budgets and establishing spending limitations, for funding any deficits, for levying taxes and collecting and distributing the funds, and for issuing bonds to finance capital improvements. For these reasons, the accompanying financial statements include all activities of the Ketchikan Gateway Borough, Ketchikan Gateway Borough School District, and service areas. The Borough does not exercise any element of oversight responsibility, as defined by NCGA Statement 3, over any other entity.

Excluded from the reporting entity are the State of Alaska Public Employees' Retirement System and the State of Alaska Teachers' Retirement System employee pension plans. The Borough has no authority over the financing of deficits, no entitlement to surpluses, or responsibility for debt for these pension plans. It also has no influence over management designation and no ability to influence operations. The State of Alaska administers and has oversight responsibility for the Public Employees' Retirement System and the Teachers' Retirement System. However, current pension information as it relates to the reporting entity is presented in Note 15 of the Notes to the Financial Statements.

B. Fund Accounting

The accounts of the Borough are organized on the basis of funds and account groups. A fund is considered a separate set of self-balancing accounts comprised of assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses for transactions related to certain government functions or activities. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified in three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental Funds

Governmental fund operations are focused on the measurement of the sources and flow of current financial resources. This measurement is unique in that generally only current expendable financial resources are accounted for in this group.

General Fund. The General Fund is the general operating fund of the Borough. It is used to account for all financial resources except those required to be accounted for in another fund. Principal revenue sources are property and sales taxes levied on an areawide basis and state shared revenues. Primary expenditures are for general administration, planning and zoning, and animal protection.

Special Revenue Funds. These funds are used to account for revenues derived from specific taxes or other earmarked revenue sources, including state and federal grants and property taxes levied on a non-areawide basis that are legally restricted to expenditures for specified purposes.

Debt Service Funds. The Debt Service Funds are used to account for the payment of principal and interest on the Borough's general obligation bonds.

Capital Projects Funds. These funds are used to account for capital improvements (except for those financed by proprietary funds) which are financed by Borough general obligation bond issues, state and federal grants, and operating transfers in from other funds for service area improvements.

Proprietary Funds

This fund category emulates the private sector in that many activities recorded are operated in a manner similar to a commercial operation. The measurement focus is based on the measurement of net income and allows the reporting of all assets and liabilities associated with the activity.

Enterprise Funds. The Borough is responsible for the operation and maintenance of the Airport and Transit facilities. Both areas are included in this classification. It is the intent of the Borough that the costs (expenses including depreciation) of providing services to the general public be financed or recovered primarily through user charges. The acquisition, maintenance, and improvement of the physical plant facilities required to provide these services are financed from existing cash resources, property taxes, the issuance of general obligation bonds, and state grants.

Fiduciary Funds

This fund category shares similarities with the other two fund types but was created to account for those activities wherein the governmental unit acts as the trustee or agent on behalf of another party.

Agency Funds. The Borough maintains two agency funds, the School Revolving Fund and Deferred Compensation Plan Fund.

The School Revolving Fund is used to account for assets held by the Ketchikan Gateway Borough School District in a trustee capacity for various student body organizations.

The Deferred Compensation Plan Fund is used to account for the activity associated with the withholding and submission of voluntary employee contributions to an Internal Revenue Service Code 457 deferred compensation plan.

Account Groups

Account groups are self-balancing groups of accounts established to provide accountability and control for general fixed assets and unmatured general long-term debt.

Fixed Assets. Because governmental funds report the flow of current financial resources, the fixed assets account group is used to report and account for the assets acquired through those activities. Assets of the enterprise funds are recorded within those funds.

Long-Term Debt. The long-term debt account group is used to account for a government's unmatured long-term indebtedness that has not been identified as a specific fund liability of an enterprise fund.

C. Basis of Accounting/Measurement Focus

Basis of accounting refers to the method of recognizing revenues, expenditures, expenses, transfers, and the related assets and liabilities in the accounts and the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary and fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

Modified Accrual Basis of Accounting. The Borough's governmental funds use the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Major revenues susceptible to accrual include property taxes levied and due in the current year even though a portion of the taxes are collected in the subsequent year. Sales taxes and penalty and interest on delinquent taxes are considered measurable when paid and are recognized as revenue at that time. Intergovernmental revenues received as reimbursement for specific purposes or projects are recognized in the period the expenditures are incurred. Intergovernmental revenue received but not yet earned is recorded as deferred revenue. In subsequent periods, when the Borough has legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Revenue from land sale contracts receivable are deferred until the receivables are collected.

Expenditures are recorded when the goods and services are received. Exceptions to this general rule include accumulated nonvested sick pay amounts which are not accrued and principal and interest on general long-term debt which is recognized when due.

The Borough's fiduciary funds also use the modified accrual basis of accounting. Since agency funds do not involve measurement of results of operations, they have no measurement focus as such. Assets and liabilities are recognized when they occur, regardless of the related cash flow.

Accrual Basis of Accounting. The proprietary funds use the full accrual basis of accounting in that revenues are recognized when earned and expenses are recognized when the liability is incurred. All assets and all liabilities, whether current or noncurrent, associated with fund activity are included on the balance sheet. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets. Fixed asset acquisitions by the enterprise funds are capitalized at cost, and depreciation is computed on the straight-line method over the estimated useful life of the asset, ranging from five to forty years.

D. Budgets

Budgets are adopted annually for the General and Special Revenue funds; all appropriations lapse at fiscal year end. The annual Debt Service requirements are budgeted as operating transfers from the General Fund to the Debt Service Funds. Capital Projects fund budgets are adopted on a project length basis.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year end are treated as reservations of fund balances

since the commitments will be honored through subsequent years' expenditures. Borough code allows an additional appropriation to subsequent years' appropriation to the extent of the open encumbrance.

E. Cash and Investments

The Borough utilizes a central treasury to aggregate cash from all funds for cash management and investment purposes. Each fund has an account titled "cash in treasury" which is the cash balance of that particular fund. Each fund whose monies are deposited in the central treasury has equity therein. Interest income on investments is allocated monthly to participating funds based on their ending equity balance.

Borough ordinance authorizes the Borough to invest in obligations of the U. S. Treasury, its agencies and instrumentalities, bankers' acceptances of the fifty largest banks, highest rated commercial paper, repurchase agreements, fully collateralized certificates of deposits, and highest rated bonds and notes issued by a state or political subdivision thereof. Borough ordinance places limitations on maturity of investments, and Borough investment procedures limit the level of investment by type.

Investments are stated at cost except for investments in the Deferred Compensation Fund, which are reported at market value.

For purposes of the statement of cash flows, the Borough has defined cash and cash equivalents as the demand deposits and all investments maintained in the cash central treasury regardless of maturity period, since the various funds use the central treasury essentially as a demand deposit account.

F. Short-term Interfund Receivables/Payables

Certain accounts within funds have made disbursements from the central treasury in excess of their individual equities. Consequently the General Fund has made a short-term loan to these funds. Short-term interfund loans are classified as "due from other funds" on the balance sheet.

G. Inventories

Inventories in the Special Revenue School Fund are carried at cost on the first-in, first-out method. These inventories consist of expendable supplies, equipment, and foodstuffs held at the central warehouse for issuance to schools or other district locations. The cost of inventory items is included in expenditures when issued for consumption. 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.

Other inventories of materials and supplies are considered immaterial and are recorded as expenditures when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1992, are recorded as prepaid items.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to construct or acquire them. Instead, capital acquisition and construction are reflected as expenditures in the governmental funds, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or extend the asset life are not capitalized. Improvements are capitalized and depreciated over the remaining useful life of the related fixed asset, as applicable.

Public domain or infrastructure consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, and lighting systems, are not capitalized since they are immovable and of value only to the Borough. Assets in the General Fixed Assets Account Group are not depreciated. Depreciation of buildings, equipment, and vehicles in the proprietary funds types is computed using the straight-line method.

Interest is capitalized on proprietary fund assets acquired with tax exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized in 1992.

J. Compensated Absences

The Borough, School District, and service areas recognize a liability for the net amount of accrued accumulated vacation and vested sick leave. Accumulated vacation may be received in cash, subject to certain restrictions, by the employee at any time. Unused sick leave is vested at 25% for the first five years of employment, an additional 25% is vested through year nine, after 10 years of employment an employee is vested at 100%. Vested sick leave may only be received in cash by the employee upon termination of employment. For this reason, accumulated vacation and vested sick leave are fully funded within the fund type. The obligation of accumulated unpaid vacation and vested sick leave total \$547,732 at June 30, 1992.

The Borough does not accrue a liability for nonvested sick leave, payable only in the event of employee absence due to illness.

K. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-term Debt Account Group. Long-term debt expected to be financed from proprietary fund operations is accounted for in those funds. Capital lease obligations are recognized in the general long-term debt account group at the net present value of the future minimum lease payments or the market value of the equipment as appropriate. A capital expenditure and other financing source are recognized in the appropriate governmental fund in the year the lease is executed.

L. Fund Equity

Contributed capital is recorded in proprietary funds for those monies received from capital grants or inter-governmental revenues. Reserves for encumbrances, endowments, prepaids and inventories represent those portions of fund equity legally segregated for future use. Designated portions of fund balances for subsequent years' expenditures and working capital represent tentative plans for future use of financial resources.

M. Interfund Transactions

Quasi-external transactions are transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the government unit and are accounted for as revenues and expenditures between the participating funds. Transactions that constitute reimbursement to a fund for expenditures initially made from it and that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund being reimbursed.

Except for quasi-external transactions and reimbursements, all other interfund activity is reported as operating transfers. Nonrecurring permanent transfers of equity are reported as residual equity transfers.

N. Total Columns-Memorandum Only

Total columns in the combined statements are captioned "Memorandum Only" to indicate that they are to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with GAAP. Such data are not comparable to a consolidation since the basis of accounting differs among the various funds and because interfund transfer eliminations have not been made in the aggregation of this data.

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations.

Note 2. Legal Compliance - Budgets

The budgetary data presented in the financial statements is reflective of the following procedure:

The Ketchikan Gateway Borough Board of Education is required by Alaska law to adopt and submit their annual budget to the Ketchikan Gateway Borough Assembly by April 1 of each year for approval by the Assembly of the total amount. Within 30 days after receipt of the School District budget, the Borough Assembly must determine the total amount of funds to be made available from local sources for school purposes and must furnish the Board of Education with a statement of this amount. By May 31 the Assembly must appropriate the local share of funding. Any subsequent increases in the School District budget must be authorized by the Borough Assembly.

The Borough Manager shall prepare and submit to the Assembly, no later than the first regular assembly meeting in May of each year, a proposed annual budget and capital program for the next fiscal year, which shall contain detailed estimates of anticipated revenues and proposed expenditures for the year. The total of such proposed expenditures shall not exceed the total of such anticipated revenues. The Assembly then conducts public hearings to obtain taxpayer comment. The Assembly may add to, subtract from, or change appropriations but may not change the form of the budget. These budgets are legally enacted by passage of an ordinance and mill levies established. Alaska law mandates that tax levies be adopted no later than midnight of June 15 each year. The Borough prepares its budget on a GAAP basis.

Subsequent to the formal budget adoption, the Assembly may, by ordinance, transfer unencumbered balances between funds. The Borough Manager may transfer unencumbered balances within a fund, which is then reported to the Assembly at their next meeting. The legal level of control is at the fund level.

Emergency appropriations to meet public emergencies affecting life, health, welfare, or property may be made by the Assembly by ordinance without notice of public hearing. An Emergency appropriation is effective for 60 days. Other supplemental appropriations may be made only after a 30-day notice of public hearing.

During fiscal year 1992, the Borough Assembly made the following supplemental appropriations in the General and Special Revenue Funds:

- (1) Ordinance No. 821 adopted August 5, 1991, appropriated \$49,000 from the General Fund.
- (2) Ordinance No. 826 adopted September 16, 1991, appropriated \$7,500 from the General Fund.
- (3) Ordinance No. 834 adopted October 21, 1991, appropriated \$10,000 from the General Fund.
- (4) Ordinance No. 839 adopted December 2, 1991, appropriated \$10,000 from the General Fund.
- (5) Ordinance No. 830 adopted January 6, 1992, appropriated \$15,000 from the General Fund and \$10,000 from the Forest Park Service Area Fund.
- (6) Ordinance No. 847 adopted March 16, 1992, appropriated \$658,615 from the General Fund and \$658,615 from the Airport Fund.
- (7) Ordinance No. 852 adopted April 20, 1992, appropriated \$533,642 from the Land Trust Fund.

- (8) Ordinance No. 858 adopted May 18, 1992, appropriated \$6,000 from the Recreation Enterprise Fund.
- (9) Ordinance No. 867 adopted June 29, 1992, appropriated \$125,897 from the Land Trust Fund, \$264,017 from the Airport Fund and \$35,000 from the Recreation Enterprise Fund.

Open encumbrances at fiscal year end are honored in the next year. Borough Code allows an additional appropriation in the subsequent year to the extent of the open encumbrance.

All budgetary data presented in this report has been prepared on the modified accrual basis of accounting for government type funds. Under current budgetary procedures, expenditures and encumbrances for a specific fund must not exceed the appropriation for that fund. In addition, the unexpended and encumbered balance of appropriation for each fund lapses at the end of each fiscal year.

In the special revenue funds, certain funds are not budgeted. As such, they are not included in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual. A reconciliation of the entity differences in the excess of revenues and other financing sources over expenditures and other financing uses at June 30, 1992 is as follows:

Excess of (Deficit) Revenues and Other Financing Sources Over Expenditures and Other Financing Uses for all budgeted special revenue funds	\$(908,132)
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Adjustments:

Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses for unbudgeted special revenue funds:

Day Care Service Fund	0
State and Federal Grants	75,297
Special Recreation Fund	<u>(23,517)</u>

Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses for all special revenue funds	<u>\$(856,352)</u>
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Note 3. Cash and Short-Term Investments

The Ketchikan Gateway Borough maintains cash and short-term investment accounts for all funds except the deferred compensation plan, which is handled by an independent trustee institution. Each fund type's cash and short-term investments are shown in the combined balance sheet as cash and temporary investments for governmental fund types and cash and cash equivalents for proprietary fund types and nonexpendable trusts. To provide an indication of the level of credit risk assumed by the Ketchikan Gateway Borough at June 30, 1992, the Borough's deposits and investments and those of its component units are categorized as follows:

Deposits

- Category 1 Insured or collateralized with securities held by the Ketchikan Gateway Borough or its agent in the Ketchikan Gateway Borough's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the Ketchikan Gateway Borough's name.
- Category 3 Uninsured and uncollateralized. This includes bank balances collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Ketchikan Gateway Borough's name.

Investments

- Category 1 Insured or registered, or securities held by the Ketchikan Gateway Borough or its agent in the Ketchikan Gateway Borough name.

Category 2 Uninsured and unregistered securities held by the financial institution's trust department or agent in the Ketchikan Gateway Borough name.

Category 3 Uninsured and unregistered securities held by the pledging financial institution, or by its trust department or agent but not in the Ketchikan Gateway Borough name.

	Category			Carrying Value
	1	2	3	
Deposits	\$1,179,522		\$1,863,664	\$2,424,252
Investments				
Repurchase Agreements with National Bank of Alaska	4,500,000			4,500,000
Government Securities NYC/SLHMBS	9,960,837			9,960,837
U.S. Government Treasuries	9,471,662	\$25,510		9,497,172
Investment in Deferred Compensation Mutual Fund	<u>986,637</u>	<u>14,943</u>		<u>1,001,580</u>
Total	<u>\$26,098,658</u>	<u>\$ 40,453</u>	<u>\$1,863,664</u>	<u>\$27,383,841</u>

Cash overdrafts from the Day Care Service Fund, Transit and Recreation Enterprise Fund in the amount of \$106,220 are shown as due to other funds, and Petty Cash Funds of \$2,075 are reductions to deposits.

Note 4. Receivables

Receivables at June 30, 1992, consist of the following:

	General	Special Revenue	Capital Projects	Enterprise	Fiduciary	Total
Taxes	\$ 8,866					\$ 8,866
Interest	33,272		\$193,614			226,886
Accounts Receivables Due From Other Governments	202,371	\$ 426,971		\$264,254		893,596
Due From Other Funds		323,147		12,821		335,968
		<u>2,029,448</u>	<u>1,351,880</u>		<u>\$8,143</u>	<u>3,389,471</u>
Total Receivables	<u>\$244,509</u>	<u>\$2,779,566</u>	<u>\$1,545,494</u>	<u>\$277,075</u>	<u>\$8,143</u>	<u>\$4,854,787</u>

Property taxes attach as an enforceable lien on property as of July 1. Taxes are levied on July 1 and payable on September 30. The Borough bills and collects its own property taxes as well as those of the special Revenue Funds and cities within the Borough. The taxes collected on behalf of the Borough cities are recorded as liabilities of the General Fund. The Borough property tax revenues are recognized when levied to the extent that they result in current receivables. The Borough is permitted by State law to levy up to \$3 per \$100 of assessed valuation for general government services other than the payment of principal and interest on long-term debt. State law prohibits taxation that will result in revenues from all sources exceeding \$1,500 per year for each person residing within the municipal boundaries or upon value that, when combined with the value of property otherwise taxable by the Borough, exceeds the product of 225 percent of the average per capita assessed full and true value or property in the state multiplied by the number of residents. The Borough is within these limits.

The Borough also collects its own sales tax as well as that of the cities within the Borough. The Borough-wide sales tax rate is 1.5% while the city rates vary from 3 to 3.5%. The sales tax collections for Borough cities are recorded as liabilities of the General Fund.

Note 5. Restricted Assets

In accordance with the terms of the Airport Revenue Bond, 1980 bond indenture, certain cash and investments in the Airport Enterprise Fund have been restricted for payment of bond principal and interest. These restricted funds must be maintained at a minimum level of \$50,000 until such time as there is an amount sufficient to pay the principal and interest on all of the bonds outstanding. At June 30, 1992, the amount restricted for payment of bond principal and interest was \$59,733.

Note 6. Deferred Revenue

Deferred revenue consists of the following:

	<u>Grants</u>	<u>Other</u>	<u>Land Sales</u>	<u>Total</u>
General		\$7,503		\$ 7,503
Special Revenue	\$1,357,364		\$350,533	1,707,897
Capital Projects	<u>6,504,188</u>			<u>6,504,188</u>
Total Deferred Revenue	<u>\$7,861,552</u>	<u>\$7,503</u>	<u>\$350,533</u>	<u>\$8,219,588</u>

The amount advanced on State Grants is \$7,861,552 which will be recognized as revenue when the related expenditures are incurred.

Other deferred revenues include prepayment of shared costs by the City of Ketchikan in the amount of \$7,503.

Deferred revenue of \$350,533 in the Land Trust Fund represents the future amount due on land sales contracts.

Note 7. Changes in General Fixed Assets

A summary of changes in general fixed assets is as follows:

	<u>Balance July 1, 1991</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1992</u>
Land	\$ 148,081			\$ 148,081
Buildings	28,894,027		\$ 10,875	28,883,152
Equipment	4,683,010	\$642,289	209,904	5,115,395
Leasehold Improvements	<u>17,867</u>			<u>17,867</u>
Total	<u>\$33,742,985</u>	<u>\$642,289</u>	<u>\$220,779</u>	<u>\$34,164,495</u>

An investigation has revealed the presence of asbestos in the Ketchikan High School. The Ketchikan Gateway School District is continuing to test and monitor the building. The School District has submitted an asbestos abatement plan to the state government in accordance with federal law. Unasserted claims may exist from former employees and construction workers with respect to asbestos concerns.

An independent feasibility study suggested five alternative approaches to solving the asbestos problem at the Ketchikan High School. One alternative would replace portions of the building at the existing site at a projected cost of \$37.5 million. It would remodel and refurbish the gymnasium and build new classrooms. Upon further study, the School Board has decided to replace portions of the building in phases at the existing site. The building is recorded at estimated historical cost of \$3.3 million.

The voters of the Ketchikan Gateway Borough approved \$12 million in general obligation bonds for the first phase of this project. The district engaged a project manager and an architectural firm. The Alaska State Legislature appropriated a \$10.8 million grant in FY 1991 for the second phase of this project and \$5.6 million in FY 1992 for the third phase. The district will continue to pursue additional funding.

On May 18, 1992, the Borough Assembly repealed their Resolution delegating the construction power to the Ketchikan Gateway Borough School District. Subsequently, the Ketchikan Gateway Borough Assembly has assumed all responsibility and authority for the Ketchikan High School construction project. On July 8, 1992, (in FY 1993), the Ketchikan Gateway Borough School District Board of Education authorized that the construction and design agreements be transferred to the Ketchikan Gateway Borough. On July 8, 1992, the assets and liabilities of the Ketchikan High School remodel project were transferred to the Ketchikan Gateway Borough.

On May 18, 1992, the Ketchikan Gateway Borough School District awarded a bid to a contractor to construct Phase 1 of the Ketchikan High School remodel project in the amount of \$10,754,939.

Construction in progress on Ketchikan High School was \$4,533,461 as of June 30, 1992.

Leased assets with a cost of \$176,832 have been included in General Fixed Assets.

The following is a summary of the changes in property, plant, and equipment for the Enterprise Funds during fiscal year 1991:

	<u>Balance</u> <u>July 1, 1991</u>	<u>Net Change</u> <u>Current Year</u>	<u>Balance</u> <u>June 30, 1992</u>
Field	\$2,830,408	\$351,664	\$3,182,072
Terminal	3,059,137	6,186	3,065,323
Ferry	1,364,193	190,898	1,555,091
Construction In Progress	241,013	370,489	611,502
Buses	<u>147,479</u>	<u> </u>	<u>147,479</u>
	7,642,230	919,237	8,561,467
Accumulated Depreciation	<u>(3,145,789)</u>	<u>(301,048)</u>	<u>(3,446,837)</u>
Net Property, Plant, and Equipment	<u>\$4,496,441</u>	<u>\$618,189</u>	<u>\$5,114,630</u>

Depreciation is recorded for fixed assets in the Enterprise funds. Estimated useful lives by major class of depreciable fixed assets is as follows:

Airport Field Facilities	15-30 years
Vehicle and Moving Equipment	6-10 years
Airport Terminal Building	40 years
Equipment	6-10 years
Ferry Slip	40 years
Ferries	20 years

Note 8. Long-Term Debt

The Ketchikan Gateway Borough has issued general obligation bonds for acquisition and construction of schools and airports. School bonds are reported in the General Long-Term Debt Account Group while the Airport Enterprise Fund debt is included in the proprietary fund statements since it must be repaid from proprietary revenues. The general obligation school and airport bonds pledge the full faith and credit of the Borough. At June 30, 1992 Security Pacific was holding \$196,540 for 1983 G.O. Bonds due for payment at July 1, 1992. These funds were not collateralized nor was any security provided.

A summary of changes in General Long-term debt is as follows:

	<u>July 1, 1991</u>	<u>Retired</u>	<u>June 30, 1992</u>
Areawide General Obligation Bonds	\$19,794,000	\$3,600,000	\$16,194,000
Enterprise Fund General Obligation Bonds	1,000,000	185,000	815,000
Revenue Bonds	<u>300,000</u>	<u>25,000</u>	<u>275,000</u>
	<u>\$21,094,000</u>	<u>\$3,810,000</u>	<u>\$17,284,000</u>

Bonds payable at June 30, 1992 consist of the following individual issues:

General Obligation Bonds:

1958 Alaska Public Works Bonds due through 1978 at 2% interest	\$ 529,000
1972 Airport due through 1997 at 5.5-6.5% interest	750,000
1973 Airport due through 1993 at 5.5-6.5% interest	65,000
1974 School Refunding due through 1995 at 5-8% interest	1,360,000
1983 School Bonds due through 1994 at 5-8% interest	4,705,000
1989 School Bonds due through 2000 at 6-6.7% interest	<u>9,600,000</u>

17,009,000

Revenue Bonds:

1980 Airport due through 2000 at 8% interest	<u>275,000</u>
--	----------------

\$17,284,000

The annual requirements to amortize all bonds outstanding as of June 30, 1992, including interest of \$3,752,837 for general obligations and \$110,400 for revenue bonds, are as follows:

<u>Year Ending June 30</u>	<u>General Obligation Bonds</u>	<u>Revenue</u>
1993	5,164,475	47,000
1994	5,035,374	45,000
1995	2,278,888	48,000
1996	1,977,350	45,600
1997	1,696,750	48,200
1998	1,439,400	50,400
1999	1,360,200	47,200
2000	<u>1,280,400</u>	<u>54,000</u>
Total	<u>\$ 20,232,837</u>	<u>\$ 385,400</u>

The amount of \$59,733 is available in the Airport Enterprise Revenue Redemption and Reserve Fund to service revenue bonds.

Note 9. Capital Leases Payable

The principal balances remaining on capital leases outstanding at June 30, 1992 are \$62,004.

	Capital Lease Obligation <u>July 1, 1991</u>	Principal Paid	Capital Lease Obligation <u>June 30, 1992</u>
Shoreline Fire Truck	\$ 6,315	\$ 6,315	
Southend Fire Truck	16,032	16,032	
Computer Equipment	43,946	28,802	\$15,144
Southend Triple Pumper	<u>60,263</u>	<u>13,403</u>	<u>46,860</u>
Total Capital Leases	<u>\$126,556</u>	<u>\$64,552</u>	<u>\$62,004</u>

The following is a schedule of future minimum lease payments under these capital leases and present value of net minimum lease payments at June 30, 1992:

Fiscal Year Ending June 30:	Capital Lease Payable
1993	33,798
1994	18,133
1995	<u>18,133</u>
Total Minimum Lease Payments	70,064
Less Amount Representing Interest	<u>(8,060)</u>
Present Value of Net Minimum Lease Payments	<u>\$62,004</u>

Note 10. Interfund Transfers

Interfund operating transfers have been made in accordance with appropriating ordinances.

Funds are transferred from one fund to support expenditures of other funds in accordance with the authority established for the individual fund.

Transfers between funds for the year ended June 30, 1992, were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 7,274,504	\$ 666,806
Special Revenue	5,741,300	6,115,976
Enterprise Funds	15,000	1,180,643
Debt Service		<u>5,067,379</u>
Total	<u>\$13,030,804</u>	<u>\$13,030,804</u>

Note 11. Negative Undesignated Fund Equity

Negative undesignated fund balances are the result of expected transfers from external sources not materializing at the end of the current fiscal year.

<u>Fund</u>	
<u>Enterprise</u>	
Recreation Enterprise Fund	<u>\$47,275</u>
Total Negative Undesignated Fund Equity	<u>\$47,275</u>

Note 12. Excess of Expenditures Over Appropriations

The following individual funds had expenditures in excess of appropriations:

<u>Fund</u>	<u>Appropriation</u>	<u>Actual Expenditures</u>
Special Revenue Funds:		
School District Operating Fund	\$15,971,714	\$15,999,877
South End Fire District Fund	78,000	80,250
Enterprise Funds:		
Transit Enterprise Fund	179,137	196,653
Recreation Enterprise Fund	608,514	627,276

The expenditures in excess of appropriation resulted from anticipated revenues not being available for expenditure.

Note 13. Commitments and Contingencies

A. Loss Contingencies

The Ketchikan Gateway Borough, in the normal course of its activities, is involved in various claims and pending litigations. In the opinion of management and the Borough's legal staff, the disposition of these matters is not expected to have a material adverse effect on the Borough's financial position.

B. Capital Projects

At June 30, 1992, the Ketchikan Gateway Borough is committed for the completion of various projects in the amount of \$13,672,551 accounted for in the Capital Projects Funds.

Ketchikan High School Reconstruction	\$10,754,939
Mountain Point Sewer and Water	2,269,000
Airport Remodel Project	<u>648,612</u>
Total	<u>\$13,672,551</u>

C. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the appropriate fund.

Note 14. Deferred Compensation Plan

The Borough and the School District offer their employees deferred compensation plans created in accordance with Internal Revenue Code, Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Borough and School District (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Borough's and

District's general creditors. Participants' rights under the plans are equal to those of general creditors in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of legal counsel that the Borough and School District have no liability for losses under the plans but do have the duty of due care that would be required of an ordinary prudent investor. The Borough and School District believe that it is unlikely that they will use the assets to satisfy the claims of general creditors in the future.

Note 15. Pension Plans

Substantially all of the employees of the Ketchikan Gateway Borough (Borough) and the Ketchikan Gateway Borough School District (School District) participate in the State of Alaska Public Employees' Retirement System (PERS), the State of Alaska Teachers' Retirement System (TRS), Masters, Mates & Pilots (MMP) Plan or International Brotherhood of Electrical Workers (IBEW) Plan.

THE PERS PLAN

The PERS is a defined benefit, agent multiple-employer public employee retirement system. The PERS was established by State of Alaska Statutes January 1, 1961 and includes employees of the State and its political subdivisions. Benefit provisions are modified from time to time through legislative action at the State level. Borough and School District employees contribute 6.75% of their annual pre-tax income, except emergency personnel, who contribute 7.5%. The Borough, and School District pay an amount that is actuarially determined on an annual basis. For fiscal year ended June 30, 1992, the contribution rates for the Borough and School District were 12.81% and 18.69%, respectively, of covered payroll. The Borough's total payroll was \$2,859,539, and the covered payroll was \$2,280,849. The School District's total payroll was \$11,457,000 and the covered payroll was \$2,101,000.

Employees hired prior to July 1, 1986, with five or more years of credited service, are entitled to annual pension benefits beginning at normal retirement at 55 or early retirement at 50. For employees hired after June 30, 1986, the normal and early retirement ages are 60 and 55, respectively. The normal annual pension benefit for each year of service is equal to 2% of the member's highest three-year average monthly compensation for the first ten years of service, 2-1/4% for the second ten years of service, and 2-1/2% after that. All services earned prior to July 1, 1986, will be calculated using the 2% multiplier. Employees with 30 or more years of credited service (20 years for emergency personnel) may retire at any age and receive a normal benefit.

Major medical benefits are provided without cost to all retirees first hired before July 1, 1986. Members first hired after June 30, 1986, may elect major medical benefits.

If an employee dies from occupational causes, the employee's spouse or dependent children receive a monthly pension from the PERS. Nonoccupational death benefits are paid based on years of service and would consist of either a lump sum benefit or a joint and survivor option. Active employees who become permanently disabled due to an occupational injury receive disability payments until normal retirement age, at which time they begin receiving normal retirement benefits. Credited service is adjusted to include the time that the employee was disabled.

THE TRS PLAN

All Ketchikan Gateway Borough School District certificated employees participate in the TRS, a multiple-employer cost sharing public employee retirement system. The payroll for employees covered by the System for the year ended June 30, 1992 was \$9,032,000; the Ketchikan Gateway Borough School District's total payroll was \$11,457,000. The plan covers 196 employees.

Certificated employees are required to participate in the System. Employees who retire at or after age 60 (age 55 if they participate in the plan prior to July 1, 1990) with 8 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their average salary for each year of their first 20 years of credited service, and 2.5% of service after that, provided it is after June 30, 1990. Final-average salary is the employee's average salary over the highest three years credited service.

Benefits fully vest on reaching 8 years of fully paid membership service or 12 years of combined part-time and full time fully paid membership service. Vested employees may retire at or after age 60 (age 55 if they participated in the plan prior to July 1, 1990) and receive reduced retirement benefits. TRS also provides death and disability benefits, major medical benefits, cost of living allowance and early retirement benefits. Benefits are established by State statute.

Covered employees are required by State statute to contribute 8.65% of their salary. Ketchikan Gateway Borough School District is required by the same statute to contribute the remaining amounts necessary to pay benefits when due. The contribution requirement for the year ended June 30, 1992, consisted of \$1,072,000 from the Ketchikan Gateway Borough School District and \$781,000 from employees. These contributions represented 11.87% and 8.65% of covered payroll respectively.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the TRS funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among TRS and among employers. TRS does not make separate measurements of assets and pension benefit obligations for individual employers. The pension benefit obligation at June 30, 1991 for the System as a whole, determined through an actuarial valuation performed as of that date was \$2.08 billion.

TRS's net assets available for benefits on that date (valued at market) were \$1.78 billion, leaving an unfunded pension benefit obligation of \$.30 billion. Ketchikan Gateway Borough School District's contribution represented 2.2 percent of total contributions required of all participating entities.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1991. Significant actuarial assumptions used in the valuation include (a) rate of return on the investment of present and future assets of 9% a year compounded annually, (b) projected salary increases of 6.5% for first five years, 5.5% per year thereafter and (c) health care cost inflation on a decreasing scale with 12.5% for 1992 and 11.5% for 1993.

Ten-year historical trend information showing the TRS progress in accumulating sufficient assets to pay benefits when due is presented in the TRS June 30, 1991 comprehensive annual financial report.

THE MMP PLAN

The Masters, Mates and Pilots plan is a defined contribution plan and is funded entirely by employer contributions which are a fixed amount per employee, paid bimonthly. The Borough exercises no fiduciary responsibility over the MMP plan. Members of this plan include the ferryboat workers employed in positions covered by the Ketchikan Airport enterprise fund. Participants are eligible to participate immediately upon employment and are fully vested after ten years of service.

Contributions made to the plan during the year totaled \$12,330 or \$685 per employee per bimonthly payroll. This represents 9.40% of total covered payroll of \$131,158 and .43% of total payroll of \$2,849,539 respectively.

IBEW

The International Brotherhood of Electrical Workers plan is funded entirely by employer contributions based upon hourly rates. The Borough exercises no fiduciary responsibility over the IBEW. Members of this defined benefit pension plan are eligible to participate immediately upon employment and are fully vested after ten years of service.

Contributions for members who were employed in Borough positions were \$2.25 per non-premium hour worked. The payroll for covered employees totalled \$142,200. The Borough contributed \$23,955.75 for covered employees. This represents 16.8 percent of covered payroll and .84 percent of total payroll of \$2,849,539, respectively.

FUNDING STATUS AND PROGRESS

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is independent of the actuarial funding method used to determine contributions to the PERS and TRS. Further, the measure, which is the actuarial present value of credited projected benefits, is intended to allow comparisons between employers and help users assess, on a going-concern basis, the plan's funding status and progress made in accumulating sufficient assets to pay benefits when due. The pension benefit obligation was calculated as a part of the actuarial valuation, performed as of June 30, 1991. Neither PERS nor TRS own any bonds or other debt instruments of any kind of the Borough.

Significant actuarial assumptions used to calculate the pension benefit obligations of PERS and TRS are identical to those used for funding purposes. The assumptions are:

1. Investment interest at 8.75% compounded annually, net of investment expenses.
2. Salary increases are 6.5% per year for the first five years and 5.5% per year thereafter.
3. Health cost inflation is 12.5% per year for 1992.
4. Mortality calculated with the 1984 Unisex Pension Mortality Table set forward 1 year for males and set back 4 years for females.

The pension benefit obligation of PERS as calculated at June 30, 1991, which is the most recent actuarial valuation, is as follows (in thousands):

	PERS		
	Borough	School District	Total
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$1,855	\$1,667	\$3,522
Current employees:			
Accumulated employee contributions including allocated investment earnings	732	592	1,324
Employer-financed vested	2,357	2,085	4,442
Employer-financed nonvested	336	426	762
Total pension benefit obligation	5,280	4,770	10,050
Net assets available for benefits, valuation based upon the market, except that fixed income investments are valued at book value	4,940	3,517	8,457
Unfunded pension benefit obligation	\$ 340	\$1,253	\$1,593

Ten-year historical trend information showing the TRS progress in accumulating sufficient assets to pay benefits when due is presented in the TRS June 30, 1991 comprehensive annual financial report.

Actuarially Determined Contribution Requirements and Contribution

The funding policies for PERS provide for actuarial determined periodic contribution rates that change over time to assure sufficient assets are accumulated to meet the obligations of the plans. The actuarial funding method used by PERS is the projected unit credit method. Significant actuarial assumptions used to calculate

the pension benefit obligations are identical to those used for funding purposes. There were no changes in the PERS actuarial method or in the assumptions for the previous valuation.

Covered employees are required by State statute to contribute 6.75% of their salary to the plan. The employer is required to contribute whatever additional amount is needed to pay future PERS benefits. The contribution requirement for 1992 was \$533,000, which consisted of \$391,000 (18.69% of current covered payroll of \$2,101,000) from the Ketchikan Gateway Borough School District and \$142,000 from employees. The contribution consisted of (a) \$252,000 normal cost (12.00%) and (b) \$281,000 amortization of the unfunded actuarially accrued liability (13.44% of current covered payroll). The total employer contribution to PERS for the Borough was \$292,171, (12.8% of covered payroll), and the employee contribution was \$156,577, (6.75% to 7.5% of covered payroll).

Three-Year Trend Information

The following table present trend information for the PERS. Data concerning the pension benefit obligation was taken from the most recent PERS actuarial report. In each case the actuarial report was dated June 30 of the year preceding the fiscal year of the column heading.

	<u>Borough</u>			<u>School District</u>		
	1991	1990	1989	1991	1990	1989
Net assets available as a percentage of PBO	93.6	96.5	99.5	73.8	74.2	61.6
Unfunded PBO as a percentage of covered payroll	14.9	6.9	1.2	59.6	46.9	81.3
Employer contribution as a % of covered payroll	12.8	10.5	6.4	18.7	16.8	14.4

Additional trend information is available for the PERS system taken as a whole in the State of Alaska Public Employees' actuarial valuation reports as of June 30, 1991 (latest available), and the State of Alaska Public Employee's and Annual Financial Report for fiscal year ended June 30, 1991. The information contained therein provides information about progress made in accumulating sufficient assets to pay benefits when due.

Showing unfunded pension benefit obligation of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes.

Note 16. Segment Information - Enterprise Funds

Ketchikan Gateway Borough maintains three enterprise funds which are intended to be self-supporting through user fees charged for services and use of the facilities. Financial segment information as of and for the year ended June 30, 1992 is presented below.

	<u>Ketchikan Airport</u>	<u>Transit</u>	<u>Recreation</u>	<u>Total</u>
Operating Revenues	\$2,188,484	\$102,533	\$253,415	\$2,544,432
Operating Grants, Entitlement and Shared Revenues	312,984	2,154	6,586	321,724
Depreciation Expense	284,008	17,041		301,049
Operating Income (Loss)	67,071	(91,954)	(367,275)	(392,158)
Operating Transfers In	785,643	75,000	320,000	1,180,643
Operating Transfers (Out)		(15,000)		(15,000)
Net Income (Loss)	852,714	(31,954)	(47,275)	773,485
Contributed Capital (Current Year)	55,557			55,557
Property, Plant and Equipment Additions	919,237			919,237

Net Working Capital	(140,156)	(48,823)	(47,275)	(236,254)
Total Assets	5,565,673	71,372		5,637,045
Bonds and Other Long-term Liabilities	1,090,000			1,090,000
Total Equity	4,067,997	22,387	(47,275)	4,043,109

The Airport Fund is responsible for the operation and maintenance of the airport facilities and ferry system. The Transit fund is responsible for the operation and maintenance of the Borough's bus system. Recreation is responsible for the operations of the community swimming pools, latchkey, and recreation programs.

Note 17. Leases

The Ketchikan Gateway Borough has entered into an agreement with the State of Alaska, Department of Transportation, for the operation of the Ketchikan International Airport. This is a long term arrangement. Major repairs and improvements are provided through legislative funding. During the normal course of business the Borough has entered into subleases for portions of the terminal building and facilities. Leases are established for five years with options for renewal being negotiated during the final year of the lease for the terminal building. Other facilities are negotiated for periods from three to fifty years.

Listed below are the expected annual revenues from current executed leases:

<u>Year</u>	<u>Terminal Space</u>	<u>Other</u>
1993	\$411,658	\$28,939
1994	411,658	9,550
1995	411,658	9,550
1996	411,658	9,550
1997	378,136	8,650

In the 1992 fiscal year Alaska Airlines entered into an agreement with the Borough for the purchase of specialized equipment. This equipment was purchased by Alaska Airlines, the Borough provides lease credits of \$12,500 per month through March, 1993. Ownership will then transfer to the Borough.

GENERAL FUND STATEMENTS

The General Fund is the operating fund of the Borough. It is used to account for all financial resources except those required to be accounted for in separate funds.

The following statements are included in this section:

Balance Sheet

Statement of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual)

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KETCHIKAN GATEWAY BOROUGH

GENERAL FUND

COMPARATIVE BALANCE SHEETS

June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
ASSETS		
Cash & Temporary Investments	\$ 2,018,357	\$ 2,126,019
Accounts Receivable	202,371	5,222
Prepaid Insurance	2,715	2,715
Property Taxes Receivable	8,866	14,203
Accrued Interest Receivable	<u>33,272</u>	<u>28,058</u>
Total Assets	<u>\$ 2,265,581</u>	<u>\$ 2,176,217</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 73,712	\$ 150,761
Due to Other Governments	107,988	56,752
Due to Other Funds	1,788,471	454,301
Accrued Vacation & Sick Leave	169,707	174,985
Deferred Revenue	<u>7,503</u>	<u>3,111</u>
TOTAL LIABILITIES	<u>2,147,381</u>	<u>839,910</u>
Fund Balance		
Reserved for Prepaid Insurance	2,715	2,715
Reserved for Encumbrances	19,408	135,783
Unreserved	<u>96,077</u>	<u>1,197,809</u>
TOTAL FUND BALANCE	<u>118,200</u>	<u>1,336,307</u>
Total Liabilities & Fund Balance	<u>\$ 2,265,581</u>	<u>\$ 2,176,217</u>

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

KETCHIKAN GATEWAY BOROUGH

GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE --
BUDGET AND ACTUAL

For the Fiscal Years Ended June 30, 1992 and 1991

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-91 Actual
REVENUES				
Taxes				
Real & Personal Property Taxes	\$ 4,935,663	\$ 4,845,695	\$ (89,968)	\$ 4,277,757
Automobile & Boat Taxes	149,000	176,651	27,651	133,747
Sales Taxes	3,000,000	2,726,570	(273,430)	2,774,133
Penalty & Interest	81,000	81,829	829	21,120
Total Taxes	8,165,663	7,830,745	(334,918)	7,206,757
Alaska State Housing Authority	15,000	20,149	5,149	15,097
Licenses and Permits				
Zoning Fees	25,675	15,546	(10,129)	12,555
Revenues from Other Governments				
State Municipal Assistance	367,734	366,822	(912)	366,323
State Revenue Sharing	220,433	222,369	1,936	234,093
State License Refunds	350,774	324,126	(26,648)	479,985
Federal Revenue - PILT	375,000	208,613	(166,387)	
Timber Stumpage	473,682	412,334	(61,348)	402,243
Total Revenues	1,787,623	1,534,264	(253,359)	1,482,644
Charges for Services				
Animal Control	25,000	22,510	(2,490)	19,313
City of Ketchikan	10,250	2,782	(7,468)	38,399
Parks and Recreation	10,000	15,694	5,694	88,328
Other Charges	58,850	50,613	(8,237)	33,351
Total Charges	104,100	91,599	(12,501)	179,391
Other Revenues				
Interest Income	385,000	220,516	(164,484)	304,363
Transfers from Other Funds				
Day Care Fund	51,320	45,413	(5,907)	40,725
Land Trust Fund	588,643	588,643		78,150
Transit Fund	15,000	15,000		5,200
Service Area Funds	16,950	16,950		16,500
Permanent Fund	800	800		
Total Transfers	672,713	666,806	(5,907)	140,575
Total Revenues	\$ 11,155,774	\$ 10,379,625	\$ (776,149)	\$ 9,341,382

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

KETCHIKAN GATEWAY BOROUGH

GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Years Ended June 30, 1992 and 1991

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-91 Actual
EXPENDITURES				
Administration				
Mayor & Assembly	\$ 115,980	\$ 96,856	\$ 19,124	\$ 114,728
Law	183,701	191,060	(7,359)	226,471
Clerk	161,097	169,394	(8,297)	152,557
Manager	374,570	444,954	(70,384)	443,784
Finance - Accounting	240,308	245,912	(5,604)	228,139
Finance - Revenue	305,334	321,820	(16,486)	321,784
Finance - Assessing	374,224	375,424	(1,200)	336,640
Total Administration	1,755,214	1,845,420	(90,206)	1,824,103
Animal Control	231,387	240,263	(8,876)	234,087
Parks and Recreation	421,948	399,274	22,674	432,554
Department of Planning and Community Development	916,018	874,346	41,672	546,480
Community Education	594,054	608,548	(14,494)	
Non Departmental	150,811	128,700	22,111	138,913
Capital Projects	374,570	226,677	147,893	98,917
Total Expenditures	4,444,002	4,323,228	120,774	3,275,054
Excess (Deficit) of Revenues over Expenditures	6,711,772	6,056,397	(655,375)	6,066,328
Other Financing Sources (Uses)				
Transfers to School Dist	(6,165,919)	(6,093,861)	72,058	(6,463,812)
Transfers to Recreation Fund	(235,000)	(320,000)	(85,000)	
Transfers to Transit Fund	(75,000)	(75,000)		
Transfers to Airport Fund	(910,615)	(785,643)	124,972	(129,923)
Total Other Financing	(7,386,534)	(7,274,504)	112,030	(6,593,735)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(674,762)	(1,218,107)	(543,345)	(527,407)
Fund Balance Beginning of Year	1,336,307	1,336,307		1,863,714
Fund Balance End of Year	\$ 661,545	\$ 118,200	\$ (543,345)	\$ 1,336,307

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

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SPECIAL REVENUE FUND STATEMENTS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specific purposes. This does not include debt service resources, expendable trusts or major capital projects.

The following statements are included in this section:

Combining Statements - All Special Revenue Funds:
Balance Sheets
Statement of Revenues, Expenditures & Changes in Fund Balances

Individual Statements of Revenues, Expenditures & Changes in Fund Balances
Budget and Actual for each Special Revenue Fund for which a Budget is developed

The following individual funds are included in this section:

Ketchikan School District Funds
 Operating Fund
 Special Activities Fund
Day Care Services Fund
Land Trust Fund
Mud Bight Service Area Fund
Shoreline Service Area Fund
Mountain Point Service Area Fund
South End Fire District Fund
Waterfall Service Area Fund
South Tongass Service Area Fund
Forest Park Service Area Fund
Gold Nugget Service Area Fund
Non Areawide Fund
State and Federal Grants Fund
School Bond/Capital Improvements Fund
Permanent Fund
Special Recreation Fund

KETCHIKAN GATEWAY BOROUGH

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

June 30, 1992

	Ketchikan School District Operating Fund	Ketchikan School District Special Activities Fund	Day Care Service Fund	Land Trust Fund	Mud Bight Service Area Fund	Shoreline Service Area Fund	Mountain Point Service Area Fund	South End Fire District Fund	Waterfall Service Area Fund
ASSETS									
Cash & Temporary Investments	\$ 26,558	\$ 1,000		\$ 5,049,623	\$ 21,532	\$ 69,052	\$ 102,126	\$ 92,187	\$ 48,054
Prepaid Insurance	291,936		\$ 72,486						
Due from Other Governments	13,129	406,085							
Accounts Receivable - General Inventory		24,536							
Due from Other Funds	2,007,131	22,317		350,533					
Deferred Accounts Receivable									
Total Assets	\$ 2,338,754	\$ 453,938	\$ 72,486	\$ 5,400,156	\$ 21,532	\$ 69,052	\$ 102,126	\$ 92,187	\$ 48,054
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts Payable	\$ 491,713	\$ 231,123	\$ 31,109	\$ 131		\$ 1,881	\$ 288	\$ 3,163	
Deferred Revenue	22,796		41,377	350,533		25,600			
Due to Other Funds	1,382,340	130,828							
Accrued Liabilities	169,940								
Total Liabilities	2,066,789	361,951	72,486	350,664		27,481	288	3,163	
Fund Balances									
Reserved for Encumbrances	210,239	5,163		23,030					
Reserved for Inventory		24,536							
Designated for Pupil Activities	32,987								
Unreserved Fund Balance	29,339	62,288		5,026,462	\$ 21,532	41,571	101,838	89,024	\$ 48,054
Total Fund Balance	271,965	91,987		5,049,492	21,532	41,571	101,838	89,024	48,054
Total Liabilities and Fund Balances	\$ 2,338,754	\$ 453,938	\$ 72,486	\$ 5,400,156	\$ 21,532	\$ 69,052	\$ 102,126	\$ 92,187	\$ 48,054

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

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 1992

	So Tongass Service Area Fund	Forest Park Service Area Fund	Gold Nugget Service Area Fund	Non Areawide Fund	State & Federal Grants Fund	School Bond/ Capital Improvements Fund	Permanent Fund	Special Recreation Fund	Total
ASSETS									
Cash & Temporary Investments	\$ 6,968	\$ 337,585	\$ 8,853	\$ 69,972	\$ 1,648,682	\$ 455,042	\$ 259,066	\$ 66,406	\$ 8,262,706
Prepaid Insurance									291,936
Due from Other Governments					37,402	213,259			323,147
Accounts Receivable - General					7,757				426,971
Inventory									24,536
Due from Other Funds									2,029,448
Deferred Accounts Receivable									350,533
Total Assets	\$ 6,968	\$ 337,585	\$ 8,853	\$ 69,972	\$ 1,693,841	\$ 668,301	\$ 259,066	\$ 66,406	\$ 11,709,277
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts Payable		\$ 3,180	\$ 230		\$ 311,776	\$ 500			\$ 1,075,094
Deferred Revenue					1,308,968				1,707,897
Due to Other Funds									1,554,545
Accrued Liabilities									169,940
Total Liabilities		3,180	230		1,620,744	500			4,507,476
Fund Balances									
Reserved for Encumbrances					27,579			16,800	282,811
Reserved for Inventory									24,536
Designated for Pupil Activities									32,387
Unreserved Fund Balance	\$ 6,968	334,405	8,623	\$ 69,972	45,518	667,801	\$ 259,066	\$ 49,606	6,862,067
Total Fund Balance	6,968	334,405	8,623	69,972	73,097	667,801	259,066	66,406	7,201,801
Total Liabilities and Fund Balances	\$ 6,968	\$ 337,585	\$ 8,853	\$ 69,972	\$ 1,693,841	\$ 668,301	\$ 259,066	\$ 66,406	\$ 11,709,277

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended June 30, 1992

	Ketchikan School District	Day Care	Land	Mud Bight	Shoreline	Mountain	South End	Waterfall
	Operating	Special	Trust	Service	Service	Point	Fire	Service
	Fund	Activities	Fund	Area	Area	Service	District	Area
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund
REVENUES								
Taxes								
State Revenues	\$ 9,850,042	\$ 653,414		\$ 4,410	\$ 46,124		\$ 63,944	
Federal Revenues	24,938	946,792		59	302		722	
Charges for Services	41,317	147,536						\$ 10,932
Donations								
Other Revenues	9,957		\$ 430,057	997	4,267		14,169	2,311
Total Revenues	<u>9,926,254</u>	<u>1,747,742</u>	<u>430,057</u>	<u>5,466</u>	<u>50,693</u>		<u>78,835</u>	<u>13,243</u>
EXPENDITURES								
Public Services								
Education	15,999,877	1,760,942	140,573		35,605		80,250	5,061
Capital Outlay								
Total Expenditures	<u>15,999,877</u>	<u>1,760,942</u>	<u>140,573</u>		<u>35,605</u>		<u>80,250</u>	<u>5,061</u>
Excess (Deficit) of Revenues over Expenditures	<u>(6,073,623)</u>	<u>(13,200)</u>	<u>289,484</u>	<u>5,466</u>	<u>15,088</u>		<u>(1,415)</u>	<u>8,182</u>
Other Financing Sources (Uses)								
Operating Transfers In	6,115,976							
Operating Transfers Out	(78,896)	(22,115)	(588,643)	(785)	(3,000)		(3,000)	(965)
Total Other Financing	<u>6,037,080</u>	<u>(22,115)</u>	<u>(588,643)</u>	<u>(785)</u>	<u>(3,000)</u>		<u>(3,000)</u>	<u>(965)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Use	<u>(36,543)</u>	<u>(35,315)</u>	<u>(299,159)</u>	<u>4,681</u>	<u>12,088</u>		<u>(4,415)</u>	<u>7,217</u>
Fund Balance, Beginning of Year Before Restatement	308,508	81,934	5,348,651	16,851	29,483		93,439	40,837
Prior Period Adjustment		45,368						
Fund Balance, Beginning of Year After Restatement	<u>308,508</u>	<u>127,302</u>	<u>5,348,651</u>	<u>16,851</u>	<u>29,483</u>		<u>93,439</u>	<u>40,837</u>
Fund Balance, End of Year	<u>\$ 271,965</u>	<u>\$ 91,987</u>	<u>\$ 5,049,492</u>	<u>\$ 21,532</u>	<u>\$ 41,571</u>		<u>\$ 89,024</u>	<u>\$ 48,054</u>

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

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended June 30, 1992

	So Tongass Service Area Fund	Forest Park Service Area Fund	Gold Nugget Service Area Fund	Non Areawide Fund	State & Federal Grants Fund	School Bond/ Capital Improvements Fund	Permanent Fund	Special Recreation Fund	Total
REVENUES									
Taxes				\$ 211,477					\$ 383,978
State Revenues				8,146	\$ 1,631,582	\$ 4,336,038			16,933,570
Federal Revenues									971,730
Charges for Services		4,849	\$ 6,333						241,379
Donations		16,322	356	4,832	82,622	149,244	\$ 24,000		24,000
Other Revenues	\$ 327	16,322	356	4,832	82,622	149,244	\$ 24,000		931,848
Total Revenues	327	79,194	6,689	224,455	1,714,204	4,485,282	24,883		19,486,505
EXPENDITURES									
Public Services		53,423	1,626	222,930	1,638,907	16,782			2,618,603
Education						289,711	48,400		17,760,819
Capital Outlay						306,493			338,111
Total Expenditures		53,423	1,626	222,930	1,638,907	417,986	48,400		20,717,533
Excess (Deficit) of Revenues over Expenditures	327	25,771	5,063	1,525	75,297	4,178,789	(23,517)		(1,231,028)
Other Financing Sources (Uses)									
Operating Transfers In									6,115,976
Operating Transfers Out		(3,600)	(1,000)			(4,988,483)			(5,741,300)
Total Other Financing		(3,600)	(1,000)			(4,988,483)			374,676
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	327	22,171	4,063	1,525	75,297	(809,694)	(23,517)		(856,352)
Fund Balance, Beginning of Year Before Restatement	6,641	312,234	4,560	68,447	(2,200)	1,477,495	89,923		8,012,785
Prior Period Adjustment									45,368
Fund Balance, Beginning of Year After Restatement	6,641	312,234	4,560	68,447	(2,200)	1,477,495	89,923		8,058,153
Fund Balance, End of Year	\$ 6,968	\$ 334,405	\$ 8,623	\$ 69,972	\$ 73,097	\$ 667,801	\$ 66,406		\$ 7,201,801

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

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KETCHIKAN GATEWAY BOROUGH
SCHOOL DISTRICT – OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:				
State Sources	\$ 9,849,153	\$ 9,850,042	\$ 889	\$ 9,992,628
Federal Sources	24,490	24,938	448	34,685
Charges for Services	39,613	41,317	1,704	51,822
Other Revenues	<u>10,000</u>	<u>9,957</u>	<u>(43)</u>	<u>27,249</u>
Total Revenues	<u>9,923,256</u>	<u>9,926,254</u>	<u>2,998</u>	<u>10,106,384</u>
EXPENDITURES:				
Education				
Instruction	10,208,858	10,267,873	(59,015)	9,728,725
Supporting Services	2,879,093	2,847,863	31,230	3,079,609
Plant Operations & Maintenance	2,653,841	2,649,282	4,559	2,584,883
Non-Programmed Charges	<u>229,922</u>	<u>234,859</u>	<u>(4,937)</u>	<u>232,486</u>
Total Expenditures	<u>15,971,714</u>	<u>15,999,877</u>	<u>(28,163)</u>	<u>15,625,703</u>
Excess (Deficit) of Revenues over Expenditures	(6,048,458)	(6,073,623)	(25,165)	(5,519,319)
Other Financing Sources (Uses)				
Transfers from General Fund	6,092,431	6,093,861	1,430	6,183,461
Transfers In	22,115	22,115		
Debt Service	(78,289)	(78,896)	(607)	(422,515)
Food Service Fund				(14,853)
Special Activities Fund				(56,781)
Transfers to Pupil Transportation Fund				<u>(58,000)</u>
Total Other Financing Sources (Uses)	<u>6,036,257</u>	<u>6,037,080</u>	<u>823</u>	<u>5,631,312</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(12,201)	(36,543)	(24,342)	111,993
Fund Balance, Beginning of Year	<u>12,201</u>	<u>308,508</u>	<u>296,307</u>	<u>196,515</u>
Fund Balance, End of Year	\$ <u>0</u>	\$ <u>271,965</u>	\$ <u>271,965</u>	\$ <u>308,508</u>

KETCHIKAN GATEWAY BOROUGH
SCHOOL DISTRICT SPECIAL ACTIVITIES FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1992
With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:					
State Sources	\$ 651,713	\$ 653,414		\$ 1,701	\$ 538,811
Federal Sources	937,171	946,792		9,621	747,227
Charges for Services	166,050	147,536		(18,514)	207,569
Other Revenues	<u>1,082</u>	<u> </u>	<u> </u>	<u>(1,082)</u>	<u> </u>
Total Revenues	<u>1,756,016</u>	<u>1,747,742</u>	<u> </u>	<u>(8,274)</u>	<u>1,493,607</u>
EXPENDITURES:					
Education					
Instruction	718,644	740,778	\$ (58,154)	36,020	921,905
Supporting Services	126,661	88,390		38,271	135,580
Plant Operations & Maintenance	12,087	12,087			
Food Services	292,050	272,378		19,672	254,359
Pupil Transportation	<u>624,000</u>	<u>647,309</u>	<u> </u>	<u>(23,309)</u>	<u>601,319</u>
Total Expenditures	<u>1,773,442</u>	<u>1,760,942</u>	<u>(58,154)</u>	<u>70,654</u>	<u>1,913,163</u>
Excess (Deficit) of Revenues over Expenditures	<u>(17,426)</u>	<u>(13,200)</u>	<u>58,154</u>	<u>62,380</u>	<u>(419,556)</u>
Other Financing Sources (Uses)					
Transfers from General Fund					353,204
Transfers Out	(22,115)	(22,115)			
Transfers from Other Funds	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>56,781</u>
Net Other Financing Sources (Uses)	<u>(22,115)</u>	<u>(22,115)</u>	<u> </u>	<u> </u>	<u>409,985</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>(39,541)</u>	<u>(35,315)</u>	<u>58,154</u>	<u>62,380</u>	<u>(9,571)</u>
Fund Balance, Beginning of Year Before Restatement	39,541	81,934	(63,317)	(20,924)	
Prior Period Adjustment	<u> </u>	<u>45,368</u>	<u> </u>	<u>45,368</u>	<u> </u>
Fund Balance, Beginning of Year After Restatement	<u>39,541</u>	<u>127,302</u>	<u>(63,317)</u>	<u>24,444</u>	<u>91,505</u>
Fund Balance, End of Year	\$ <u>0</u>	\$ <u>91,987</u>	\$ <u>(5,163)</u>	\$ <u>86,824</u>	\$ <u>(9,571)</u>

KETCHIKAN GATEWAY BOROUGH

DAY CARE SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	<u>1992</u>	<u>1991</u>
REVENUES:		
State Sources	\$ 453,265	\$ 438,689
Other Revenues		495
Total Revenues	<u>453,265</u>	<u>439,184</u>
EXPENDITURES:		
Public Services	<u>407,852</u>	<u>398,093</u>
Total Expenditures	<u>407,852</u>	<u>398,093</u>
Excess (Deficit) of Revenues over Expenditures	45,413	41,091
Other Financing Sources (Uses)		
Operating Transfers Out	<u>(45,413)</u>	<u>(40,725)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses		366
Fund Balance, Beginning of Year		<u>(366)</u>
Fund Balance, End of Year	<u>\$ 0</u>	<u>\$ 0</u>

KETCHIKAN GATEWAY BOROUGH

LAND TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 Actual
REVENUES:				
Real Property Tax				\$ (134)
Federal Sources				382,235
Interest Income	\$ 400,000	\$ 297,178	\$ (102,822)	383,811
Sale of Land	<u>158,210</u>	<u>132,879</u>	<u>(25,331)</u>	<u>136,820</u>
Total Revenues	<u>558,210</u>	<u>430,057</u>	<u>(128,153)</u>	<u>902,732</u>
EXPENDITURES:				
Public Services	<u>224,137</u>	<u>140,573</u>	<u>83,564</u>	<u>86,787</u>
Total Expenditures	<u>224,137</u>	<u>140,573</u>	<u>83,564</u>	<u>86,787</u>
Excess (Deficit) of Revenues over Expenditures	334,073	289,484	(44,589)	815,945
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(588,643)</u>	<u>(588,643)</u>		<u>(78,150)</u>
Total Other Financing Sources (Uses)	<u>(588,643)</u>	<u>(588,643)</u>		<u>(78,150)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(254,570)	(299,159)	(44,589)	737,795
Fund Balance, Beginning of Year	<u>5,348,651</u>	<u>5,348,651</u>		<u>4,610,856</u>
Fund Balance, End of Year	\$ <u>5,094,081</u>	\$ <u>5,049,492</u>	\$ <u>(44,589)</u>	\$ <u>5,348,651</u>

KETCHIKAN GATEWAY BOROUGH
MUD BIGHT SERVICE AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1991 Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 4,515	\$ 4,410	\$ (105)	\$ (694)
State Revenues	50	59	9	22,528
Interest Income	<u>25</u>	<u>997</u>	<u>972</u>	<u>1,305</u>
Total Revenues	<u>4,590</u>	<u>5,466</u>	<u>876</u>	<u>23,139</u>
EXPENDITURES:				
Public Services	<u>3,500</u>	<u> </u>	<u>3,500</u>	<u>40,100</u>
Total Expenditures	<u>3,500</u>	<u> </u>	<u>3,500</u>	<u>40,100</u>
Excess (Deficit) of Revenues over Expenditures	1,090	5,466	4,376	(16,961)
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(785)</u>	<u>(785)</u>	<u> </u>	<u>(786)</u>
Total Other Financing Sources (Uses)	<u>(785)</u>	<u>(785)</u>	<u> </u>	<u>(786)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	305	4,681	4,376	(17,747)
Fund Balance, Beginning of Year	<u>16,851</u>	<u>16,851</u>	<u> </u>	<u>34,598</u>
Fund Balance, End of Year	<u>\$ 17,156</u>	<u>\$ 21,532</u>	<u>\$ 4,376</u>	<u>\$ 16,851</u>

KETCHIKAN GATEWAY BOROUGH
SHORELINE SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1992
With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1991 Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 46,259	\$ 45,351	\$ (908)	\$ 22,938
Automobile and Boat Taxes	350	773	423	438
State Revenues	300	302	2	410
Interest Income	1,700	4,267	2,567	2,599
Miscellaneous Revenue	<u> </u>	<u> </u>	<u> </u>	<u>10,950</u>
Total Revenues	<u>48,609</u>	<u>50,693</u>	<u>2,084</u>	<u>37,335</u>
EXPENDITURES:				
Public Services	<u>41,951</u>	<u>35,605</u>	<u>6,346</u>	<u>46,190</u>
Total Expenditures	<u>41,951</u>	<u>35,605</u>	<u>6,346</u>	<u>46,190</u>
Excess (Deficit) of Revenues over Expenditures	6,658	15,088	8,430	(8,855)
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(3,000)</u>	<u>(3,000)</u>	<u> </u>	<u>(1,174)</u>
Total Other Financing Sources (Uses)	<u>(3,000)</u>	<u>(3,000)</u>	<u> </u>	<u>(1,174)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	3,658	12,088	8,430	(10,029)
Fund Balance, Beginning of Year	<u>29,483</u>	<u>29,483</u>	<u> </u>	<u>39,512</u>
Fund Balance, End of Year	<u>\$ 33,141</u>	<u>\$ 41,571</u>	<u>\$ 8,430</u>	<u>\$ 29,483</u>

KETCHIKAN GATEWAY BOROUGH
MOUNTAIN POINT SERVICE AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1991 Actual</u>
REVENUES:				
Public Services	\$ 31,000	\$ 30,412	\$ (588)	\$ 28,577
Interest Income	<u>6,000</u>	<u>4,686</u>	<u>(1,314)</u>	<u>5,229</u>
Total Revenues	<u>37,000</u>	<u>35,098</u>	<u>(1,902)</u>	<u>33,806</u>
EXPENDITURES:				
Public Services	<u>31,050</u>	<u>15,594</u>	<u>15,456</u>	<u>24,429</u>
Total Expenditures	<u>31,050</u>	<u>15,594</u>	<u>15,456</u>	<u>24,429</u>
Excess (Deficit) of Revenues over Expenditures	5,950	19,504	13,554	9,377
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(4,600)</u>	<u>(4,600)</u>	<u> </u>	<u>(4,600)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	1,350	14,904	13,554	4,777
Fund Balance, Beginning of Year	<u>86,934</u>	<u>86,934</u>	<u> </u>	<u>82,157</u>
Fund Balance, End of Year	<u>\$ 88,284</u>	<u>\$ 101,838</u>	<u>\$ 13,554</u>	<u>\$ 86,934</u>

KETCHIKAN GATEWAY BOROUGH
SOUTH END FIRE DISTRICT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1992
With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 59,220	\$ 61,656	\$ 2,436	\$ 56,857
Automobile and Boat Taxes	1,725	2,288	563	1,672
State Revenues	700	722	22	2,915
Interest Income	5,800	5,569	(231)	6,944
Other Revenue	<u>3,000</u>	<u>8,600</u>	<u>5,600</u>	<u>2,750</u>
Total Revenues	<u>70,445</u>	<u>78,835</u>	<u>8,390</u>	<u>71,138</u>
EXPENDITURES:				
Public Services	<u>78,000</u>	<u>80,250</u>	<u>(2,250)</u>	<u>57,645</u>
Total Expenditures	<u>78,000</u>	<u>80,250</u>	<u>(2,250)</u>	<u>57,645</u>
Excess (Deficit) of Revenues over Expenditures	(7,555)	(1,415)	6,140	13,493
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(3,000)</u>	<u>(3,000)</u>		<u>(3,000)</u>
Total Other Financing Sources (Uses)	<u>(3,000)</u>	<u>(3,000)</u>		<u>(3,000)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(10,555)	(4,415)	6,140	10,493
Fund Balance, Beginning of Year	<u>93,439</u>	<u>93,439</u>		<u>82,946</u>
Fund Balance, End of Year	\$ <u>82,884</u>	\$ <u>89,024</u>	\$ <u>6,140</u>	\$ <u>93,439</u>

KETCHIKAN GATEWAY BOROUGH

WATERFALL SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 Actual
REVENUES:				
Public Services	\$ 8,900	\$ 10,932	\$ 2,032	\$ 9,164
Interest Income	<u>2,100</u>	<u>2,311</u>	<u>211</u>	<u>2,432</u>
Total Revenues	<u>11,000</u>	<u>13,243</u>	<u>2,243</u>	<u>11,596</u>
EXPENDITURES:				
Public Services	<u>12,350</u>	<u>5,061</u>	<u>7,289</u>	<u>596</u>
Total Expenditures	<u>12,350</u>	<u>5,061</u>	<u>7,289</u>	<u>596</u>
Excess (Deficit) of Revenues over Expenditures	(1,350)	8,182	9,532	11,000
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(965)</u>	<u>(965)</u>		<u>(965)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(2,315)	7,217	9,532	10,035
Fund Balance, Beginning of Year	<u>40,837</u>	<u>40,837</u>		<u>30,802</u>
Fund Balance, End of Year	<u>\$ 38,522</u>	<u>\$ 48,054</u>	<u>\$ 9,532</u>	<u>\$ 40,837</u>

KETCHIKAN GATEWAY BOROUGH

SOUTH TONGASS SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:				
Other Revenue:				
Interest Income	\$ <u>400</u>	\$ <u>327</u>	\$ <u>(73)</u>	\$ <u>393</u>
Total Revenues	<u>400</u>	<u>327</u>	<u>(73)</u>	<u>393</u>
EXPENDITURES:				
Community Development and Planning	<u> </u>	<u> </u>	<u> </u>	<u>29</u>
Total Expenditures	<u> </u>	<u> </u>	<u> </u>	<u>29</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	400	327	(73)	364
Fund Balance, Beginning of Year	<u>6,641</u>	<u>6,641</u>	<u> </u>	<u>6,277</u>
Fund Balance, End of Year	\$ <u>7,041</u>	\$ <u>6,968</u>	\$ <u>(73)</u>	\$ <u>6,641</u>

KETCHIKAN GATEWAY BOROUGH
FOREST PARK SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 56,967	\$ 56,408	(559)	
Automobile and Boat Taxes		1,615	1,615	
Public Services		4,849	\$ 4,849	\$ 54,274
Interest Income	<u>20,000</u>	<u>16,322</u>	<u>(3,678)</u>	<u>19,218</u>
Total Revenues	<u>76,967</u>	<u>79,194</u>	<u>2,227</u>	<u>73,492</u>
EXPENDITURES:				
Public Services	<u>63,450</u>	<u>53,423</u>	<u>10,027</u>	<u>58,751</u>
Total Expenditures	<u>63,450</u>	<u>53,423</u>	<u>10,027</u>	<u>58,751</u>
Excess (Deficit) of Revenues over Expenditures	13,517	25,771	12,254	14,741
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(3,600)</u>	<u>(3,600)</u>	<u> </u>	<u>(4,900)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	9,917	22,171	12,254	9,841
Fund Balance, Beginning of Year	<u>312,234</u>	<u>312,234</u>	<u> </u>	<u>302,393</u>
Fund Balance, End of Year	<u>\$ 322,151</u>	<u>\$ 334,405</u>	<u>\$ 12,254</u>	<u>\$ 312,234</u>

KETCHIKAN GATEWAY BOROUGH
 GOLD NUGGET SERVICE AREA FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL

For the Year Ended June 30, 1992
 With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1991 Actual</u>
REVENUES:				
Public Services	\$ 5,750	\$ 6,333	\$ 583	\$ 5,227
Interest Income	<u>375</u>	<u>356</u>	<u>(19)</u>	<u> </u>
Total Revenues	<u>6,125</u>	<u>6,689</u>	<u>564</u>	<u>5,227</u>
EXPENDITURES:				
Public Services	<u>3,000</u>	<u>1,626</u>	<u>1,374</u>	<u>2,674</u>
Total Expenditures	<u>3,000</u>	<u>1,626</u>	<u>1,374</u>	<u>2,674</u>
Excess (Deficit) of Revenues over Expenditures	3,125	5,063	1,938	2,553
Other Financing Sources (Uses) Operating Transfers Out	<u>(1,000)</u>	<u>(1,000)</u>	<u> </u>	<u>(1,075)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,125	4,063	1,938	1,478
Fund Balance, Beginning of Year	<u>4,560</u>	<u>4,560</u>	<u> </u>	<u>3,082</u>
Fund Balance, End of Year	<u>\$ 6,685</u>	<u>\$ 8,623</u>	<u>\$ 1,938</u>	<u>\$ 4,560</u>

KETCHIKAN GATEWAY BOROUGH

NON AREAWIDE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 209,084	\$ 211,477	\$ 2,393	\$ 283,868
Penalty and Interest	1,500		(1,500)	
State Revenues	8,100	8,146	46	3,969
Federal Revenue				8,500
Interest Income	<u>7,500</u>	<u>4,832</u>	<u>(2,668)</u>	<u>10,438</u>
Total Revenues	<u>226,184</u>	<u>224,455</u>	<u>(1,729)</u>	<u>306,775</u>
EXPENDITURES:				
Ketchikan Visitors Bureau				55,000
Library Services	226,472	222,930	3,542	194,000
Overall Economic Development Plan				16,932
Community Promotion				2,835
Southeast Marketing Council				<u>27,500</u>
Total Expenditures	<u>226,472</u>	<u>222,930</u>	<u>3,542</u>	<u>296,267</u>
Excess (Deficit) of Revenues over Expenditures	(288)	1,525	1,813	10,508
Fund Balance, Beginning of Year	<u>68,447</u>	<u>68,447</u>		<u>57,939</u>
Fund Balance, End of Year	<u>\$ 68,159</u>	<u>\$ 69,972</u>	<u>\$ 1,813</u>	<u>\$ 68,447</u>

KETCHIKAN GATEWAY BOROUGH

STATE AND FEDERAL GRANTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	<u>1992</u>	<u>1991</u>
REVENUES:		
State Sources	\$ 1,631,582	733,707
Other Revenues	<u>82,622</u>	\$ <u>7,211</u>
Total Revenues	<u>1,714,204</u>	<u>740,918</u>
EXPENDITURES:		
Public Services	<u>1,638,907</u>	<u>743,118</u>
Total Expenditures	<u>1,638,907</u>	<u>743,118</u>
Excess (Deficit) of Revenues over Expenditures	75,297	(2,200)
Fund Balance, Beginning of Year	<u>(2,200)</u>	<u> </u>
Fund Balance, End of Year	<u>\$ 73,097</u>	<u>\$ (2,200)</u>

KETCHIKAN GATEWAY BOROUGH
SCHOOL BONDS/CAPITAL IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 <u>Actual</u>
REVENUES:				
State Grant	\$ 4,340,152	\$ 4,336,038	\$ (4,114)	\$ 4,398,603
Interest Income	1,078,857	136,273	(942,584)	224,159
Other Revenue	<u> </u>	<u>12,971</u>	<u>12,971</u>	<u>24,274</u>
Total Revenues	<u>5,419,009</u>	<u>4,485,282</u>	<u>(933,727)</u>	<u>4,647,036</u>
EXPENDITURES:				
Public Services		16,782	(16,782)	21,479
Capital Outlay	<u>463,214</u>	<u>289,711</u>	<u>173,503</u>	<u>22,898</u>
Total Expenditures	<u>463,214</u>	<u>306,493</u>	<u>156,721</u>	<u>44,377</u>
Excess (Deficit) of Revenues over Expenditures	4,955,795	4,178,789	(777,006)	4,602,659
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(4,988,482)</u>	<u>(4,988,483)</u>	<u>(1)</u>	<u>(5,327,887)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(32,687)	(809,694)	(777,007)	(725,228)
Fund Balance, Beginning of Year	<u>1,477,495</u>	<u>1,477,495</u>	<u> </u>	<u>2,202,723</u>
Fund Balance, End of Year	<u>\$ 1,444,808</u>	<u>\$ 667,801</u>	<u>\$ (777,007)</u>	<u>\$ 1,477,495</u>

KETCHIKAN GATEWAY BOROUGH

PERMANENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1992

(With Comparative Totals for the Year Ended June 30, 1991)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 Actual
REVENUES:				
Interest Income	\$ 25,000	\$ 12,173	\$ (12,827)	\$ 1,048
Timber Sales	322,375	198,415	(123,960)	48,000
Other Revenues		230	230	
Total Revenues	<u>347,375</u>	<u>210,818</u>	<u>(136,557)</u>	<u>49,048</u>
Excess (Deficit) of Revenues over Expenditures	347,375	210,818	(136,557)	49,048
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(800)</u>	<u>(800)</u>		
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	346,575	210,018	(136,557)	49,048
Fund Balance, Beginning of Year	<u>49,048</u>	<u>49,048</u>		
Fund Balance, End of Year	<u>\$ 395,623</u>	<u>\$ 259,066</u>	<u>\$ (136,557)</u>	<u>\$ 49,048</u>

KETCHIKAN GATEWAY BOROUGH

SPECIAL RECREATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	<u>1992</u>	<u>1991</u>
REVENUES:		
Donations	\$ 24,000	
Other Revenues	<u>883</u>	\$ 89,923
Total Revenues	<u>24,883</u>	<u>89,923</u>
EXPENDITURES:		
Capital Outlay	<u>48,400</u>	<u> </u>
Total Expenditures	<u>48,400</u>	<u> </u>
Excess (Deficit) of Revenues over Expenditures	(23,517)	89,923
Fund Balance, Beginning of Year	<u>89,923</u>	<u> </u>
Fund Balance, End of Year	\$ <u>66,406</u>	\$ <u>89,923</u>

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DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The following funds are included in this section:

STATE OF ALASKA RETIREMENT INCENTIVE PROGRAM - To accumulate funds for the payment of the employer's share for implementing a retirement incentive program in accordance with State statutes. Financing is provided through transfers from the School Operating Fund.

1974 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest on the 1974 High School Expansion General Obligation Refunding Bonds due through 1995 at 5% to 8% interest. Financing is provided through transfers from the School Bond/Capital Improvements Fund which are partially funded through the State in the form of debt reimbursement payments.

1983 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest. Financing is provided through transfers from the School Bond/Capital Improvements Fund.

1989 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest. Financing is provided through transfers from the School Bond/Capital Improvements Fund.

The following statements are included in this section:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

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KETCHIKAN GATEWAY BOROUGH

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	State of Alaska Retirement Incentive Program	1974 G.O. Bond Redemption Fund	1983 G.O. Bond Redemption Fund	1989 G.O. Bond Redemption Fund	Totals
					1992 1991
ASSETS					
Due from Other Funds	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Assets	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>172,797</u>
FUND BALANCE					
Fund Balance	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>172,797</u>
Total Fund Balance	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>172,797</u>

KETCHIKAN GATEWAY BOROUGH

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	State of Alaska Retirement Incentive Program	1974 G.O. Bond Redemption Fund	1983 G.O. Bond Redemption Fund	1989 G.O. Bond Redemption Fund	Totals
		1992	1991		1992
EXPENDITURES					
Debt Service					
Principal	\$ 251,693	\$ 350,000	\$ 2,050,000	\$ 1,200,000	\$ 3,851,693
Interest		86,493	609,590	692,400	1,388,483
Total	<u>251,693</u>	<u>436,493</u>	<u>2,659,590</u>	<u>1,892,400</u>	<u>5,240,176</u>
Excess (Deficit) of Revenues over Expenditures	<u>(251,693)</u>	<u>(436,493)</u>	<u>(2,659,590)</u>	<u>(1,892,400)</u>	<u>(5,240,176)</u>
Other Financing Sources (Uses)					
Transfer from General Fund	78,896	436,493	2,659,590	1,892,400	5,327,887
Transfer from School Operating					422,515
Total Other Financing Sources (Uses)	<u>78,896</u>	<u>436,493</u>	<u>2,659,590</u>	<u>1,892,400</u>	<u>5,067,379</u>
Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(172,797)</u>				<u>(172,797)</u>
Fund Balances, Beginning of Year	<u>172,797</u>				<u>172,797</u>
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 172,797</u>

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. This does not include capital projects financed by proprietary funds and special assessment funds.

The following funds are included in this section:

Ketchikan High School
School Bond Construction Fund - 1989

The following statements are included in this section:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

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KETCHIKAN GATEWAY BOROUGH

CAPITAL PROJECT FUNDS

COMBINING BALANCE SHEET

June 30, 1992

(With Comparative Totals for June 30, 1991)

	School Bond Construction Fund 1989		Total
		1992	1991
ASSETS			
Cash in Central Treasury	\$ 15,736,793	\$ 15,736,793	\$ 11,666,058
Due From Other Funds	1,351,880	1,351,880	122,206
Accrued Interest Receivable	193,614	193,614	232,489
Total Assets	\$ 17,282,287	\$ 17,282,287	\$ 12,020,753
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts Payable	\$ 1,348,339	\$ 1,348,339	\$ 127,390
Accrued Liabilities	3,542	3,542	
Due to Other Funds	74,669	74,669	
Bond Interest Rebate	250,000	250,000	
Deferred Grant Receipts	6,504,188	6,504,188	41,976
Total Liabilities	8,180,738	8,180,738	169,366
FUND EQUITY			
Fund Balance	9,101,549	9,101,549	11,851,387
Total Fund Balances	9,101,549	9,101,549	11,851,387
Total Liabilities and Fund Equity	\$ 17,282,287	\$ 17,282,287	\$ 12,020,753

KETCHIKAN GATEWAY BOROUGH

CAPITAL PROJECT FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	School Bond Construction Fund	Total	
	1989	1992	1991
REVENUES			
Local Sources			\$ 22,908
State Sources	\$ 21,592	21,592	51,674
Interest	941,307	941,307	992,600
Total Revenues	<u>962,899</u>	<u>962,899</u>	<u>1,067,182</u>
EXPENDITURES			
Contractual Services			138,422
Professional Services			1,152
Educational Facilities	3,462,737	3,462,737	859,461
Other Expense	<u>250,000</u>	<u>250,000</u>	<u>1,867</u>
Total Expenditures	<u>3,712,737</u>	<u>3,712,737</u>	<u>1,000,902</u>
Excess (Deficit) of Revenues over Expenditures	<u>(2,749,838)</u>	<u>(2,749,838)</u>	<u>66,280</u>
Other Financing Sources (Uses)			
Transfers to Other Funds			<u>(110,356)</u>
Total Other Financing Sources (Uses)			<u>(110,356)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>(2,749,838)</u>	<u>(2,749,838)</u>	<u>(44,076)</u>
Fund Balances, Beginning of Year	<u>11,851,387</u>	<u>11,851,387</u>	<u>11,895,463</u>
Fund Balances, End of Year	\$ <u>9,101,549</u>	\$ <u>9,101,549</u>	\$ <u>11,851,387</u>

ENTERPRISE FUNDS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing these services on a continuing basis be financed or recovered primarily through user charges. Costs include an allocation of depreciation expense.

AIRPORT ENTERPRISE FUND - An enterprise fund to account for the operations of the Ketchikan International Airport. All of the financial transactions relating to the Ketchikan International Airport are accounted for in this fund.

TRANSIT ENTERPRISE FUND - An enterprise fund to account for the operation of the Borough Bus System. All of the financial transactions relating to the Borough Buses are accounted for in this fund.

RECREATION ENTERPRISE FUND - An enterprise fund to account for the operation of Recreation Programs, Latchkey, and swimming pools for the Ketchikan Gateway Borough. All of the financial transactions relating to the Recreation Programs are accounted for in this fund.

The following statements are included in this section:

- Combining Balance Sheet
- Combining Statement of Revenues, Expenses and Changes in Retained Earnings
- Combining Statement of Cash Flows

Airport Enterprise Fund:

- Balance Sheets
- Statement of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual
- Statements of Cash Flows

Transit Enterprise Fund:

- Balance Sheets
- Statement of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual
- Statements of Cash Flows

Recreation Enterprise Fund

- Balance Sheets
- Statement of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual
- Statements of Cash Flows

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KETCHIKAN GATEWAY BOROUGH

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

June 30, 1992
(With Comparative Totals for June 30, 1991)

	Airport	Transit	Recreation	Totals	
				June 30, 1992	June 30, 1991
ASSETS					
Cash and Investments	\$ 185,607			\$ 185,607	\$ 119,327
Due From Other Governments	12,659	\$ 162		12,821	1,740
Accounts Receivable	264,254			264,254	169,410
Total Current Assets	462,520	162		462,682	290,477
Restricted Assets					
Bond Redemption Fund Cash & Investments	59,733			59,733	59,733
Plant in Service					
Buildings and Equipment	7,802,486	147,479		7,949,965	7,401,217
Construction in Progress	611,502			611,502	241,013
Less Accumulated Depreciation	(3,370,568)	(76,269)		(3,446,837)	(3,145,789)
Total Plant in Service	5,043,420	71,210		5,114,630	4,496,441
Total Assets	\$ 5,565,673	\$ 71,372	\$ 0	\$ 5,637,045	\$ 4,846,651
LIABILITIES AND FUND EQUITY					
Current Liabilities					
Accounts Payable	\$ 213,342	\$ 2,506	\$ 4,394	\$ 220,242	\$ 60,942
Deferred Revenue					7,557
Due to Other Funds		43,056	21,787	64,843	
Accrued Vacation & Sick Leave	180,026	3,423	21,094	204,543	159,855
Accrued Interest Payable	14,308			14,308	14,308
Current Portion of Long Term Debt	195,000			195,000	210,000
Total Current Liabilities	602,676	48,985	47,275	698,936	452,662
Long-term Debt	895,000			895,000	1,090,000
Total Liabilities	1,497,676	48,985	47,275	1,593,936	1,542,662
Fund Equity:					
Contributed Capital	1,988,639	10,101		1,998,740	2,063,114
Retained Earnings	2,019,625	12,286	(47,275)	1,984,636	1,181,142
Reserved for Debt Retirement	59,733			59,733	59,733
Total Fund Equity	4,067,997	22,387	(47,275)	4,043,109	3,303,989
Total Liabilities and Fund Equity	\$ 5,565,673	\$ 71,372	\$ 0	\$ 5,637,045	\$ 4,846,651

KETCHIKAN GATEWAY BOROUGH

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the Year Ended June 30, 1992
 (With Comparative Totals for the Year Ended June 30, 1991)

	Airport	Transit	Recreation	Totals	
				June 30, 1992	June 30, 1991
OPERATING REVENUES					
Charges for Services	\$ 2,188,484	\$ 102,533	\$ 253,415	\$ 2,544,432	\$ 2,026,650
Total Operating Income	<u>2,188,484</u>	<u>102,533</u>	<u>253,415</u>	<u>2,544,432</u>	<u>2,026,650</u>
OPERATING EXPENSES					
Field	630,865			630,865	648,807
Terminal	468,945			468,945	375,436
Ferry	988,694			988,694	769,806
Operations		179,612	627,276	806,888	79,240
Depreciation	<u>284,008</u>	<u>17,041</u>		<u>301,049</u>	<u>271,403</u>
Total Operating Expenses	<u>2,372,512</u>	<u>196,653</u>	<u>627,276</u>	<u>3,196,441</u>	<u>2,144,692</u>
Net Operating Revenues(Loss)	<u>(184,028)</u>	<u>(94,120)</u>	<u>(373,861)</u>	<u>(652,009)</u>	<u>(118,042)</u>
NON OPERATING REVENUES (EXPENSES)					
UMTA Grant for Ferry	37,113			37,113	
State Operating Grants	275,871	2,154	6,586	284,611	263,127
Interest Earnings	16,393			16,393	11,679
Interest Expense	(78,278)			(78,278)	(88,789)
Other Revenue		12		12	
Total Nonoperating Revenues (Expenses)	<u>251,099</u>	<u>2,166</u>	<u>6,586</u>	<u>259,851</u>	<u>186,017</u>
Income (Loss) Before Operating Transfers	67,071	(91,954)	(367,275)	(392,158)	67,975
Other Financing Sources (Uses)					
Operating Transfers In	785,643	75,000	320,000	1,180,643	240,279
Operating Transfers Out		(15,000)		(15,000)	(5,200)
Total Other Financing Sources (Uses)	<u>785,643</u>	<u>60,000</u>	<u>320,000</u>	<u>1,165,643</u>	<u>235,079</u>
Net Income (Loss)	852,714	(31,954)	(47,275)	773,485	303,054
Depreciation of Fixed Assets Acquired by Grants	<u>114,551</u>	<u>5,381</u>		<u>119,932</u>	<u>115,801</u>
Increase (Decrease) in Retained Earnings	967,265	(26,573)	(47,275)	893,417	418,855
Retained Earnings, Beginning of Year	<u>1,112,093</u>	<u>38,859</u>		<u>1,150,952</u>	<u>732,097</u>
Retained Earnings at End of Year	\$ <u>2,079,358</u>	\$ <u>12,286</u>	\$ <u>(47,275)</u>	\$ <u>2,044,369</u>	\$ <u>1,150,952</u>

KETCHIKAN GATEWAY BOROUGH
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 1992

	<u>Airport</u>	<u>Transit</u>	<u>Recreation</u>	<u>Total</u>
Cash Flows for Operating Activities:				
Operating Income (Loss)	\$ (184,028)	\$ (94,120)	\$ (373,861)	\$ (652,009)
Adjustments to Reconcile Operating Loss to Net Cash Provided to (Used in) Operating Activities:				
Depreciation	284,008	17,041		301,049
Change in Assets and Liabilities:				
(Increase) in Accounts Receivables	(94,844)			(94,844)
Decrease in Due from Other Governments		1,578		1,578
Increase in Accounts Payable	154,579	327	4,394	159,300
(Decrease) in Deferred Revenue	(7,557)			(7,557)
Increase in Accrued Liabilities	21,248	2,346	21,094	44,688
Net Cash Provided by (Used in) Operating Activities	<u>173,406</u>	<u>(72,828)</u>	<u>(348,373)</u>	<u>(247,795)</u>
Cash Flows from Noncapital Financing Activities:				
Other Revenues		12		12
Operating Grants Received	312,984	2,154	6,586	321,724
Contributed Capital	55,557			55,557
(Decrease) Increase in Due to Other Funds	(12,659)	10,662	21,787	19,790
Transfers in from General Fund	785,643	75,000	320,000	1,180,643
Transfers out to General Fund		(15,000)		(15,000)
Net Cash Provided by Noncapital Financing Activities	<u>1,141,525</u>	<u>72,828</u>	<u>348,373</u>	<u>1,562,726</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Equipment	(548,748)			(548,748)
Construction in Progress	(370,489)			(370,489)
Principal Paid on Bonds Payable	(210,000)			(210,000)
Interest Paid on Bonds Payable	(78,278)			(78,278)
Net Cash Used for Capital and Related Financing Activities	<u>(1,207,515)</u>			<u>(1,207,515)</u>
Cash Flows from Investing Activities				
Interest on Investments	16,393			16,393
Net Increase in Cash and Cash Equivalents	123,809			123,809
Cash and Cash Equivalents, Beginning of Year	121,531			121,531
Cash and Cash Equivalents, End of Year	<u>\$ 245,340</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 245,340</u>

KETCHIKAN GATEWAY BOROUGH
AIRPORT ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS

June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
ASSETS		
Cash and Cash Equivalents	\$ 185,607	\$ 61,798
Due from Other Governments	12,659	
Accounts Receivable	<u>264,254</u>	<u>169,410</u>
 Total Current Assets	 <u>462,520</u>	 <u>231,208</u>
 Restricted Assets		
Bond Redemption Fund Cash & Cash Equivalents	<u>59,733</u>	<u>59,733</u>
 Plant in Service		
Field	3,182,072	2,830,408
Terminal	3,065,324	3,059,137
Ferry	1,555,090	1,364,193
Construction in Progress	611,502	241,013
Less Accumulated Depreciation	<u>(3,370,568)</u>	<u>(3,086,561)</u>
 Total Plant in Service	 <u>5,043,420</u>	 <u>4,408,190</u>
 Total Assets	 <u>\$ 5,565,673</u>	 <u>\$ 4,699,131</u>
 LIABILITIES AND FUND EQUITY		
Current Liabilities		
Accounts Payable	\$ 213,342	\$ 58,763
Deferred Revenue		7,557
Accrued Vacation & Sick Leave	180,026	158,778
Accrued Interest Payable	14,308	14,308
Current Portion of Long Term Debt	<u>195,000</u>	<u>210,000</u>
 Total Current Liabilities	 <u>602,676</u>	 <u>449,406</u>
 Long-term Debt	 <u>895,000</u>	 <u>1,090,000</u>
 Total Liabilities	 <u>1,497,676</u>	 <u>1,539,406</u>
 Fund Equity:		
Contributed Capital	1,988,639	2,047,632
Retained Earnings	2,019,625	1,052,360
Reserved for Debt Retirement	<u>59,733</u>	<u>59,733</u>
 Total Fund Equity	 <u>4,067,997</u>	 <u>3,159,725</u>
 Total Liabilities and Fund Equity	 <u>\$ 5,565,673</u>	 <u>\$ 4,699,131</u>

KETCHIKAN GATEWAY BOROUGH

AIRPORT ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 1992

	Budget	Actual	Adjustment to Budgetary Basis	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 Actual
OPERATING REVENUES						
Charges for Services	\$ 2,031,275	\$ 2,188,484	(55,557)	2,132,927	\$ 101,652	\$ 1,946,832
Total Operating Income	<u>2,031,275</u>	<u>2,188,484</u>	<u>(55,557)</u>	<u>2,132,927</u>	<u>101,652</u>	<u>1,946,832</u>
OPERATING EXPENSES						
Field	936,993	630,865	115,750	746,615	190,378	648,807
Terminal	1,224,648	468,945	611,995	1,080,940	143,708	375,436
Ferry	1,145,012	988,694	162	988,856	156,156	769,806
Depreciation		<u>284,008</u>	<u>(284,008)</u>			<u>255,232</u>
Total Operating Expenses	<u>3,306,653</u>	<u>2,372,512</u>	<u>443,899</u>	<u>2,816,411</u>	<u>490,242</u>	<u>2,049,281</u>
Net Operating Revenues(Loss)	<u>(1,275,378)</u>	<u>(184,028)</u>	<u>(499,456)</u>	<u>(683,484)</u>	<u>591,894</u>	<u>(102,449)</u>
NON OPERATING REVENUES (EXPENSES)						
UMTA Grant for Ferry	35,500	37,113		37,113	1,613	
State Operating Grants	265,311	275,871		275,871	10,560	263,127
Interest Earnings	30,850	16,393		16,393	(14,457)	10,779
Interest Expense	<u>(294,845)</u>	<u>(78,278)</u>	<u>(210,000)</u>	<u>(288,278)</u>	<u>6,567</u>	<u>(88,789)</u>
Total Nonoperating Revenues (Expenses)	<u>36,816</u>	<u>251,099</u>	<u>(210,000)</u>	<u>41,099</u>	<u>4,283</u>	<u>185,117</u>
Income (Loss) Before Operating Transfers	<u>(1,238,562)</u>	<u>67,071</u>	<u>(709,456)</u>	<u>(642,385)</u>	<u>596,177</u>	<u>82,668</u>
Other Financing Sources (Uses)						
Operating Transfers In	<u>910,615</u>	<u>785,643</u>		<u>785,643</u>	<u>(124,972)</u>	<u>197,356</u>
Total Other Financing Sources (Uses)	<u>910,615</u>	<u>785,643</u>		<u>785,643</u>	<u>(124,972)</u>	<u>197,356</u>
Net Income (Loss)	<u>(327,947)</u>	<u>852,714</u>	<u>(709,456)</u>	<u>143,258</u>	<u>471,205</u>	<u>280,024</u>
Depreciation of Fixed Assets Acquired by Grants		<u>114,551</u>	<u>(114,551)</u>			<u>110,411</u>
Increase (Decrease) in Retained Earnings	<u>(327,947)</u>	<u>967,265</u>	<u>(824,007)</u>	<u>143,258</u>	<u>471,205</u>	<u>390,435</u>
Retained Earnings, Beginning of Year	<u>1,112,093</u>	<u>1,112,093</u>		<u>1,112,093</u>		<u>721,658</u>
Retained Earnings at End of Year	<u>\$ 784,146</u>	<u>\$ 2,079,358</u>	<u>\$ (824,007)</u>	<u>\$ 1,255,351</u>	<u>\$ 471,205</u>	<u>\$ 1,112,093</u>
Nature and Amount of Adjustments from GAAP Basis to Budgetary Basis						
Depreciation			284,008			
Amortization of Contributed Capital			(114,551)			
Payment of Long Term Debt			(210,000)			
Capital Expenditures			(727,907)			
Contributions in Aid of Construction			(55,557)			
Total Adjustments			<u>\$ (824,007)</u>			

KETCHIKAN GATEWAY BOROUGH
 AIRPORT ENTERPRISE FUND
 COMPARATIVE STATEMENTS OF CASH FLOWS
 For the Fiscal Years Ended June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
Cash Flows from Operating Activities:		
Operating (Loss)	\$ (184,028)	\$ (102,449)
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:		
Depreciation	284,008	255,232
Change in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivables	(94,844)	(2,816)
Increase (Decrease) in Accounts Payable	154,579	(56,853)
Increase (Decrease) in Deferred Revenue	(7,557)	7,557
Increase (Decrease) in Accrued Liabilities	<u>21,248</u>	<u>(1,795)</u>
Net Cash from Operating Activities	<u>173,406</u>	<u>98,876</u>
Cash Flows from Noncapital Financing Activities:		
Operating Grants Received	312,984	263,127
Due from Others	(12,659)	
Contributed Capital	55,557	91,190
Transfers from General Fund	<u>785,643</u>	<u>197,356</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,141,525</u>	<u>551,673</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Equipment	(548,748)	(531,260)
Construction in Progress	(370,489)	(4,443)
Principal Paid on Bonds Payable	(210,000)	(195,000)
Interest Paid on Bonds Payable	<u>(78,278)</u>	<u>(94,240)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(1,207,515)</u>	<u>(824,943)</u>
Cash Flows from Investing Activities:		
Interest on Investments	<u>16,393</u>	<u>10,779</u>
Net Cash Provided from Investing Activities	<u>16,393</u>	<u>10,779</u>
Net Increase (Decrease) in Cash and Investments	123,809	(163,615)
Cash and Cash Equivalents, Beginning of Year	<u>121,531</u>	<u>285,146</u>
Cash and Cash Equivalents, End of Year	<u>\$ 245,340</u>	<u>\$ 121,531</u>

KETCHIKAN GATEWAY BOROUGH
 TRANSIT ENTERPRISE FUND
 COMPARATIVE BALANCE SHEETS

June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
ASSETS		
Due from Other Governments	\$ <u>162</u>	<u>1,740</u>
Total Current Assets	<u>162</u>	<u>1,740</u>
Plant in Service		
Buses	147,479	147,479
Less Accumulated Depreciation	<u>(76,269)</u>	<u>(59,228)</u>
Net Plant in Service	<u>71,210</u>	<u>88,251</u>
Total Assets	\$ <u><u>71,372</u></u>	\$ <u><u>89,991</u></u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Accounts Payable	\$ 2,506	\$ 2,179
Due to Other Funds	43,056	32,394
Accrued Vacation and Sick Leave	<u>3,423</u>	<u>1,077</u>
Total Current Liabilities	<u>48,985</u>	<u>35,650</u>
Fund Equity:		
Contributed Capital	10,101	15,482
Retained Earnings	<u>12,286</u>	<u>38,859</u>
Total Fund Equity	<u>22,387</u>	<u>54,341</u>
Total Liabilities and Fund Equity	\$ <u><u>71,372</u></u>	\$ <u><u>89,991</u></u>

KETCHIKAN GATEWAY BOROUGH

TRANSIT ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUALFor the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	Budget	Actual	Adjustment to Budgetary Basis	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Year Ended June 30, 1991 Actual
OPERATING REVENUES						
Charges for Services	\$ 112,500	\$ 102,533	\$ _____	\$ 102,533	\$ (9,967)	\$ 77,442
Total Operating Income	112,500	102,533	_____	102,533	(9,967)	77,442
OPERATING EXPENSES						
Public Service	179,137	179,612	_____	179,612	(475)	79,240
Depreciation	_____	17,041	(17,041)	_____	_____	16,171
Total Operating Expenses	179,137	196,653	(17,041)	179,612	(475)	95,411
Net Operating Revenues(Loss)	(66,637)	(94,120)	17,041	(77,079)	(10,442)	(17,969)
NON OPERATING REVENUES (EXPENSES)						
Interest Income	500	_____	_____	_____	(500)	900
State Operating Grants	2,156	2,154	_____	2,154	(2)	2,376
Other Revenue	2,000	12	_____	12	(1,988)	_____
Total Nonoperating Revenues (Expenses)	4,656	2,166	_____	2,166	(2,490)	3,276
Income (Loss) Before Operating Transfers	(61,981)	(91,954)	17,041	(74,913)	(12,932)	(14,693)
Other Financing Sources (Uses)						
Operating Transfers In	75,000	75,000	_____	75,000	_____	42,923
Operating Transfers Out	(15,000)	(15,000)	_____	(15,000)	_____	(5,200)
Total Other Financing Sources (Uses)	60,000	60,000	_____	60,000	_____	37,723
Net Income (Loss)	(1,981)	(31,954)	17,041	(14,913)	(12,932)	23,030
Depreciation of Fixed Assets						
Acquired by Grants	_____	5,381	(5,381)	_____	_____	5,390
Increase (Decrease) in Retained Earnings	(1,981)	(26,573)	11,660	(14,913)	(12,932)	28,420
Retained Earnings, Beginning of Year	38,859	38,859	_____	38,859	_____	10,439
Retained Earnings at End of Year	\$ 36,878	\$ 12,286	\$ 11,660	\$ 23,946	\$ (12,932)	\$ 38,859
Nature and Amount of Adjustments						
from GAAP Basis to Budgetary Basis						
Depreciation	_____	_____	17,041	_____	_____	_____
Amortization of Contributed Capital	_____	_____	(5,381)	_____	_____	_____
Total Adjustments	_____	_____	11,660	_____	_____	_____

KETCHIKAN GATEWAY BOROUGH
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS

For the Fiscal Years Ended June 30, 1992 and 1991

	1992	1991
Cash Flows from Operating Activities:		
Operating Loss	\$ (94,120)	\$ (15,593)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	17,041	16,171
Change in assets and Liabilities:		
Decrease (Increase) in Due to Other Governments	1,578	(1,740)
Increase (Decrease) in Accounts Payables	327	(41,871)
Increase (Decrease) in Accrued Liabilities	2,346	168
Net Cash from Operating Activities	(72,828)	(42,865)
Cash Flows from Noncapital Financing Activities:		
Other Revenues	12	
Operating Grants Received	2,154	
Due to Other Funds	10,662	32,394
Transfers in from General Fund	75,000	42,923
Transfers out to General Fund	(15,000)	(5,200)
Net Cash Provided by Noncapital Financing Activities	72,828	70,117
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Equipment		(42,923)
Net Cash Used for Capital and Related Financing Activities		(42,923)
Cash Flows from Investing Activities:		
Interest on Investments		900
Net Cash Provided from Investing		900
Net Increase (Decrease) in Cash and Investments	0	(14,771)
Cash and Cash Equivalents, Beginning of Year	0	14,771
Cash and Cash Equivalents, End of Year	\$ 0	\$ 0

KETCHIKAN GATEWAY BOROUGH

RECREATION ENTERPRISE FUND

COMPARATIVE BALANCE SHEETS

For the Fiscal Years Ended June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
ASSETS		
Total Assets	\$ <u>0</u>	\$ <u>0</u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Accounts Payable	\$ 4,394	\$
Due to Other Funds	21,787	
Accrued Vacation and Sick Leave	<u>21,094</u>	<u> </u>
Total Current Liabilities	<u>47,275</u>	<u> </u>
Fund Equity:		
Contributed Capital		
Retained Earnings	<u>(47,275)</u>	<u> </u>
Total Fund Equity	<u>(47,275)</u>	<u> </u>
Total Liabilities and Fund Equity	\$ <u>0</u>	\$ <u>0</u>

KETCHIKAN GATEWAY BOROUGH

RECREATION ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 1992
(With Comparative Totals for the Year Ended June 30, 1991)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1991 Actual</u>
OPERATING REVENUES				
Charges for Services	\$ 323,809	\$ 253,415	\$ (70,394)	\$ _____
Total Operating Income	<u>323,809</u>	<u>253,415</u>	<u>(70,394)</u>	_____
OPERATING EXPENSES				
Public Service	<u>608,514</u>	<u>627,276</u>	<u>(18,762)</u>	_____
Total Operating Expenses	<u>608,514</u>	<u>627,276</u>	<u>(18,762)</u>	_____
Net Operating Revenues(Loss)	<u>(284,705)</u>	<u>(373,861)</u>	<u>(89,156)</u>	_____
NON OPERATING REVENUES (EXPENSES)				
Interest Income	4,500		(4,500)	
State Operating Grants	<u>3,900</u>	<u>6,586</u>	<u>2,686</u>	_____
Total Nonoperating Revenues (Expenses)	<u>8,400</u>	<u>6,586</u>	<u>(1,814)</u>	_____
Income (Loss) Before Operating Transfers	<u>(276,305)</u>	<u>(367,275)</u>	<u>(90,970)</u>	_____
Other Financing Sources (Uses)				
Operating Transfers In	<u>235,305</u>	<u>320,000</u>	<u>84,695</u>	_____
Total Other Financing Sources (Uses)	<u>235,305</u>	<u>320,000</u>	<u>84,695</u>	_____
Net Income (Loss)	<u>(41,000)</u>	<u>(47,275)</u>	<u>(6,275)</u>	_____
Retained Earnings, Beginning of Year	_____	_____	_____	_____
Retained Earnings at End of Year	\$ <u>(41,000)</u>	\$ <u>(47,275)</u>	\$ <u>(6,275)</u>	\$ <u>0</u>

KETCHIKAN GATEWAY BOROUGH
 RECREATION ENTERPRISE FUND
 STATEMENTS OF CASH FLOWS
 For the Years Ended June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
Cash Flows from Operating Activities:		
Operating Loss	\$ (373,861)	\$
Adjustments to Reconcile Operating Loss to Net Cash Used in		
Increase (Decrease) in Accounts Payables	4,394	
Increase (Decrease) in Accrued Liabilities	<u>21,094</u>	
Net Cash from Operating Activities	(348,373)	
Cash Flows from Noncapital Financing Activities:		
Operating Grants Received	6,586	
Due to Other Funds	21,787	
Transfers in from General Fund	<u>320,000</u>	
Net Cash Provided by Noncapital Financing Activities	348,373	
Net Increase (Decrease) in Cash and Investments		
Cash and Cash Equivalents, Beginning of Year	<u> </u>	<u> </u>
Cash and Cash Equivalents, End of Year	<u>\$ 0</u>	<u>\$ 0</u>

TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by a governmental unit in a trustee or agency capacity for individuals, private organizations, other governmental units and/or other funds.

The following funds and statements are included in this section:

Combining Balance Sheet

Trust Funds

Expendable Trust Fund - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonexpendable Trust Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonexpendable Trust Funds - Statement of Cash Flows

Agency Funds

Agency Funds - Statement of Changes in Assets and Liabilities

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KETCHIKAN GATEWAY BOROUGH

TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET

June 30, 1992

(With Comparative Totals for June 30, 1991)

	Expendable Trust Funds	Non- Expendable Trust Funds	Agency Funds	Totals (Memorandum Only)	
				1992	1991
ASSETS					
Cash with Deferred Compensation Agent			\$ 1,001,580	\$ 1,001,580	\$ 1,120,560
Cash and Investments	\$ 14,762	\$ 25,510	187,089	227,361	166,607
Due from Other Funds		2,724	5,419	8,143	8,263
Total Assets	\$ 14,762	\$ 28,234	\$ 1,194,088	\$ 1,237,084	\$ 1,295,430
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable			\$ 187,287	\$ 187,287	\$ 121,430
Deferred Compensation			1,001,580	1,001,580	1,120,560
Interfund Payable	\$ 7,769	\$ 173	5,221	13,163	33,700
Total Liabilities	7,769	173	1,194,088	1,202,030	1,275,690
Fund Balances					
Unreserved	6,993	25,000		31,993	9,740
Reserved for Endowments		3,061		3,061	10,000
Total Fund Balances	6,993	28,061		35,054	19,740
Total Liabilities and Fund Balance	\$ 14,762	\$ 28,234	\$ 1,194,088	\$ 1,237,084	\$ 1,295,430

KETCHIKAN GATEWAY BOROUGH

EXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

For the Year Ended June 30, 1992

	Cochran Memorial Scholarship Fund	Kay Poole Peterson Fund	Total
REVENUES			
Other Revenues			
Interest Income	\$ 396	\$ 351	\$ 747
Miscellaneous	<u>250</u>	<u> </u>	<u>250</u>
Total Other Revenues	646	351	997
EXPENDITURES			
Education	<u>1,000</u>	<u>750</u>	<u>1,750</u>
Net Income (Loss)	(354)	(399)	(753)
Fund Balance, Beginning of Year	<u>1,697</u>	<u>6,049</u>	<u>7,746</u>
Fund Balance, End of Year	\$ <u>1,343</u>	\$ <u>5,650</u>	\$ <u>6,993</u>

KETCHIKAN GATEWAY BOROUGH

NONEXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES

For the Year Ended June 30, 1992

	<u>Edna J. Bakken Fund</u>	<u>John Koel Trust Fund</u>	<u>Totals</u>
EXPENDITURES			
Education	<u> </u>	<u>250</u>	<u>250</u>
Operating Loss		(250)	(250)
Other Income	<u>15,337</u>	<u>980</u>	<u>16,317</u>
Net Income	15,337	730	16,067
Fund Balance, Beginning of Year	<u> </u>	<u>11,994</u>	<u>11,994</u>
Fund Balance, End of Year	<u>\$ 15,337</u>	<u>\$ 12,724</u>	<u>\$ 28,061</u>

KETCHIKAN GATEWAY BOROUGH
NONEXPENDABLE TRUST FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 1992

	1992
Cash Flows for Operating Activities	
Operating Income (Loss)	\$ (250)
Net Cash Used by Operating Activities	(250)
Cash Flows from Investing Activities:	
Interest on Investments	1,317
Net Cash Provided from Investing Activities	1,317
Noncapital Financing	
Miscellaneous Income	15,000
Decrease (Increase) in Due from Other Funds	(557)
Net Cash Provided from Noncapital Financing	14,443
Net Increase (Decrease) in Cash and Investments	15,510
Cash and Cash Equivalents, Beginning of Year	10,000
Cash and Cash Equivalents, End of Year	\$ 25,510

KETCHIKAN GATEWAY BOROUGH

AGENCY FUNDS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended June 30, 1992

	<u>Balance</u> <u>June 30, 1991</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 1992</u>
SCHOOL REVOLVING FUND				
Assets				
Cash & Temporary Investments	\$ 142,592	\$ 567,323	\$ 522,826	\$ 187,089
Due from Other Funds	<u>6,269</u>	<u> </u>	<u>850</u>	<u>5,419</u>
Total Assets	<u>\$ 148,861</u>	<u>\$ 567,323</u>	<u>\$ 523,676</u>	<u>\$ 192,508</u>
Liabilities				
Accounts Payable	\$ 121,430	\$ 567,323	\$ 501,466	\$ 187,287
Due to Other Funds	<u>27,431</u>	<u> </u>	<u>22,210</u>	<u>5,221</u>
	<u>\$ 148,861</u>	<u>\$ 567,323</u>	<u>\$ 523,676</u>	<u>\$ 192,508</u>
DEFERRED COMPENSATION FUND				
Assets				
Funds with Fiscal Agents	<u>\$ 1,120,560</u>	<u>\$ 631,236</u>	<u>\$ 750,216</u>	<u>\$ 1,001,580</u>
Liabilities				
Deferred Compensation	<u>\$ 1,120,560</u>	<u>\$ 631,236</u>	<u>\$ 750,216</u>	<u>\$ 1,001,580</u>
TOTAL – ALL AGENCY FUNDS				
Assets				
Cash & Temporary Investments	\$ 142,592	\$ 567,323	\$ 522,826	\$ 187,089
Funds with Fiscal Agents	1,120,560	631,236	750,216	1,001,580
Due from Other Funds	<u>6,269</u>	<u> </u>	<u>850</u>	<u>5,419</u>
Total Assets	<u>\$ 1,269,421</u>	<u>\$ 1,198,559</u>	<u>\$ 1,273,892</u>	<u>\$ 1,194,088</u>
Liabilities				
Accounts Payable	\$ 121,430	\$ 567,323	\$ 501,466	\$ 187,287
Due to Other Funds	27,431		22,210	5,221
Deferred Compensation	<u>1,120,560</u>	<u>631,236</u>	<u>750,216</u>	<u>1,001,580</u>
Total Liabilities	<u>\$ 1,269,421</u>	<u>\$ 1,198,559</u>	<u>\$ 1,273,892</u>	<u>\$ 1,194,088</u>

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GENERAL FIXED ASSETS ACCOUNT GROUP

This account group accounts for all fixed assets of the Borough that are not used in the proprietary fund operations. They do not represent financial resources available for expenditures. They are items for which financial resources have been used and for which accountability should be maintained.

The following statements are included in this section:

Statements of General Fixed Assets

Statement of Changes in General Fixed Assets by Function

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KETCHIKAN GATEWAY BOROUGH
 GENERAL FIXED ASSETS ACCOUNT GROUP
 STATEMENTS OF GENERAL FIXED ASSETS

June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
GENERAL FIXED ASSETS		
Land	\$ 148,081	\$ 148,081
Buildings	28,883,152	28,894,027
Equipment	5,115,395	4,683,010
Leasehold Improvements	<u>17,867</u>	<u>17,867</u>
Total	<u>\$ 34,164,495</u>	<u>\$ 33,742,985</u>
 INVESTMENT IN GENERAL FIXED ASSETS FROM:		
Federal and State Grants	\$ 594,923	\$ 594,924
General Revenues	1,730,914	1,365,581
School District Sources	<u>31,838,658</u>	<u>31,782,480</u>
Total	<u>\$ 34,164,495</u>	<u>\$ 33,742,985</u>

KETCHIKAN GATEWAY BOROUGH

GENERAL FIXED ASSET ACCOUNT GROUP

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

For the Year Ended June 30, 1992

	<u>Balance June 30, 1991</u>	<u>Additions</u>	<u>Transfers and Deletions</u>	<u>Balance June 30, 1992</u>
Land	\$ 148,081			\$ 148,081
Buildings	28,894,027		\$ 10,875	28,883,152
Equipment	4,683,010	\$ 642,289	209,904	5,115,395
Leasehold Improvements	<u>17,867</u>	<u> </u>	<u> </u>	<u>17,867</u>
Total	<u>\$ 33,742,985</u>	<u>\$ 642,289</u>	<u>\$ 220,779</u>	<u>\$ 34,164,495</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

This account group accounts for all the unmatured general long-term liabilities of the Borough that are payable from revenue sources other than from proprietary and trust funds and for which the Borough is obligated in some manner. The liabilities are secured by the general credit and revenue raising power of the Borough rather than specific assets acquired or specific fund resources.

The following schedules are included in this section:

Comparative Statements of General Long-Term Debt

Statement of Changes in Long-Term Debt

Combined Schedule of Bonds Payable

Debt Services Requirements to Maturity

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KETCHIKAN GATEWAY BOROUGH
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 COMPARATIVE STATEMENTS OF GENERAL LONG-TERM DEBT
 June 30, 1992 and 1991

	<u>June 30, 1992</u>	<u>June 30, 1991</u>
Other Debits		
Amount to Provided-Bonds	\$ 16,194,000	\$ 19,794,000
Amount to be Provided-Leases	<u>62,004</u>	<u>126,556</u>
Total Other Debits	<u>\$ 16,256,004</u>	<u>\$ 19,920,556</u>
Liabilities		
58 APW Debt	\$ 529,000	\$ 529,000
74 School Refunding G.O. Bonds	1,360,000	1,710,000
83 School Construction G.O. Bonds	4,705,000	6,755,000
89 School Construction G.O. Bonds	<u>9,600,000</u>	<u>10,800,000</u>
Total G.O. Bonds	16,194,000	19,794,000
Lease Purchase Liability	<u>62,004</u>	<u>126,556</u>
Total General Long-term Debt	<u>\$ 16,256,004</u>	<u>\$ 19,920,556</u>

KETCHIKAN GATEWAY BOROUGH
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 STATEMENT OF CHANGES IN LONG-TERM DEBT

For the Fiscal Year Ended June 30, 1992

	<u>Balance</u> <u>June 30, 1991</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1992</u>
Other Debits				
Amount to be Provided—Bonds	\$ 19,794,000		\$ 3,600,000	\$ 16,194,000
Amount to be Provided—Leases	<u>126,556</u>		<u>64,552</u>	<u>62,004</u>
Total Other Debits	\$ <u>19,920,556</u>		\$ <u>3,664,552</u>	\$ <u>16,256,004</u>
Liabilities				
58 APW Debt	\$ 529,000			\$ 529,000
74 School Refunding G.O. Bonds	1,710,000		\$ 350,000	1,360,000
83 School Construction G.O. Bonds	6,755,000		2,050,000	4,705,000
89 School Construction G.O. Bonds	<u>10,800,000</u>		<u>1,200,000</u>	<u>9,600,000</u>
	19,794,000		3,600,000	16,194,000
Lease Purchase Liability	<u>126,556</u>		<u>64,552</u>	<u>62,004</u>
Total General Long-term Debt	\$ <u>19,920,556</u>		\$ <u>3,664,552</u>	\$ <u>16,256,004</u>

KETCHIKAN GATEWAY BOROUGH
 COMBINED SCHEDULE OF BONDS PAYABLE

Year Ended June 30, 1992

	Interest Rate	Payment Dates	Issue Date	Final Maturity Date	Authorized	Issued	Retired	Outstanding
GENERAL OBLIGATION BONDS								
1958 APW Bonds	2.00				\$ 1,336,000	\$ 1,336,000	\$ 807,000	\$ 529,000
1972 Airport Bonds	5.50 - 6.50	5/1 & 11/1	05/01/72	05/01/97	2,200,000	2,200,000	1,450,000	750,000
1973 Airport Bonds	5.50 - 6.50	4/1 & 10/1	04/01/73	04/01/93	790,000	790,000	725,000	65,000
1974 School Refunding	5.00 - 8.00	3/1 & 9/1	03/01/74	09/01/95	4,835,000	4,835,000	3,475,000	1,360,000
1983 School Construction	9.15 - 20.00	6/1 & 12/1	06/01/83	06/01/93	16,900,000	16,900,000	12,195,000	4,705,000
1989 Series "A" School Bonds	6.20 - 6.70	4/1 & 10/1	11/14/89	10/01/2000	9,600,000	9,600,000		9,600,000
					<u>\$ 35,661,000</u>	<u>\$ 35,661,000</u>	<u>\$ 18,652,000</u>	<u>\$ 17,009,000</u>
REVENUE BONDS								
1980 Airport Improvement Bonds	8.00	5/1 & 11/1	05/01/80	05/01/00	\$ 410,000	\$ 410,000	\$ 135,000	\$ 275,000

KETCHIKAN GATEWAY BOROUGH

DEBT SERVICE REQUIREMENTS TO MATURITY

June 30, 1992

Fiscal Year	G.O. Bonds - Education		G. O. Bonds - Airport		Revenue Bonds - Airport	
	Principal	Interest	Principal	Interest	Principal	Interest
1993	\$ 3,810,000	\$ 1,112,455	\$ 195,000	\$ 47,020	\$ 25,000	\$ 22,000
1994	4,045,000	814,534	140,000	35,840	25,000	20,000
1995	1,610,000	491,588	150,000	27,300	30,000	18,000
1996	1,400,000	399,200	160,000	18,150	30,000	15,600
1997	1,200,000	317,400	170,000	9,350	35,000	13,200
1998	1,200,000	239,400	0	0	40,000	10,400
1999	1,200,000	160,200	0	0	40,000	7,200
2000	1,200,000	80,400	0	0	50,000	4,000
	<u>\$ 15,665,000</u>	<u>\$ 3,615,177</u>	<u>\$ 815,000</u>	<u>\$ 137,660</u>	<u>\$ 275,000</u>	<u>\$ 110,400</u>
		<u>\$ 19,280,177</u>		<u>\$ 952,660</u>		<u>\$ 385,400</u>

STATISTICAL SECTION

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STATISTICAL SECTION - (UNAUDITED)

This section contains various tables showing historical and other financial information considered to be informative in understanding the finances of the Borough.

The following schedules are included in this section:

- General Governmental Expenditures by Function
- General Government Revenues by Source
- General Government Tax Revenues by Source
- Per Capita Cost of General Government Expenditures
- Property Tax Levies and Collections
- Assessed and Estimated Actual Value of Taxable Property
- Assessed Value of Taxable Property and Tax Rates - All
Overlapping Governments
- Ratio of General Bonded Debt to Assessed Value and Bonded
Debt Per Capita
- Computation of Legal Debt Margin
- Computation of Direct & Overlapping Debt
- Ratio of Annual Debt Service Expenditures for General
Bonded Debt to Total General Expenditures
- Insurance Coverages
- Demographic Statistics
- Principal Taxpayers
- Miscellaneous Statistics
- Combined Schedule of Cash and Investment Balances - All
Funds

UNAUDITED SECTION

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Table 1

KETCHIKAN GATEWAY BOROUGH
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
 Ten Year Period Ending June 30, 1992

Fiscal Year	General Government	Public Services	Education		Debt Service Education
			Operating	Capital	
1983	4,349	298	12,761	377	524
1984	3,206	431	13,370	2,532	2,217
1985	2,804	460	14,406	7,413	3,178
1986	2,730	944	14,474	10,884	3,064
1987	3,021	978	14,684	2,029	3,085
1988	2,238	1,438	15,896	32	3,074
1989	2,079	1,819	16,689	10	3,068
1990	2,230	2,046	16,752	779	3,244
1991	1,962	3,145	17,535	1,123	5,671
1992	1,974	4,132	17,761	4,060	5,490

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
 GENERAL GOVERNMENTAL REVENUES BY SOURCE
 Ten Year Period Ending June 30, 1992

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Inter – governmental Revenues</u>	<u>Charges for Services</u>	<u>Other Revenues</u>	<u>Total</u>
1983	2,543	14,251	443	1,270	18,507
1984	2,618	15,476	680	2,821	21,595
1985	4,094	15,883	543	2,935	23,455
1986	3,889	16,878	583	1,872	23,222
1987	4,260	15,436	580	1,051	21,327
1988	6,052	22,729	771	850	30,402
1989	6,843	15,974	776	1,083	24,676
1990	7,312	16,365	954	1,026	25,657
1991	7,572	18,988	539	2,354	29,453
1992	8,235	19,461	348	2,150	30,194

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
 GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
 Ten Year Period Ending June 30, 1992

<u>Fiscal Year</u>	<u>General Property</u>	<u>General Sales</u>	<u>Total</u>
1983	661	1,882	2,543
1984	695	1,923	2,618
1985	2,186	1,908	4,094
1986	1,923	1,966	3,889
1987	2,305	1,955	4,260
1988	3,979	2,073	6,052
1989	4,520	2,323	6,843
1990	4,369	2,391	6,760
1991	4,278	2,774	7,052
1992	4,846	2,727	7,573

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

Table 4

KETCHIKAN GATEWAY BOROUGH

PER CAPITA COST OF GENERAL GOVERNMENT EXPENDITURES

Ten Year Period Ending June 30, 1992

Fiscal Year	Population	Total		
		Operations & Capital Outlay	Debt Service	Capital Improvements
1983	12,829	14,876,972	528,971	2,902,911
1984	14,314	16,339,926	2,217,244	3,199,272
1985	14,314	17,172,169	3,177,612	7,911,147
1986	14,314	17,504,612	3,064,517	11,526,513
1987	14,314	17,364,199	3,084,952	3,347,973
1988	12,829	19,031,170	3,074,125	1,211,427
1989	12,829	20,094,188	3,068,468	300,920
1990	12,829	21,026,480	3,243,835	779,006
1991	13,818	22,642,407	5,670,557	1,122,717
1992	13,828	23,867,425	5,490,176	4,059,546

Fiscal Year	Population	Per Capita		
		Operations & Capital Outlay	Debt Service	Capital Improvements
1983	12,829	1,159.64	41.23	226.28
1984	14,314	1,141.53	154.90	223.51
1985	14,314	1,199.68	221.99	552.69
1986	14,314	1,222.90	214.09	805.26
1987	14,314	1,213.09	215.52	233.89
1988	12,829	1,483.45	239.62	94.43
1989	12,829	1,566.31	239.18	23.46
1990	12,829	1,638.98	252.85	60.72
1991	13,818	1,638.62	410.37	81.25
1992	13,828	1,726.02	397.03	293.57

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
PROPERTY TAX LEVIES AND COLLECTIONS

Ten Year Period Ending June 30, 1992

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
1983	568,074	561,283	98.8%	4,870	566,153
1984	594,507	587,386	98.8%	5,620	593,006
1985	1,984,597	1,969,314	99.2%	19,250	1,988,564
1986	1,690,886	1,681,476	99.4%	6,786	1,688,262
1987	1,958,321	1,947,614	99.5%	7,236	1,954,850
1988	3,866,473	3,717,544	96.1%	89,302	3,806,846
1989	4,491,458	4,420,026	98.4%	6,212	4,426,238
1990	4,540,936	4,426,772	97.5%	47,459	4,474,231
1991	4,413,036	4,304,335	97.5%	127,388	4,431,723
1992	5,105,663	4,696,759	92.0%	148,936	4,845,695

<u>Fiscal Year</u>	<u>Total Collections As Percent Of Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As % Of Levy</u>
1983	99.7%	22,728	4.0%
1984	99.7%	24,553	4.1%
1985	100.2%	15,283	0.8%
1986	99.8%	15,280	0.9%
1987	99.8%	7,236	0.4%
1988	98.5%	195,702	5.1%
1989	98.5%	212,692	4.7%
1990	98.5%	315,991	7.0%
1991	100.4%	297,304	6.7%
1992	94.9%	557,272	10.9%

UNAUDITED.

KETCHIKAN GATEWAY BOROUGH
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Ten Year Period Ending June 30, 1992

<u>Fiscal Year</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Percent of Estimated Value To Assessed Value</u>
1983	532,766,200	532,766,200	100.0%
1984	573,656,746	573,656,746	100.0%
1985	638,157,830	638,157,830	100.0%
1986	660,988,333	660,988,333	100.0%
1987	652,773,750	652,773,750	100.0%
1988	644,691,600	644,691,600	100.0%
1989	672,170,100	672,170,100	100.0%
1990	710,801,700	710,801,700	100.0%
1991	735,506,000	735,506,000	100.0%
1992	773,585,250	773,585,250	100.0%

UNAUDITED

Table 7

KETCHIKAN GATEWAY BOROUGH

ASSESSED VALUE, TAXABLE PROPERTY AND TAX RATES - ALL OVERLAPPING GOVERNMENTS

Ten Year Period Ending June 30, 1992

Fiscal Year	Assessed Value of Real and Personal Property	Property Tax Millage Rates										Tax Levy Municipal Purposes	
		City of Ketchikan	Shoreline Svc Area	South End Fire Svc Area	Mud Bight Service Area	Forest Pk Service Area	Non Areawide	Ketchikan Gateway Borough					
1983	532,766,200	4.80	1.50				1.00					1.00	568,074
1984	573,656,746	8.40	0.75	\$1.00								1.00	594,507
1985	638,157,830	8.90	1.00	1.00								3.10	1,984,597
1986	660,988,333	8.90	2.00	1.00	\$10.00							2.55	1,690,886
1987	652,773,750	9.50	0.50	1.00	15.00						\$0.58	3.00	1,958,321
1988	644,691,600	9.10	0.50	1.00	7.50						0.60	5.70	3,866,473
1989	672,170,100	8.20	0.50	1.00	5.00						0.85	6.00	4,491,458
1990	710,801,700	8.80	0.50	1.00	5.00						0.85	6.00	4,540,936
1991	735,506,000	8.70	0.50	1.00	10.00						1.00	6.00	4,413,036
1992	773,585,250	8.70	1.00	1.00	10.00					5.00	0.60	6.60	5,105,663

UNAUDITED

Table 8

KETCHIKAN GATEWAY BOROUGH

RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND
BONDED DEBT PER CAPITA

Ten Year Period Ending June 30, 1992

<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>General Bonded Debt</u>	<u>Ratio to Assessed Value</u>	<u>General Bonded Debt per Capita</u>
1983	12,829	532,766,200	23,429,000	4.40%	1,826
1984	14,314	573,656,746	23,019,000	4.01%	1,608
1985	14,314	638,157,830	21,619,000	3.39%	1,510
1986	14,314	660,988,333	20,094,000	3.04%	1,404
1987	14,314	652,773,750	18,404,000	2.82%	1,286
1988	12,829	644,691,600	16,559,000	2.57%	1,291
1989	12,829	672,170,100	14,549,000	2.16%	1,134
1990	12,829	710,801,700	24,364,000	3.43%	1,899
1991	13,818	735,506,000	20,794,000	2.83%	1,505
1992	13,828	773,585,250	15,379,000	1.99%	1,112

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
COMPUTATION OF LEGAL DEBT MARGIN

June 30, 1992

No Debt Limit is Mandated by Law

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

June 30, 1992

Total Direct Debt		
Outstanding G.O. Bonds – Ketchikan Gateway Borough		\$16,194,000
Less Self Supporting Debt:		
1972 Airport Improvement Bonds	\$750,000	
1973 Airport Improvement Bonds	<u>65,000</u>	<u>815,000</u>
Net Direct Debt		15,379,000
Overlapping Debt of the City of Ketchikan (100%)		
Outstanding G.O. Bonds – City of Ketchikan	7,023,000	
Less Self Supporting Debt:		
Bonds Paid from Ketchikan Port Fund Revenues	(165,000)	
Bonds Paid from Sales Tax Hospital Fund Revenues	(1,730,000)	
Bonds Paid from Wastewater Fund Revenues	(545,000)	
Bonds Paid from Wastewater and Harbor Fund Revenues	<u>(2,314,415)</u>	
Total Overlapping Debt		<u>2,268,585</u>
Total Direct and Overlapping Debt		<u><u>\$15,379,000</u></u>

Source: Ketchikan Gateway Borough and City of Ketchikan Financial Records

UNAUDITED

KETCHIKAN GATEWAY BOROUGH

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

Ten Year Period Ending June 30, 1992

Fiscal Year	Debt Service Payments			Total General Expenditures	Ratio of Debt Service to General Expenditures
	Principal	Interest	Total		
1983	275,000	248,845	523,845	18,308,854	2.9%
1984	299,000	1,918,244	2,217,244	21,756,442	10.2%
1985	1,400,000	2,017,358	3,417,358	28,260,928	12.1%
1986	1,399,000	1,665,517	3,064,517	29,031,125	10.6%
1987	1,555,000	1,529,952	3,084,952	20,712,172	14.9%
1988	1,695,000	1,379,125	3,074,125	20,242,597	15.2%
1989	1,910,471	1,218,468	3,128,939	23,664,786	13.2%
1990	2,020,000	1,046,112	3,066,112	24,635,784	12.4%
1991	3,395,000	1,933,012	5,328,012	33,514,929	15.9%
1992	3,600,000	1,388,482	4,988,482	32,637,470	15.3%

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KETCHIKAN GATEWAY BOROUGH

INSURANCE COVERAGES

Year Ending June 30, 1992

Condensed Description of Coverages

Fire Insurance

Broad form perils, fire and EC, vandalism and malicious mischief – all property and equipment and certain scheduled property

70,062,311

Comprehensive General Liability

Bodily injury and property damage

2,000,000

Auto Liability

Bodily injury and property damage

1,000,000

Public Officials Liability

1,000,000

Marine Insurance – Airport Ferries

Hull Insurance

1,000,000

Liability

4,000,000

Worker's Compensation and Employer's Liability

All Borough employees

Statutory

Position and Fidelity Bonds

Revenue Collector

75,000

Employee honesty blanket position bond—each employee, except Mayor, Assembly members and Commissioners

75,000

Airport Owners & Operators Liability

Bodily injury and property damage

100,000,000

Airport premises and Non owned

Aircraft Liability

5,000,000

Boiler and Machinery Policy

Limit per accident

500,000

Notary Errors & Omissions

25,000

Foreign General Liability

1,000,000

School Leaders Errors and Omissions

1,000,000

Commercial Umbrella

100,000,000

Commercial Crime

75,000

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KETCHIKAN GATEWAY BOROUGH

DEMOGRAPHIC STATISTICS

Ten Year Period Ending June 30, 1992

<u>Fiscal Year</u>	<u>Borough Population</u>	<u>Borough School Enrollment(2)</u>	<u>Alaska Unemployment Rate(1)</u>	<u>Ketchikan Unemployment Rate(1)</u>
1983	12,829	2,372	11.5%	
1984	14,314	2,512	12.6%	
1985	14,314	2,492	11.3%	
1986	14,314	2,535	10.0%	
1987	14,314	2,605	10.9%	
1988	12,829	2,594	9.7%	
1989	12,829	2,480	10.8%	
1990	12,829	2,757	6.7%	7.5%
1991	13,818	2,823	7.0%	7.9%
1992	13,828	2,664	8.5%	9.9%

Sources:

(1) Alaska State Department of Labor

(2) Ketchikan Gateway Borough School District

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KETCHIKAN GATEWAY BOROUGH
 PRINCIPAL TAXPAYERS
 For the Year Ended June 30, 1992

<u>Taxpayer</u>	<u>Business Type</u>	<u>Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Ketchikan Pulp	Forest Products	\$ 80,022,450	10.10%
Cape Fox Corporation (Includes Cape Fox Hotel Corp.)	Forest Products	10,250,200	1.29%
The Hames Group	Retail Stores	9,072,200	1.15%
Port West, Inc.	Retail Stores	8,601,950	1.09%
Seley Incorporated	Commercial Property	8,124,300	1.03%
E. C. Phillips & Son, Inc.	Fish Processing	7,372,600	0.93%
Wayne Construction	Construction	7,348,850	0.93%
Union Oil Company	Petroleum Products	5,552,000	0.70%
Vanderwheele, James & Ken	Commercial Property	4,655,500	0.59%
Ward's Cove Packing Co., Inc.	Seafood Processing	4,531,500	0.57%
Haines Terminal & Hwy Co. (Chevron, U.S.A.)	Petroleum Products	<u>4,278,450</u>	0.54%
Total Principal Taxpayers		\$ <u>149,810,000</u>	<u>18.91%</u>
Total Assessed Valuation		\$ <u>792,034,850</u>	<u>100.00%</u>

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KETCHIKAN GATEWAY BOROUGH
 MISCELLANEOUS STATISTICS
 FOR THE YEAR ENDED JUNE 30, 1992

Date of Incorporation	9/13/1963
Type of Government	Second Class Borough
Form of Government	Assembly/Manager
Area – Square Miles	1,242
Education (through Grade 12 only)	
Number of Attendance Centers	7
Number of Classrooms	130
Number of Teachers	172 FTE
Number of Students (10/1/92)	2,823
Elections	
Number of Registered Voters	7,800
Number of Votes in last regular election	3,225
Airport Operations	
Landings & Takeoffs per year – all Aircraft	33,762
Air Carrier Passengers per year	168,054
Ferry Passengers	341,898
Ferry Vehicles	77,679
Planning	
Number of zoning permits issued	303
Permanent Employees as of June 30, 1992	374

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KETCHIKAN GATEWAY BOROUGH

COMBINED SCHEDULE OF CASH AND INVESTMENT BALANCES – ALL FUNDS

June 30, 1992

CASH & INVESTMENTS CLASSIFIED BY FUND		
General Fund		\$ 2,018,357
Special Revenue Funds:		
School District Operating Fund	\$ 26,558	
School District Special Activities Fund	1,000	
Land Trust Fund	5,049,623	
Non Areawide Fund	69,972	
Permanent Fund	259,066	
School Bond/Capital Imp Fund	455,042	
Day Care Grant Fund	(41,377)	
South End Fire District Fund	92,187	
Shoreline Service Area Fund	69,052	
Special Recreation Fund	66,406	
Mt. Point Service Area Fund	102,126	
Waterfall Service Area Fund	48,054	
Mud Bight Service Area	21,532	
South Tongass Service Area Fund	6,968	
Forest Park Service Area Fund	337,585	
Gold Nugget Service Area Fund	8,853	
State & Federal Grants Fund	<u>1,648,682</u>	8,221,329
Capital Projects Fund:		
School Bond Construction Fund	<u>15,736,792</u>	15,736,792
Enterprise Funds:		
Airport Fund – Unrestricted	185,607	
Airport Fund – Restricted	59,733	
Transit Fund	(43,056)	
Recreation Fund	<u>(21,787)</u>	
Trust and Agency:		180,497
Cash with Deferred Comp Agent	1,001,580	
Clarke Cochrane Scholarship Fund	8,362	
Kay Poole Peterson Fund	6,400	
Edna Bakken Fund	15,510	
John Koel Scholarship Fund	10,000	
School District Revolving Fund	<u>187,089</u>	<u>1,228,941</u>
		<u>\$ 27,385,916</u>
CASH CLASSIFIED BY DEPOSITORY		
Change Funds & Petty Cash	\$ 2,075	
Coopers & Lybrand Trust Account	1,863,664	
First Bank of Ketchikan	2,573	
Cash held by Ketchikan Gateway School District	229,409	
National Bank of Alaska	<u>328,606</u>	
Total Cash		2,426,327
Investments		<u>24,959,589</u>
Total Cash and Investments		<u>\$ 27,385,916</u>

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