

MUNICIPALITY OF ANCHORAGE



Schedule of Expenditures of Federal Awards, Schedule of State Financial Assistance, And Required Federal Information

December 31, 2002

**Prepared by:
DEPARTMENT OF FINANCE**

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MUNICIPALITY OF ANCHORAGE, ALASKA

**Schedule of Expenditures of Federal Awards,
Schedule of State Financial Assistance,
And
Required Federal Information**

December 31, 2002

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Section I

Schedule of Expenditures of Federal Awards

MUNICIPALITY OF ANCHORAGE, ALASKA

Schedule of Expenditures of Federal Awards

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701 West Eighth Avenue
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**Independent Auditors' Report on Compliance with Requirements Applicable
to Each Major Program, Internal Control over Compliance and Supplementary
Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133**

Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska:

Compliance

We have audited the compliance of the Municipality of Anchorage, Alaska with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended December 31, 2002. The Municipality of Anchorage, Alaska's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the Municipality of Anchorage, Alaska's management. Our responsibility is to express an opinion on the Municipality of Anchorage, Alaska's compliance based on our audit.

The Municipality of Anchorage, Alaska's basic financial statements include operations of its component unit, the Anchorage School District, which received \$44,817,586 in federal awards which are not included in the schedule of expenditures of federal awards for the year ended December 31, 2002. Our audit, described below, did not include the operations of the Anchorage School District, because it was subjected to a separate audit in accordance with OMB Circular A-133.

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

In our opinion, the Municipality of Anchorage, Alaska complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 2002.





Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska

Internal Control Over Compliance

The management of the Municipality of Anchorage, Alaska is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Municipality of Anchorage, Alaska's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Municipality of Anchorage, Alaska as of and for the year ended December 31, 2002, and have issued our report thereon dated May 7, 2003. We did not audit the financial statements of the Anchorage School District and Anchorage Historic Properties, which are discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us. The Municipality of Anchorage, Alaska adopted Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, GASB Statement No. 38, *Certain Financial Statement Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, effective January 1, 2002. Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Municipal Assembly, management, and the cognizant agency and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

May 7, 2003

**Municipality of Anchorage
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2002**

<u>Federal Grantor/Pass-Through Grantor Program Title</u>	<u>Grant Number</u>	<u>CFDA Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
<u>Corporation for National & Community Service:</u>				
Direct:				
Non-Major Program: Homeland Security	02SVHAK010	94.002	\$ 300,000	\$ 53,501
<u>Federal Emergency Management Agency:</u>				
Direct:				
Non-Major Programs: FEMA Grants Fire Preparedness FEMA AWARE 2002 Total Direct Federal Emergency Management Agency	EMW-2001-FG-06215	83.550 83.unknown	167,572 30,000 197,572	122,002 7,882 129,884
Pass-Through Alaska Division of Emergency Services: Non-Major Program: Fiscal Year 02 Office of Emergency Management Total Federal Emergency Management Agency				
		83.503	64,000	64,000
			261,572	193,884
<u>National Endowment for the Arts:</u>				
Pass-Through Alaska State Council on the Arts: Non-Major Programs: AKSCA Museum Season Support AKSCA Museum Season Support Total National Endowment for the Arts				
	030S28B	45.025	17,590	13,882
	Fiscal Year 02-OS-02	45.030	18,074	12,074
			35,664	25,956
<u>National Oceanic and Atmospheric Administration:</u>				
Pass-Through Alaska Department of Community and Economic Development: Non-Major Programs: Coastal Management Program Fiscal Year 01 Coastal Management Total National Oceanic and Atmospheric Administration				
	820536	11.420	38,700	38,700
	810523	11.419	56,200	(300)
			94,900	38,400
<u>U.S. Department of Agriculture:</u>				
Direct:				
Major Programs: United States Forest Service Hazardous Fuels Mitigation United States Forest Service Wildfire Mitigation Total Direct U.S. Department of Agriculture	1580	10.unknown 10.unknown	5,000,000 1,750,000 6,750,000	956,840 1,165,055 2,121,895
Pass-Through Alaska Department of Community and Economic Development: Non-Major Program: Fiscal Year 02 National Forest Receipts				
		10.655	7,385	7,385
Pass-Through Alaska Department of Health and Social Services: Non-Major Programs: Women, Infants, and Children 2003 Women, Infants, and Children Program Total Alaska Department of Health and Social Services				
	06-2366	10.560	1,071,837	512,423
	06-3366	10.557	982,110	504,388
			2,053,947	1,016,811
Total U.S. Department of Agriculture			8,811,332	3,146,091
<u>U.S. Department of Commerce:</u>				
Direct:				
Non-Major Programs: Ship Creek Crossing Coastal Impact Assistance Program Economic Development Administration Strategic Planning Total U.S. Department of Commerce	NA16AB2730 NA17OZ2042 07-87-05128	11.469 11.419 11.302	3,172,200 603,869 60,000 3,836,069	184,276 78,976 14,818 278,070
<u>U.S. Department of Education:</u>				
Pass-Through Alaska Department of Education and Early Development: Non-Major Programs: 800# ILL and Reference Backup 2001 800# ILL and Reference Backup 2002 Library Storypacket Grant Advance Collection Workshop Alaska Studies Foreign Collection Total U.S. Department of Education				
	ILC-03-713-93	45.310	34,852	22,744
	ILC-02-713-94	45.310	42,845	18,848
	ILC-03-713-95	45.310	19,645	17,905
	ILC-03-713-96	45.310	5,725	5,725
			20,000	1,282
			123,067	66,504

**Municipality of Anchorage
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2002**

Federal Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
U.S. Department of Energy:				
Pass-Through Alaska Housing Finance Corporation:				
Non-Major Programs:				
WX Weatherization Assistance Program	01G11-100	81.042	\$ 652,679	\$ 375,529
WX Non Weatherization Assistance Program	01G11-100	81.041	15,883	7,056
Fiscal Year 99 Department Of Energy Weatherization	99G11-126	81.042	533,397	(1,251)
Total U.S. Department of Energy			<u>1,201,959</u>	<u>381,334</u>
U.S. Department of Health and Human Services:				
Direct:				
Non-Major Programs:				
Family Planning	5FPHPA100024-24-0	93.217	455,271	260,171
Family Planning 02	FPHPA100024-25-00	93.217	490,261	219,821
SAMSHA CSAP Substance Abuse	1H79SP09943-01	93.230	750,000	121,268
Metro Medical Strike Team	282-97-0051	93.990	524,950	33,623
Metro Medical Strike Team	01T000187	93.unknown	50,000	10,179
Total Direct U.S. Department of Health and Human Services			<u>2,270,482</u>	<u>645,062</u>
Pass-Through Alaska Department of Health and Social Services:				
Non-Major Programs:				
AIDS Prevention	06-2384	93.940/93.977	229,500	119,693
AIDS Prevention	06-3384	93.940/93.977	229,500	90,590
Bioterrorism Preparedness and Response	06-3567	93.283	599,692	84,795
Community Health Nursing Fiscal Year 02	06-2359	93.268	91,300	71,418
Healthy Baby 03	06-3596	93.778	150,000	65,566
Community Health Nursing Fiscal Year 02	06-2359	93.116	75,500	40,263
Community Health Nursing Fiscal Year 02	06-2359	93.217	42,400	26,453
Tobacco Sales Enforcement	068475	93.unknown	101,000	20,804
Healthy Baby	06-2596	93.780	75,000	1,288
Total Alaska Department of Health and Social Services			<u>1,593,892</u>	<u>520,870</u>
Pass-Through Alaska Department of Education and Early Development:				
Non-Major Programs:				
Daycare Pass II III 02	534000	93.575	12,244,818	6,663,554
Daycare Subsidy		93.575/93.596	12,705,684	6,482,297
Daycare Administration 02	534000	93.575	2,160,850	963,228
Daycare Administration		93.575/93.596/96.558	1,699,984	883,355
Child Care Licensing Fiscal Year 03	L-03-01	93.575	917,770	527,905
Fiscal Year 01 Daycare Programs Administration		93.575/93.596/93.558	1,455,692	495
Total Alaska Department of Education and Early Development			<u>31,184,798</u>	<u>15,520,834</u>
Pass-Through Cook Inlet Tribal Council, Inc.				
Non-Major Program:				
Cook Inlet Tribal Council	AFN PHS-2002-0003-001	93.230	117,005	49,438
Pass-Through Alaska Commission on Aging, Department of Administration				
Non-Major Programs:				
Nutrition, Transportation, and Supportive Services Fiscal Year 2002	0233200	93.044	478,646	216,053
Nutrition, Transportation, and Supportive	223200	93.044	449,224	214,061
Total Department of Administration, Alaska Commission on Aging			<u>927,870</u>	<u>430,114</u>
Pass-Through SouthCentral Foundation				
Non-Major Programs:				
SouthCentral Foundation CSP 02	60-330-21-560-101	93.210	199,000	198,260
Fiscal Year 2001 Emergency Alcohol Services	60-330-21-560-101	93.210	199,000	153
Total SouthCentral Foundation			<u>398,000</u>	<u>198,413</u>
Total U.S. Department of Health and Human Services			<u>36,492,047</u>	<u>17,364,731</u>
U.S. Department of Housing and Urban Development:				
Direct:				
Non-Major Programs:				
Community Development Block Grant Program Year 01	B-01-MC-02-0001	14.218	2,344,000	1,028,232
Community Development Block Grant Program Year 00	B-00-MC-02-0001	14.218	2,263,000	684,335
Community Development Block Grant Program Year 02	B-02-MC-02-0001	14.218	2,283,000	131,053
Community Development Block Grant Consolidated Years 97	B-97-MC-02-0001	14.218	2,353,000	127,873
Community Development Block Grant Consolidated Years 99	B-99-MC-02-0001	14.218	2,268,000	116,993
Community Development Block Grant Consolidated Years 98	B-98-MC-02-0001	14.218	2,255,000	93,110
Community Development Block Grant Consolidated Years 89	B-89-MC-02-0001	14.218	23,787	4,290
Community Development Block Grant Consolidated Years 95	B-95-MC-02-0001	14.218	110,479	402
Housing Urban Development Innovative Housing 2001	AK06B000003	14.231	526,412	160,509
Fiscal Year 01 Emergency Shelter	S-01-MC-02-0001	14.231	80,000	65,747
Fiscal Year 02 Emergency Shelter	S-02-MC-02-0001	14.231	80,000	31,483
Fiscal Year 99 Emergency Shelter	S-99-MC-02-0001	14.231	80,000	4,584
Fiscal Year 98 Emergency Shelter	S-98-MC-02-0001	14.231	90,000	2,045
Fiscal Year 00 Emergency Shelter	S-00-MC-02-0001	14.231	80,000	1,308
Fiscal Year 96 Emergency Shelter	S-96-MC-02-0001	14.231	62,000	(28)
Housing Urban Development Link Program	AK06B100005	14.235	299,864	217,013
Fiscal Year 01 HOME Investment Partnership Program	M-01-MC-02-0200	14.239	1,072,000	390,312
Fiscal Year 02 HOME Investment Partnership Program	M-02-MC-02-0200	14.239	1,071,000	211,592

**Municipality of Anchorage
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2002**

Federal Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Fiscal Year 97 HOME Investment Partnership Program	M-97-MC-02-0200	14.239	\$ 842,000	\$ 108,594
Fiscal Year 98 HOME Investment Partnership Program	M-98-MC-02-0200	14.239	897,000	91,003
Fiscal Year 96 HOME Investment Partnership Program	M-96-MC-02-0200	14.239	860,000	22,167
Fiscal Year 99 HOME Investment Partnership Program	M-99-MC-02-0200	14.239	965,000	608
Fiscal Year 95 HOME Investment Partnership Program	M-95-MC-02-0200	14.239	924,000	(350)
Fiscal Year 93 HOME Investment Partnership Program	M-93-MC-02-0200	14.239	567,000	(608)
Fiscal Year 00 Home Investment Partnership Agreement	M-00-MC-02-0200	14.239	971,000	(179,904)
Total Direct U.S. Department of Housing and Urban Development			23,367,542	3,312,363
Pass-Through Special Olympics World Winter Games				
Non-Major Program:				
Upgrade Projects at Kincaid Park-Special Olympics	B-00-SP-AK-9999	14.246	1,400,000	81,429
Total U.S. Department of Housing and Urban Development			24,767,542	3,393,792
<u>U.S. Department of Interior:</u>				
Direct:				
Non-Major Programs:				
Hydrologic Research Center	02WRAG0014	15.808	86,556	86,556
USFWS Grants	701811G077	15.FFB	85,000	17,313
Girdwood Iditarod CCS 2000		15.921	7,500	7,500
FDGC GIS Clearinghouse Grant	99HQGR0152	15.809	26,000	6,161
Total U.S. Department of Interior			205,056	117,530
<u>U.S. Department of Justice:</u>				
Direct:				
Non-Major Programs:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	2002-WE-BX-0010	16.530	599,035	11,345
Wellness Case Coordinator		16.580	74,600	36,763
Fiscal Year 2000 Local Law Enforcement Block Grant	2000-LB-BX-0366	16.592	506,104	506,104
Fiscal Year 2001 Local Law Enforcement Block Grant	2001-LB-BX-1252	16.592	489,034	189,095
Local Law Enforcement Block Grant 2000-LB-VX-1072	2000-LB-VX-1072	16.592	584,319	123,143
1999 Community Oriented Policing Services More Technology	1999CKWX0003	16.710	2,400,000	980,074
Community Oriented Policing Services	97-UL-WX-0025	16.710	450,000	31,851
Equitable Federal Sharing of Seized and Confiscated Property		16 unknown	444,000	87,747
Equitable State Sharing of Seized and Confiscated Property 2002		16 unknown	100,000	48,902
Equitable Federal Sharing of Seized and Confiscated Property		16 unknown	891,140	83,171
Total Direct U.S. Department of Justice			6,538,232	2,098,195
Pass-Through Alaska Department of Public Safety				
Non-Major Programs				
Alcohol Sales Enforcement		16.727	42,000	27,481
Methamphetamine Street Level Enforcement	01-011	16.580	52,898	24,169
Prescription Drug Enforcement	02-011	16.579	38,835	64
Total Alaska Department of Public Safety			133,733	51,714
Total U.S. Department of Justice			6,671,965	2,149,909
<u>U.S. Department of Labor:</u>				
Direct:				
Non-Major Program:				
H-1B Technical Skill Training	AH-10857-00-60	17.249	2,425,035	1,135,340
Pass-Through Alaska Department of Labor and Workforce Development:				
Major Programs:				
Workforce Investment Act 1B Adult Programs	EN0725072	17.250	1,380,099	910,908
Program Year 01 Workforce Investment Act Title 1B Youth Programs	EN0725008	17.250	907,331	595,058
Workforce Investment Act 1B Dislocated Worker Program	EN0725075	17.250	1,438,194	283,019
Program Year 00 Workforce Investment Act Title 1Y Youth Prog	EN 0715307	17.250	1,157,709	(737)
Program Year 00 Workforce Investment Act Title 1A Adult Prog	MOA PY 00/file 24.01	17.250	935,429	(1,531)
Workforce Investment Act Title 1B Adult Programs	EN0734004	17.258	1,504,049	908,345
Workforce Develop Incentive	725006	17.258	108,746	48,316
Workforce Investment Act Title 1B Youth Programs	EN0734002	17.259	1,738,283	356,411
Workforce Investment Act 1B Dislocated Worker Program	EN0734001	17.260	2,973,825	410,652
Workforce Investment Act Administration	EN0725007	17.260	570,617	218,418
Workforce Investment Act Title 1B Administration Funds	EN0734003	17.258/17.259/17.260	651,391	196,498
Workforce Investment Act Supervisor Training	EN0734013	17.258/17.259/17.260	25,000	8,412
Total Major Programs Alaska Department of Labor and Workforce Development			13,390,673	3,933,769
Non-Major Program:				
Program Year 00 Workforce Investment Act Title 1DW Dislocated Worker	EN 0715312	17.246	753,500	(2,353)
Total U.S. Department of Labor			16,569,208	5,066,756

Municipality of Anchorage
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2002

Federal Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
U.S. Department of Transportation:				
Direct:				
Major Programs:				
Merrill Field Improvements 2002	AIP-35	20.106	\$ 1,490,000	\$ 1,188,774
Rehabilitate Primary Airport Access Road	AIP-32	20.106	1,605,000	1,126,843
Merrill Field Improvements-Section Improvement Phase IV	AIP-31	20.106	468,750	126,452
Acquire Security Equipment	AIP-33	20.106	100,000	68,183
Merrill Field Improvements - Master Plan Update	AIP-20	20.106	450,000	8,795
Taxiway Nov., Relocate VASI and Wind Cone, Installation Fencing	AIP-27	20.106	1,100,000	6,707
Merrill Field Improvements - Reconstruction Runway 6/24 LTg	AIP-25	20.106	1,556,208	5,191
Snow Removal Equipment	AIP-29	20.106	250,000	217
5307 Urban Area Formula Grant FFY 2002	AK90-X022	20.507	2,975,200	1,302,269
5307 Urban Area Formula Grant FFY 2000	AK90-X019	20.507	2,160,800	930,511
5307 FFY 1999 Capital Assistance	AK90-0018	20.507	1,608,800	252,482
Section 9 FFY 1998 Capital Improvements	AK90-0016	20.507	1,477,584	41,364
Total U.S. Department of Transportation Major Programs			15,242,342	5,057,788
Direct:				
Non-Major Programs:				
Enhanced Facility and Operational Security	DTMA1G02041	20.401	458,208	54,375
Kincaid Park Transportation Access	AK-G3-0025-00	20.500	2,471,750	6,487
Total U.S. Department of Transportation Non-Major Programs			2,929,958	60,862
Pass-Through Alaska Department of Transportation and Public Facilities				
Major Programs:				
ISTEA 15th Avenue Safety	FA-HHE-0530(1)	20.205	4,650,000	591,348
FHWA AMATS Planning Grant	PL-1256(13)	20.205	614,746	497,303
Regenerative Air and Mechanical Sweepers	55489	20.205	380,000	373,350
Victor Rd., 100th Dimond	STP-0001(232)	20.205	925,000	328,461
Business Blvd. Trail Utilities	TEA-0001(130)/52519	20.205	1,808,000	323,721
ISTEA Arctic Blvd.: Arctic Blvd. Design AMD #4	STP-0001(57)/51018	20.205	1,122,640	321,337
CY 02 Anchorage Share A Ride	74996	20.205	318,500	285,886
ISTEA Ship Creek Trail - Right of Way	TEA-0001(133)/52499	20.205	2,547,000	269,061
ISTEA Business Boulevard Pedestrian Safety Improvements	MGS-STP-TEA-0001(130)	20.205	250,000	222,872
ISTEA Eklutna Bridge Replacement II	BR-0001(183) 53945	20.205	555,000	168,101
Compressed Natural Gas Vehicle Fleet Program	55619	20.205	285,000	153,036
ISTEA Campbell Creek Trail -NSH to Tudor	TEA-0001(137)/52520	20.205	560,000	150,113
Transit Marketing	55215	20.205	315,250	186,019
ISTEA 15th Avenue Channelization/Signalization	HES-0530(1)/50624	20.205	212,000	125,589
Enhancement Youth Work Program	55709	20.205	119,150	116,964
HSIP 2001 Groups 1A,1B,2,3B	HHE-0001-(226)/55729	20.205	673,000	54,865
ISTEA Anchorage Area-wide Trails Rehabilitation	CM-0001(240)/54658	20.205	625,000	38,310
ISTEA -Arctic @ Dowling Rd./ARR	HRO-MGS-000S(309)/5404:	20.205	395,000	35,449
Rockridge Rd. Upgrade TORA	54970	20.205	245,000	33,988
Purchase Magnesium Chloride for PM-10	54441	20.205	195,400	22,894
ISTEA HSIP Fiscal Year 97 Group I	HRO-000S(254)	20.205	238,000	17,529
15th Avenue L to Juneau Construction	HHE-0530(001)/50624	20.205	452,490	17,258
2002 Statewide Bus and Van Roadshow	AK-18-X019 RTAP	20.205	15,000	14,809
Regenerative Air and Mechanical Sweepers	54440	20.205	602,680	11,813
ISTEA Coastal Trail, Southern Extension	TEA-0001(126)/52514	20.205	1,165,000	9,403
HSIP 2001 Groups 5A	HRO-0001-(267)/55730	20.205	200,000	2,593
ISTEA HSIP Project PE. Fiscal Year 97 Group II Traffic Safety Improvements	HRO-000S(255)	20.205	145,000	2,428
2001 AMATS Planning Program	74456	20.205	603,779	2,258
Public Awareness	55914	20.205	104,500	1,939
ISTEA - Bragaw Street	51681	20.205	226,159	1,861
ISTEA NLB, Lake Otis to Muldoon	STP-540(4)/51754	20.205	380,000	1,838
ISTEA Bragaw St. Safety Improvements	HRO-0001(85)/51681	20.205	472,700	17
ISTEA Far North Bicentennial Park Trail Construction	TEA-001(109)	20.205	60,000	15
ISTEA East NLB Landscaping	TEA-0540(5)/52946	20.205	68,000	(54)
ISTEA Earthquake Park Interpretive Facility	TEA-0001(106)/51933	20.205	60,000	(82)
ISTEA Wisconsin: N. Lights to 43rd Upgrade	STP-001(59)/51034	20.205	500,000	(243)
ISTEA Arctic Blvd. Utilities	51018	20.205	425,000	(30,893)
Total Alaska Department of Transportation and Public Facilities Major Programs			22,513,994	4,351,157
Pass-Through Alaska Department of Transportation and Public Facilities				
Non-Major Programs:				
CMAQ PM 10 Dust Control Program		20.210	189,600	42,547
Air Quality Business Education	53583	20.210	45,000	25,263
CY 01 Anchorage Share A Ride	74559	20.210	330,000	13,741
Transit Marketing Program CY 01	54736	20.210	140,000	4,529
Transit Youth Program CY 01	54737	20.210	97,000	1,995
MCS Commercial Vehicle Enforcement	02-PD-001	20.218	28,800	17,979
Transit Section 5303 Federal Transit Administration Planning	AK-80-X011-01/56428	20.505	209,116	60,719
Transit ISTEA	AK-80-X007	20.505	158,502	4,352
Coordinated Client Transportation Project	AK-80-X006	20.505	30,000	3,424
Transit Section 5303 Federal Transit Administration Planning 2001	AK80X009	20.505	969	969
Section 5303 Federal Transit Administration Planning Assistance	55412/AK80-X010	20.510	193,726	122,552
DUI .08 Enforcement	AL020210	20.600	144,180	139,956
Seat Belt Enforcement	DTNH22-00-G-09051	20.600	230,000	42,933
Dangerous Violations: High Risk Drivers	PT020503	20.600	30,000	30,000
DUI Enforcement Blitz	AL 030216	20.600	41,000	26,637
Seat Belt Enforcement	OP020322	20.600	100,000	23,258
Bike Rodeo and Safety Fair	PS020403	20.600	750	750
Bicycle Safety Rodeo Culture and Recreational Services	PS02-04-03	20.600	750	749
Total Alaska Department of Transportation and Public Facilities Non-Major Programs			1,969,393	562,353
Total U.S. Department of Transportation			42,655,687	10,032,160

**Municipality of Anchorage
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2002**

<u>Federal Grantor/Pass-Through Grantor Program Title</u>	<u>Grant Number</u>	<u>CFDA Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
<u>U.S. Environmental Protection Agency:</u>				
Direct:				
Non-Major Programs:				
2002 Air Quality	A-980227-02-0	66 001	\$ 203,221	\$ 174,974
Fiscal Year 01 Air Quality 105	A-980227-01-0	66 001	141,314	6,589
Total Direct U.S. Environmental Protection Agency			<u>344,535</u>	<u>181,563</u>
Pass-Through Alaska Department of Environmental Conservation				
Non-Major Programs:				
PM 2.5 Monitoring 02	PM-980207-01	66 606	37,000	33,182
Chester Creek Watershed	CD990797-01-0	66 461	40,000	(423)
Total Alaska Department of Environmental Conservation			<u>77,000</u>	<u>32,759</u>
Total U.S. Environmental Protection Agency			<u>421,535</u>	<u>214,322</u>
<u>U.S. Equal Employment Opportunity Commission:</u>				
Direct:				
Non-Major Program:				
Anchorage Fair Housing Outreach for People with Disabilities	1/5010/0076	30 unknown	16,000	16,000
Total Schedule of Expenditures of Federal Awards			\$ <u>142,463,603</u>	\$ <u>42,538,940</u>

MUNICIPALITY OF ANCHORAGE, ALASKA

Notes to Schedule of Expenditures of Federal Awards

December 31, 2002

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Municipality of Anchorage, Alaska (Municipality). The Municipality's reporting entity is defined in note 1 to the Municipality's basic financial statements. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified-accrual basis of accounting, which is described in note 1 to the Municipality's basic financial statements.

MUNICIPALITY OF ANCHORAGE, ALASKA

Schedule of Findings and Questioned Costs

December 31, 2002

(1) Summary of Auditor's Results

- (a) An unqualified independent auditors' report was issued on the basic financial statements of the Municipality of Anchorage, Alaska.
- (b) No reportable conditions or material weakness were disclosed in the report on compliance and on internal control based on an audit of the basic financial statements.
- (c) There was no noncompliance which is material to the basic financial statements.
- (d) No reportable conditions or material weaknesses were disclosed in the report on compliance with requirements applicable to each major program and internal control over compliance.
- (e) An unqualified independent auditors' report was issued on compliance for major programs.
- (f) Any audit findings were reported as required under Section 510(a) of OMB Circular A-133.
- (g) The U.S. Department of Transportation, Federal Aviation Administration, Airport Improvement Program, CFDA #20.106; Federal Transit Administration, Federal Transit Capital and Operating Assistance Formula Grants, CFDA #20.507; and Highway Planning and Construction passed through the Alaska Department of Transportation and Public Facilities, CFDA #20.205; U.S. Department of Agriculture Public Law 107-20 and Public Law 107-63 (Wildfire and Hazardous Funds Mitigation), CFDA 10.unknown; U.S. Department of Labor, passed through the Alaska Department of Labor & Workforce Development, Workforce Investment Act (WIA) Cluster, CFDA #17.258/17.259/17.260 are major programs.
- (h) Programs with federal expenditures greater than \$1,276,168 were identified as Type A programs. Programs with federal expenditures \$1,276,168 or less were identified as Type B programs.
- (i) The Municipality of Anchorage, Alaska qualified as a low-risk auditee under Section 530 of OMB Circular A-133.

(2) Findings Relating to Basic Financial Statements Reported in Accordance with *Government Auditing Standards*

None

(3) Findings and Questioned Costs Related to Federal Award

None



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**Independent Auditors' Report on Compliance and on Internal Control over
Financial Reporting Based on an Audit of Basic Financial Statements
Performed in Accordance with *Government Auditing Standards***

Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska:

We have audited the basic financial statements of the Municipality of Anchorage, Alaska as of and for the year ended December 31, 2002, and have issued our report thereon dated May 7, 2003. We did not audit the financial statements of the Anchorage School District and Anchorage Historic Properties, which are discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us. The Municipality of Anchorage, Alaska adopted Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, GASB Statement No. 38, *Certain Financial Statement Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, effective January 1, 2002. Our report with respect thereto states that we did not audit the financial statements of the Anchorage School District as of June 30, 2002 or Anchorage Historic Properties, Inc. as of December 31, 2002, and therefore our opinion is based upon our audit and reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Municipality of Anchorage, Alaska's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control





Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska

components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be a material weakness.

However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Municipality of Anchorage, Alaska in a separate letter dated May 7, 2003.

This report is intended solely for the information and use of the Municipal Assembly, management, and the federal and state awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

May 7, 2003

Section II

**State Financial
Assistance Reports**

MUNICIPALITY OF ANCHORAGE, ALASKA

State Financial Assistance Reports

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701 West Eighth Avenue
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**Independent Auditors' Report on Compliance with Requirements Applicable to
Each Major Program and on Internal Control Over Compliance in Accordance with the
*State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska:

Compliance

We have audited the compliance of the Municipality of Anchorage, Alaska with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that are applicable to each of its major state programs for the year ended December 31, 2002. The Municipality of Anchorage, Alaska's major state programs are identified in the accompanying schedule of state financial assistance. Compliance with laws, regulations, contracts, and grants, general requirements, and the specific requirements applicable to each of its major state programs is the responsibility of the Municipality of Anchorage, Alaska's management. Our responsibility is to express an opinion on the Municipality of Anchorage, Alaska's compliance based on our audit.

The Municipality of Anchorage, Alaska's basic financial statements include operations of its component unit, the Anchorage School District, which received \$244,202,169 in state awards which are not included in the schedule of state financial assistance for the year ended December 31, 2002. Our audit, described below, did not include the operations of the Anchorage School District, because it was subjected to a separate audit in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*

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





Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska

In our opinion, the Municipality of Anchorage, Alaska complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended December 31, 2002. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and which are described in the accompanying schedule of findings and questioned costs as items 2002-1 through 2002-2.

Internal Control Over Compliance

The management of the Municipality of Anchorage, Alaska is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered the Municipality of Anchorage, Alaska's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of State Financial Assistance

We have audited the basic financial statements of the Municipality of Anchorage, Alaska as of and for the year ended December 31, 2002, and have issued our report thereon dated May 7, 2003. We did not audit the financial statements of the Anchorage School District and Anchorage Historic Properties, which are discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us. The Municipality of Anchorage, Alaska adopted Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, GASB Statement No. 38, *Certain Financial Statement Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, effective January 1, 2002. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of State Financial Assistance is presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska

This report is intended solely for the information and use of the Municipal Assembly, management, and the State of Alaska, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

May 7, 2003

**Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002**

State/Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Alaska Commission on Aging, Department of Administration:				
Federal Pass-Through				
U.S. Department of Health and Human Services				
Non-Major Programs:				
Nutrition, Transportation, and Supportive Services Fiscal Year 2002	0233200	93.044	\$ 478,646	\$ 216,053
Nutrition, Transportation, and Supportive	223200	93.044	449,224	214,061
Total Alaska Commission on Aging, Department of Administration			<u>927,870</u>	<u>430,114</u>
Alaska Department of Community and Economic Development:				
Direct:				
Major Programs:				
Fiscal Year 02 Safe Communities			7,359,828	7,359,828
Anchorage Site Acquisition - State Bill 29	02-RR-015		2,999,935	2,999,934
Fiscal Year 02 Tax Equalization			2,348,409	2,348,409
76th Avenue Arctic - C Street	02-DC-046		4,000,000	685,495
Major Municipal Facility Upgrade Projects	02-MG-007		1,250,000	594,160
Major Municipal Facility Upgrade Projects	01-MG-015		970,000	411,000
Safe Communities			12,111,297	375,430
Fiscal Year 02 Health Facilities			373,988	373,988
Fiscal Year 02 Road Maintenance			321,590	321,590
Anchorage Senior Center	02-DC-003		300,000	300,000
South Anchorage Sports Park and Softball Complex	01-MG-012		1,260,000	238,766
2001 State Bill 29 Chugiak, Birchwood, Eagle River Road Service Area	02-MG-010		350,000	216,393
Eagle River/Chugiak Parks Playground Equipment	01-MG-010		210,000	202,581
24th and 26th Glacier/Boniface	02-DC-013		196,000	169,215
Major Municipal Facility Upgrade Projects	00/510-9-002		1,110,000	118,630
Chester Creek Trail Rehabilitation	7/96-004		290,000	103,977
Americans with Disability Act and Playground Safety Requirements	99/510-9-003		350,000	100,717
Elmore Street Upgrade- Huffman Road	02-MG-011		700,000	75,284
Elmore Street Upgrade- Huffman Road	01-MG-013		350,000	64,201
Total Major Programs			<u>36,851,047</u>	<u>17,059,598</u>
Non-Major Programs:				
Planning and Development Muldoon Town Center Project	03-DC-025		250,000	79,238
Anchorage School District Turnagain Elementary Renovations	03-DC-058		300,000	60,000
DHHS/UAA Co-Location Study	02-RR-020		200,000	58,724
KFQD Park Reappropriation Grants	9/99-005		81,364	57,605
Anchorage Center Performing Arts Voth Rehearsal Service Area Hall Improvements	02-MG-008		525,000	55,048
2001 State Bill 29 Glen Alps Service Area	02-DC-006		100,000	50,171
Major Municipal Facility Upgrade Projects	99/510-9-002		901,158	49,247
Cemetery 2001 State Grant	02-RR-019		100,000	43,801
State Bill 29 Traffic Speed Control Devices	02-DC-014		40,000	39,200
Fire Lake Dam Reconstruction	02-DC-005		240,000	36,877
Girdwood Service Area Road and Drainage System	03-DC-015		70,000	36,855
2001 State Bill 29 Huffman Road/Pintail Street	02-DC-007		250,000	33,262
Raspberry Road Jewel Lake Road Trail Connection Plan	03-DC-027		400,000	29,511
NE Anchorage Community Center Boys and Girls	02-DC-010		30,000	29,400
Planning and Operation Winter Cities 2004 Conference	03-RR-005		126,294	27,526
Chugiak Senior Center Day Care Center	02-DC-002		40,000	25,431
2001 State Bill 29 Chugiak, Birchwood, Eagle River Road Service Area Direct	02-DC-015		50,000	22,561
South Anchorage Ball Fields	99/510-9-004		800,000	19,313
Anchorage School District Two Year Nonviolent Conflict Resolution State Bill 29	02-DC-001		63,000	18,954
Facility Upgrades	97/510-9-001		1,434,000	17,287
Southfork 2001 Land Acquisition	02-DC-012		17,500	17,150
Baxter Elementary - Maintenance/Site Improvement/Equipment	1/97-007		24,530	15,979
Americans with Disability Act Requirements - Parks and Recreation	96/510-9-002		350,000	15,784
Completion of South Anchorage Sports Complex	03-DC-011		500,000	15,321
Timberline Drive Reconstruction Klatt Rd. to Huffman Rd.	03-MG-011		700,000	14,000
Fish Creek at Willow St. water quality enhancement pond	03-DC-148		700,000	14,000
University Providence Campus Walkway	01-MG-017		98,398	13,564
Community Patrol Equipment	02-DC-011		10,500	10,090
Fish Creek Improvement, Phase IV, Minnesota Drive to 36th Avenue	03-DC-147		500,000	10,000
Emergency Trailer Equipment	02-RR-018		10,000	10,000
Eagle River, Chugiak Road and Drainage	01-MG-011		400,000	9,601
Coalition of Community Patrol	02-DC-047		9,500	9,320
Northwood Drive Upgrade - Spenard to International Airport Road	03-DC-045		440,000	8,800
Chugiak Volunteer Fire Dept- Replacement Pump	03-DC-009		440,000	8,800
Pave Parking Lots in Municipal Parks	03-MG-017		420,000	8,400
Anchorage Fire Department and Emergency Medical Services Communications Upgrade	02-MG-012		350,000	8,084
Anchorage School District Dimond Two Year Conflict Resolution	02-RR-005		37,336	7,617
40th Avenue Access Improvements	03-MG-016		350,000	7,000
Intersection Safety Improvements	03-MG-014		350,000	7,000
Mears Jr. High - Maintenance/Site Improvement/Equipment/Interior Renovation	1/97-004		92,346	6,677
East Anchorage High School Swimming Pool Facility Upgrades	03-DC-013		300,000	6,343
Americans with Disability Act Improvements Park and Recreation Facilities	03-MG-013		210,000	6,186
Service High School Swimming Pool Facility Upgrades	03-DC-033		300,000	6,000
Dimond High School Swimming Pool Facility Upgrades	03-DC-012		300,000	6,000
Abbott Loop Elementary - Equipment Repair and Maintenance	1/94-073		10,000	5,871
2001 State Bill 29 Muldoon Road Sound Barrier Fence	02-DC-009		75,000	5,857
Jade Park Improvements	03-DC-019		275,000	5,500
Site Preparation and Construction of two little league baseball fields Bicentennial Pk.	03-RR-004		250,000	5,000
CBERRRService Area for Area Road and Drainage	8/99-003		128,996	4,522
Hiland Rd. Improvement at South Fork Eagle River	03-DC-017		140,000	4,200
Anchorage School District Ursa Minor Health and Safety Improvements	03-DC-060		20,000	4,000
Anchorage School District Ursa Major Health and Safety Improvements	03-DC-059		20,000	4,000
Anchorage School District Sustina Health and Safety Improvements	03-DC-057		20,000	4,000
Anchorage School District Ravenwood Health and Safety Improvements	03-DC-056		20,000	4,000
Anchorage School District Ptarmigan Health and Safety Improvements	03-DC-055		20,000	4,000
Anchorage School District Muldoon Health and Safety Improvements	03-DC-054		20,000	4,000
Anchorage School District Kasuun Health and Safety Improvements	03-DC-053		20,000	4,000
Anchorage School District Homestead Health and Safety Improvements	03-DC-052		20,000	4,000

Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002

State Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Anchorage School District Eagle River Health and Safety Improvements	03-DC-051		\$ 20,000	\$ 4,000
Anchorage School District Creekside Pk Health and Safety Improvements	03-DC-050		20,000	4,000
Anchorage School District Chester Valley Health and Safety Improvements	03-DC-049		20,000	4,000
Anchorage School District Alpenglow Health and Safety Improvements	03-DC-048		20,000	4,000
Anchorage School District Abbott Loop Health and Safety Improvements	03-DC-047		20,000	4,000
Skateboard Park Facility	03-DC-034		200,000	4,000
Pavement Rehabilitation	03-MG-018		149,984	3,000
Spenard Area Pocket Park Development	03-DC-044		150,000	3,000
East Anchorage Muldoon Ball Field Development	03-DC-014		150,000	3,000
University Lake Park and Trail Improvements	9/94-003		13,200	2,980
Anchorage School District High Power Digital Microscope	02-RR-008		2,860	2,560
Anchorage School District Creekside Park Community Recreational Plan	03-DC-046		12,000	2,400
Anchorage School District Williwaw Computers, Books, Equipment, and Outreach	03-DC-005		9,000	1,800
Anchorage School District William Tyson Computers, Books, Equipment, and Outreach	03-DC-004		9,000	1,800
Anchorage School District Mountain View Computers, Books, Equipment, and Outreach	03-DC-003		9,000	1,800
Anchorage School District Fairview Computers, Books, Equipment, and Outreach	03-DC-002		9,000	1,800
40th Avenue Intersection and Road Improvements	03-RR-002		79,792	1,596
Playground Upgrades	03-MG-015		75,000	1,500
Girdwood Service Area Road and Drainage System	03-MG-012		70,000	1,400
Emergency Mobile Communications Unit	98/510-5-010		70,000	1,320
Aurora Elementary School Upgrades	1/98-008		288,543	1,303
Well Water Testing and Treatment for Arsenic	03-DC-043		55,000	1,100
Russian Jack Area Traffic Control Calming Study	03-DC-030		50,000	1,000
Acquisition and Development Sound Barrier New Seward Hwy.	03-RR-001		49,476	989
Americans with Disability Act Improvements State Bill 29	02-MG-009		43,035	861
1999 SB 32 Chugiak, Birchwood, Eagle River Road Service Area	00/510-8-004		400,000	789
Baxter Elementary Maintenance	1/98-011		1,281	784
Service Area Ernesto Park Acquisition and Equipment	03-DC-031		30,000	600
Mountain View Park Acquisition and Equipment	03-DC-023		30,000	600
Creekside Park Design Improvements	01-RR-004		25,000	500
Drainage and Improvement 4th Avenue and Creekside	03-RR-003		20,000	400
Papago Park Upgrades and Improvements	03-DC-024		18,000	360
South Fork Fire Department Equipment and Land Acquisition	00-D-1-04		15,000	350
Elmendorf Site Improvement	1/99-001		109,202	206
Eagle River Fire Station - Aerial Apparatus	98/510-5-008		175,000	185
Dimond/Arlene St. Barrier Wall	02-DC-004		80,000	100
Susitna Elementary - Maintenance and Site Improvements	1/94-119		12,000	90
Bartlett High School Maintenance	1/98-007		21,838	74
Anchorage School District- Improvements Russian Jack	1/99-004		24,500	54
Spring Hill Elementary - Heat and Ventilation Upgrades	1/94-085		15,000	51
Anchorage School District-Turnagain Elementary	1/99-002		4,527	45
Dimond High - Repair and Replace Bleachers	1/94-037		10,000	34
Village Scenic Parkway	03-DC-042		1,500	30
Valli Vue Estates Local Road Service Area	03-DC-041		1,500	30
Upper O'Malley Local Road Service Area	03-DC-040		1,500	30
Upper Grover Local Road Service Area	03-DC-039		1,500	30
Totem Local Road Service Area	03-DC-038		1,500	30
Talus West Local Road Service Area	03-DC-037		1,500	30
South Goldenview Local Road Service Area	03-DC-036		1,500	30
Sky Ranch Local Road Service Area	03-DC-035		1,500	30
Sequoia Estates Local Road Service Area	03-DC-032		1,500	30
Rockhill Local Road Service Area	03-DC-029		1,500	30
Raven Wood Bubbling Brook Local Road Service Area	03-DC-028		1,500	30
Rabbit Creek View Rabbit Creek Heights Local Road Service Area	03-DC-026		1,500	30
Mountain Park Robin Hill Local Road Service Area	03-DC-022		1,500	30
Mountain Park Estates Local Road Service Area	03-DC-021		1,500	30
Lake Hill Local Road Service Area	03-DC-020		1,500	30
Glen Alps Local Road Service Area	03-DC-016		1,500	30
Chugiak, Birchwood, Eagle River Local Road Service Area	03-DC-010		1,500	30
Campbell Airstrip Local Road Service Area	03-DC-008		1,500	30
Birch Tree Elmore Local Road Service Area	03-DC-007		1,500	30
Bear Valley Local Road Service Area	03-DC-006		1,500	30
Inlet View Elementary School Maintenance	1/98-003		3,581	26
State Bill 29 Drainage Correction 28th Ave and Island Drive	02-RR-007		10,000	25
Abbott Loop Elementary Maintenance	1/98-010		2,729	9
Turnagain Elementary - Traffic Safety and Playground	1/96-023		66,963	2
CRS-Americans with Disability Act Capital Renovation and Improvements	7/94-058		100,000	(224)
Mizelle Park Landscaping and Improvements	7/94-043		25,000	(325)
Fish Creek Trail Development	9/93-031		15,000	(387)
Cheney Lake Park	9/93-042		100,000	(1,099)
Spenard Road Improvements	8/90-826		10,000,000	(1,421)
Sports Field Irrigation Improvements	98/510-9-004		159,000	(1,615)
Russian Jack Springs Park	98/510-9-007		184,000	(1,638)
Kincaid Park Outdoor Center	98/510-9-005		192,000	(1,656)
Sand Lake Park - Fishing Dock Rehabilitation	7/94-041		50,000	(2,420)
Total Non-Major Programs			<u>27,474,433</u>	<u>1,148,985</u>

**Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002**

State Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Federal Pass-Through:				
National Oceanic and Atmospheric Administration:				
Non-Major Programs:				
Fiscal Year 01 Coastal Management	810523	11 419	\$ 56,200	\$ 38,700
Coastal Management Program	800764	11 420	38,700	(300)
Total National Oceanic and Atmospheric Administration			<u>94,900</u>	<u>38,400</u>
Federal Pass-Through:				
U.S. Department of Agriculture:				
Non-Major Program:				
Fiscal Year 02 National Forest Receipts		10 655	7,385	7,385
Total Alaska Department of Community and Economic Development			<u>64,427,765</u>	<u>18,254,368</u>
<u>Alaska Department of Education and Early Development:</u>				
Direct:				
Major Programs:				
Child Care Licensing Fiscal Year 02			917,770	499,419
Fiscal Year 01 Child Care Licensing Registry Program	514050		492,778	(617)
Total Major Programs			<u>1,410,548</u>	<u>498,802</u>
Non-Major Programs:				
Public Library Assistance Grant	PLA-02-713-05		38,400	38,400
Public Library Assistance	PLA-03-713-04		37,500	35,210
Net Lender Reimbursement 2002	ILC-02-713-134		23,250	23,250
Net Lender Reimbursement Program			20,310	1,077
Total Non-Major Programs			<u>119,460</u>	<u>97,937</u>
Federal Pass-Through:				
U.S. Department of Education				
Non-Major Programs:				
800# ILL and Reference Backup 2001		45 310	34,852	22,744
800# ILL and Reference Backup 2002	ILC-03-713-93	45 310	42,845	18,848
Library Storypacket Grant	ILC-02-713-94	45 310	19,645	17,905
Advance Collection Workshop	ILC-03-713-95	45 310	5,725	5,725
Alaska Studies Foreign Collection	ILC-03-713-96	45 310	20,000	1,282
Total U.S. Department of Education			<u>123,067</u>	<u>66,504</u>
Federal Pass-Through:				
U.S. Department of Health and Human Services				
Non-Major Programs:				
Daycare Pass II III 02	534000	93 575	12,244,818	6,663,554
Daycare Subsidy		93 575/93 596	12,705,684	6,482,297
Daycare Administration 02	534000	93 575	2,160,850	963,228
Daycare Administration		93 575/93 596/96 558	1,699,984	883,355
Child Care Licensing Fiscal Year 03	L-03-01	93 575	917,770	527,905
Fiscal Year 01 Daycare Programs Administration		93 575/93 596/93 558	1,455,692	495
Total U.S. Department of Health and Human Services			<u>31,184,798</u>	<u>15,520,834</u>
Total Alaska Department of Education and Early Development			<u>32,837,873</u>	<u>16,184,077</u>
<u>Alaska Department of Environmental Conservation:</u>				
Direct:				
Major Programs:				
South Addition Woodstave Repair and Replacement, Phase III	W98-05		409,605	326,002
Briarcliff-Newcomb Water Upgrades	W01-10		614,875	367,023
64th Norm-Spruce Water Upgrades	W01-09		182,219	171,597
Water Master Plan Update 01	W01-05		201,000	102,597
Pump Station #2 Upgrade	S97-02		895,600	130,020
Primrose 16th Sewer Upgrade	S01-04		124,093	110,002
82nd OSH Sewer Upgrade	S01-03		243,476	194,089
Lathrop Sewer Upgrade	S01-02		293,440	260,676
Arctic Spur-Wes Way Sewer Upgrade	S01-01		179,622	113,876
Total Major Programs			<u>3,143,930</u>	<u>1,775,882</u>
Non-Major Programs:				
19th and Norene Water Upgrades	W01-02		148,939	94,755
Landfill Equipment Upgrade	13028		92,466	92,466
Landfill Equipment Upgrade	13048		88,696	88,696
ADEC Equipment Purchases			150,000	86,289
ADEC Water Study	NP-02-15		70,000	70,000
South Addition Woodstave R and R, Phase II	W97-05		413,076	68,633
Gilmore-Wilson Water Upgrade	W01-07		79,890	61,098
M-N Alley Sewer Upgrade	S02-01		65,833	54,346
B-4CD Trunk Emergency Upgrade-00	S00-03		576,556	40,634
Folker Street Water Upgrade 13029	W00-07		49,738	38,692
Chester Creek Trunk Study	S97-01		239,850	31,975
Thunderbird Hts. Water Upgrades	W01-04		208,986	21,331
Arctic Blvd, 76th to Dimond	W97-08		373,314	15,744
Baxter-Beaver Water Upgrade	W00-05		193,968	12,024
Sydney Kay Sewer Upgrade	S00-02		195,256	11,590
45th Northwood-VanB Water Upgrades	W01-08		222,779	9,815
Glenn Don-Campbell Airstrip Water	W00-06		504,388	8,252
9th Avenue L to P Water Upgrades-DPW	W01-03		28,620	7,873
Boston-DeBarr Intertie-DPW00	W01-01		24,549	3,660
Wastewater Master Plan Update	S02-02		136,364	1,086

**Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002**

State Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
OSH/Dimond to Dowling Upgrade (ADOT)	W97-03		\$ 237,072	\$ 593
Wastewater External Pipe Corrosion Study	S93-08		46,475	438
S and *R* Streets Woodstave Upgrade	W98-03		132,667	359
Miscellaneous Small Sewer Repair and Replacement	S94-01		88,976	300
Century Village Water Interties	W01-06		74,905	198
Ocean Dock Road Water Upgrades-ADOT	W00-02		128,898	111
Water External Pipe Corrosion Study	W92-05		46,475	71
10th and Cordova Woodstave Upgrade	W98-04		61,727	19
Kluane Terrace Water Upgrade	W97-06		324,196	(316)
C Street Sewer Upgrade - ADOT	S98-02		115,309	(1,551)
Total Non-Major Programs			5,119,968	819,181
Federal Pass Through:				
U.S. Environmental Protection Agency:				
Non-Major Programs:				
PM 2.5 Monitoring 02	PM-980207-01	66.606	37,000	33,182
Chester Creek Watershed	CC990797-01-0	66.461	40,000	(423)
Total U.S. Environmental Protection Agency			77,000	32,759
Total Alaska Department of Environmental Conservation			8,340,898	2,627,822
Alaska Department of Health and Social Services:				
Direct:				
Major Programs:				
Human Services Matching	06-2697		1,304,844	698,576
Community Health Nursing	06-3359		794,014	452,249
Human Services Community Matching Grant	06-3679		969,757	441,259
Community Health Nursing Fiscal Year 02	06-2359		794,014	392,352
Family Preservation-Family Support	06-31343		308,643	129,980
Total Major Programs			4,171,272	2,114,416
Non-Major Programs:				
Healthy Baby	06-2596		75,000	75,000
Tobacco Service Area Enforcement	68203		90,000	50,853
Domestic Violence Monitor	06-2500		50,000	47,796
Chugiak Adult Day Care Center	06-8-C-4620		893,953	47,767
Domestic Violence Monitor Fiscal Year 03	06-3500		50,000	25,607
Alaska Mental Health Trust Link Program	06-3239		37,500	19,917
Alaska Mental Health Trust Innovative Housing Match			37,500	10,607
Total Non-Major Programs			1,233,953	277,547
Federal Pass-Through:				
U.S. Department of Agriculture:				
Non-Major Programs:				
Women, Infants, and Children	06-2366	10.560	1,071,837	512,423
2003 Women, Infants, and Children Program	06-3366	10.557	982,110	504,388
Total U.S. Department of Agriculture			2,053,947	1,016,811
Federal Pass-Through:				
U.S. Department of Health and Human Services:				
Non-Major Programs:				
AIDS Prevention	06-2384	93.940/93.977	229,500	119,693
AIDS Prevention	06-3384	93.940/93.977	229,500	90,590
Bioterrorism Preparedness and Response	06-3567	93.283	599,692	84,795
Community Health Nursing Fiscal Year 02	06-2359	93.268	91,300	71,418
Healthy Baby Fiscal Year 03	06-3596	93.778	150,000	65,566
Community Health Nursing Fiscal Year 02	06-2359	93.116	75,500	40,263
Community Health Nursing Fiscal Year 02	06-2359	93.217	42,400	26,453
Tobacco Service Area Enforcement	068475	93.unknown	101,000	20,804
Fiscal Year 02 Healthy Baby	06-2596	93.780	75,000	1,288
Total U.S. Department of Health and Human Services			1,593,892	520,870
Total Alaska Department of Health and Social Services			9,053,064	3,929,644
Alaska Department of Labor and Workforce Development:				
Direct:				
Major Programs:				
State Employment and Training	725074		1,722,917	1,111,390
State Employment and Training	734032		1,566,569	316,907
Total Major Programs			3,289,486	1,428,297

**Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002**

State Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Federal Pass-Through:				
U.S. Department of Labor:				
Major Programs:				
Workforce Investment Act 1B Adult Programs	EN0725072	17.250	\$ 1,380,099	\$ 910,908
Workforce Investment Act Title 1B Adult Programs	EN0734004	17.258	1,504,049	908,345
Program Year 01 Workforce Investment Act Title 1B Youth Programs	EN0725008	17.250	907,331	595,058
Workforce Investment Act 1B Dislocated Worker Program	EN0734001	17.260	2,973,825	410,652
Workforce Investment Act Title 1B Youth Programs	EN0734002	17.259	1,738,283	356,411
Workforce Investment Act 1B Dislocated Worker Program	EN0725075	17.250	1,438,194	283,019
Workforce Investment Act Administration	EN0725007	17.260	570,617	218,418
Workforce Investment Act Title 1B Administration Funds	EN0734003	17.258/17.259/17.260	651,391	196,498
Workforce Development Incentive	725006	17.258	108,746	48,316
Workforce Investment Act Supervisor Training	EN0734013	17.258/17.259/17.260	25,000	8,412
Program Year 00 Workforce Investment Act Title 1 Youth Program	EN 0715307	17.250	1,157,709	(737)
Program Year 00 Workforce Investment Act Title 1 Adult Program	MOA PY 00/file 24.01	17.250	935,429	(1,531)
Total U.S. Department of Labor Major Programs			<u>13,390,673</u>	<u>3,933,769</u>
Non-Major Program:				
Program Year 00 Workforce Investment Act Title 1 Dislocated Worker	EN 0715312	17.246	753,500	(2,353)
Total Alaska Department of Labor and Workforce Development			<u>17,433,659</u>	<u>5,359,713</u>
<u>Alaska Department of Natural Resources:</u>				
Direct:				
Non-Major Program:				
Fire Lake Dam - TORA St Dept of Nat Resources			40,000	105
<u>Alaska Department of Public Safety:</u>				
Direct:				
Major Programs:				
Fiscal Year 02 Auto Tax			5,237,900	5,237,900
Fiscal Year 01 Auto Tax			5,433,607	425,304
			<u>10,671,507</u>	<u>5,663,204</u>
Federal Pass-Through:				
U.S. Department of Justice:				
Non-Major Programs:				
Alcohol Sales Enforcement		16.727	42,000	27,481
Methamphetamine Street Level Enforcement	01-011	16.580	52,898	24,169
Prescription Drug Enforcement	02-011	16.579	38,835	64
Total U.S. Department of Justice			<u>133,733</u>	<u>51,714</u>
Total Alaska Department of Public Safety			<u>10,805,240</u>	<u>5,714,918</u>
<u>Alaska Department of Revenue:</u>				
Direct:				
Major Programs:				
Fiscal Year 02 Electric Co-op Allocation			835,524	835,524
Fiscal Year 02 Liquor Licensing			307,850	307,850
			<u>1,143,374</u>	<u>1,143,374</u>
Direct:				
Non-Major Program:				
Fiscal Year 02 Flaw Fish			40,305	40,305
Total Alaska Department of Revenue			<u>1,183,679</u>	<u>1,183,679</u>
<u>Alaska Department of Transportation and Public Facilities:</u>				
Direct:				
Major Programs:				
Fiscal Year 02 Traffic Signal Management			1,447,400	1,447,400
Fiscal Year 01 Traffic Signal Management			1,183,000	591,500
NPDES Storm Water Permit Application			298,704	276,761
Household Travel Survey Grant	55214		177,000	170,252
NPDES Storm Water Permit Application			298,704	120,626
NPDES Storm Water Permit Application			298,704	9,145
Total Major Programs			<u>3,703,512</u>	<u>2,615,684</u>
Non-Major Programs:				
Air Quality Public Awareness Campaign	53584		312,080	70,067
Merrill Field Improvements 2002	AIP-35		49,667	39,626
Rehabilitate Primary Airport Access Road	AIP-32		53,500	37,561
Port of Anchorage Survey	55661		15,000	13,196
Merrill Field Improvements-Section Improvements Phase IV	AIP-31		15,625	4,215
Acquire Security Equipment	AIP-33		3,333	2,273
Fiscal Year 00 Air Quality PM 10	53586		47,750	435
Taxiway Nov., Relocate VASI and Wind Cone, Installation Fencing	AIP-27		36,667	224
Eagle River Heights North Subdivision Reconstruction TORA	54213		147,000	221
Merrill Field Improvements - Reconstruction Runway 6/24 LTg	AIP-25		51,873	172
Merrill Field Improvements - Installation Fencing, Gates Signage	AIP-26		17,812	15
Snow Removal Equipment	AIP-29		8,334	7
Total Non-Major Programs			<u>758,641</u>	<u>168,012</u>

**Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002**

State Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Federal Pass-Through:				
U.S. Department of Transportation:				
Major Programs:				
ISTEA 15th Ave. Service Area	FA-HHE-0530(1)	20.205	\$ 4,650,000	\$ 591,348
FHWA AMATS Planning Grant	PL-1256(13)	20.205	614,746	497,303
2001 AMATS Planning Program	74456	20.205	603,779	2,258
Regenerative Air and Mechanical Sweepers	55489	20.205	380,000	373,350
Victor Rd., 100th Dimond	STP-0001(232)	20.205	925,000	328,461
ISTEA Business Boulevard Safety Improvements	TEA-0001(130)/52519	20.205	1,808,000	323,722
Arctic Blvd., Dimond Blvd. to Rasperry	STP-0001(57)/51018	20.205	1,122,640	321,337
CY 02 Anchorage Share A Ride	74996	20.205	318,500	285,886
ISTEA Coastal Trail, Northern Extension	TEA-0001(133)/52499	20.205	2,547,000	269,061
ISTEA Business Boulevard Pedestrian Safety Improvements	MGS-STP-TEA-0001(130)	20.205	250,000	222,872
Transit Marketing	55215	20.205	315,250	186,019
ISTEA Eklutna Bridge Replacement II	BR-0001(183) 53945	20.205	555,000	168,101
Compressed Natural Gas Vehicle Fleet Program	55619	20.205	285,000	153,036
Campbell Creek Trail Design	TEA-0001(137)/52520	20.205	560,000	150,113
ISTEA 15th Avenue Channelization/Signalization	HES-0530(1)/50624	20.205	212,000	125,589
Enhancement Youth Work Program	55709	20.205	119,150	116,964
HSIP 2001 Groups 1A, 1B, 2, 3B	HHE-0001-(226)/55729	20.205	673,000	54,865
ISTEA Anchorage Area-wide Trails Rehabilitation	CM-0001(240)/54658	20.205	625,000	38,310
Arctic @ Dowling Right Of Way	HRO-MGS-0005(309)/54043	20.205	395,000	35,449
Rockridge Road Upgrade TORA	54970	20.205	245,000	33,988
Purchase Magnesium Chloride for PM-10	54441	20.205	195,400	22,894
ISTEA HSIP Fiscal Year 97 Group I	HRO-0005(254)	20.205	238,000	17,529
15th Ave L to Juneau Construction	HHE-530(001)/50624	20.205	452,490	17,258
2002 Statewide Bus and Van Roadside	AK-18-X019 RTAP	20.205	15,000	14,809
Regenerative Air and Mechanical Sweepers	54440	20.205	602,680	11,813
ISTEA South Coastal Trail Design	TEA-0001(126)/52514	20.205	1,165,000	9,403
HSIP 2001 Groups 5A	HRO-0001-(267)/55730	20.205	200,000	2,593
ISTEA HSIP Project PE, Fiscal Year 97 Group II Traffic Safety Improvements	HRO-0005(255)	20.205	145,000	2,428
Public Awareness	55914	20.205	104,500	1,939
ISTEA - Bragaw Street	51681	20.205	226,159	1,861
ISTEA NLB, Lake Otis to Muldoon	STP-540(4)/51754	20.205	380,000	1,838
ISTEA Bragaw Street Safety Improvements	HRO-0001(85)/51681	20.205	472,700	17
ISTEA Far North Bicentennial Park Trail Construction	TEA-001(109)	20.205	60,000	15
ISTEA East NLB Landscaping	TEA-0540(5)/52946	20.205	68,000	(54)
ISTEA Earthquake Park Interpretive Facility	TEA-0001(106)/51933	20.205	60,000	(82)
ISTEA Wisconsin: N. Lights to 43rd Upgrade	STP-001(59)/51034	20.205	500,000	(243)
ISTEA Arctic Blvd. Right Of Way	51018	20.205	425,000	(30,893)
Total U.S. Department of Transportation Major Programs			22,513,994	4,351,157
Federal Pass-Through:				
U.S. Department of Transportation:				
Non-Major Programs:				
DUI .08 Enforcement	AL020210	20.600	144,180	139,956
Section 5303 Federal Transit Administration Planning Assistance	55412/AK80-X010	20.510	193,726	122,552
Transit Section 5303 Federal Transit Administration Planning	AK-80-X011-01/56428	20.505	209,116	60,719
Seat Belt Enforcement	DTNH22-00-G-09051	20.600	230,000	42,933
CMAQ PM 10 Dust Control Program		20.210	189,600	42,547
Dangerous Violations: High Risk Drivers	PT020503	20.600	30,000	30,000
DUI Enforcement Blitz	AL 030216	20.600	41,000	26,637
Air Quality Business Education	53583	20.210	45,000	25,263
Seat Belt Enforcement	OP020322	20.600	100,000	23,258
MCS Commercial Vehicle Enforcement	02-PD-001	20.218	28,800	17,979
CY 01 Anchorage Share A Ride	74559	20.210	330,000	13,741
Transit Marketing Program CY 01	54736	20.210	140,000	4,529
Transit ISTEA	AK-80-X007	20.505	158,502	4,352
Coordinated Client Transportation Project	AK-80-X006	20.505	30,000	3,424
Transit Youth Program CY 01	54737	20.210	97,000	1,995
Transit Section 5303 Federal Transit Administration Planning 2001	AK80X009	20.505	969	969
Bike Rodeo and Safety Fair	PS020403	20.600	750	750
Bicycle Safety Rodeo	PS02-04-03	20.600	750	749
Total U.S. Department of Transportation Non-Major Programs			1,969,393	562,353
Total Alaska Department of Transportation and Public Facilities			28,945,540	7,697,206
Alaska Division of Emergency Services:				
Direct:				
Non-Major Program:				
Office of Emergency Management Local Emergency Planning Committee Grant			73,000	50,229

**Municipality of Anchorage
Schedule of State Financial Assistance
Year Ended December 31, 2002**

State Grantor/Pass-Through Grantor Program Title	Grant Number	CFDA Number	Award Amount	Expenditures
Federal Pass-Through: Federal Emergency Management Agency: Non-Major Program: Fiscal Year 02 Office of Emergency Management		83.503	\$ 64,000	\$ 64,000
Total Alaska Division of Emergency Services			<u>137,000</u>	<u>114,229</u>
<u>Alaska Energy Authority:</u>				
Direct:				
Non-Major Program: Eklutna Project Transmission	295150		19,300,000	9,321
<u>Alaska Housing Finance Corporation:</u>				
Direct:				
Major Programs:				
WX Non Weatherization Assistance Program	01G11-100		2,169,599	963,901
Weatherization Non-Weatherization Assistance Program	00G11-094		1,242,654	(97)
Fiscal Year 99 State Weatherization	99G11-126		894,082	(1,876)
Total Major Programs			<u>4,306,335</u>	<u>961,928</u>
Direct:				
Non-Major Programs:				
AHFC Link Program	03G16-028		62,450	40,680
AHFC-Supportive Housing 2001	01G17-172		100,000	38,680
Total Non-Major Programs			<u>162,450</u>	<u>79,360</u>
Federal Pass-Through:				
U.S. Department of Energy:				
Non-Major Programs:				
WX Weatherization Assistance Program	01G11-100	81.042	652,679	375,529
WX Non Weatherization Assistance Program	01G11-100	81.041	15,883	7,056
Fiscal Year 99 Department Of Energy Weatherization	99G11-126	81.042	533,397	(1,251)
Total U.S. Department of Energy			<u>1,201,959</u>	<u>381,334</u>
Total Alaska Housing Finance Corporation			<u>5,670,744</u>	<u>1,422,622</u>
<u>Alaska State Council on the Arts:</u>				
Federal Pass-Through:				
National Endowment for the Arts:				
Non-Major Programs:				
AKSCA Museum Season Support	030S28B	45.025	17,590	13,882
AKSCA Museum Season Support	Fiscal Year 02-OS-02	45.030	18,074	12,074
			<u>35,664</u>	<u>25,956</u>
<u>Cook Inlet Tribal Council, Inc:</u>				
Federal Pass-Through:				
U.S. Department of Health and Human Services:				
Non-Major Program:				
Cook Inlet Tribal Council	AFN PHS-2002-0003-001	93.230	117,005	49,438
<u>SouthCentral Foundation:</u>				
Federal Pass-Through:				
U.S. Department of Health and Human Services:				
Non-Major Program:				
SouthCentral Foundation CSP02	60-330-21-560-101	93.210	199,000	198,260
Fiscal Year 01 Emergency Alcohol Services	60-330-21-560-101	93.210	199,000	153
Total SouthCentral Foundation			<u>398,000</u>	<u>198,413</u>
<u>Special Olympics World Winter Games:</u>				
Federal Pass-Through:				
U.S. Department of Housing and Urban Development:				
Non-Major Program:				
Upgrade Projects at Kincaid Park-Special Olympics	B-00-SP-AK-9999	14.246	1,400,000	81,429
Total Schedule of State Financial Assistance			\$ 201,054,001	\$ 63,283,054

MUNICIPALITY OF ANCHORAGE, ALASKA

Notes to Schedule of State Financial Assistance

Year ended December 31, 2002

(1) General

The accompanying Schedule of State Financial Assistance presents the activity of all state financial assistance programs of the Municipality of Anchorage, Alaska (Municipality). The Municipality's reporting entity is defined in note 1 to the Municipality's basic financial statements. State financial assistance received directly from state agencies as well as state financial assistance passed through from federal government agencies is included on the schedule.

(2) Basis of Accounting

The accompanying Schedule of State Financial Assistance is presented using the modified-accrual basis of accounting, which is described in note 1 to the Municipality's basic financial statements.

MUNICIPALITY OF ANCHORAGE, ALASKA

Schedule of Findings and Questioned Costs

Year ended December 31, 2002

Alaska Department of Education and Early Development

Child Care Licensing FY02 Grant (Grant Number: N/A)

Finding 2002-1 – The Municipality is required to submit quarterly activity and financial reports to the State of Alaska no later than fifteen days following the end of the quarter. During 2002, the fourth quarter report was not submitted timely.

Questioned Costs – None.

Alaska Department of Health and Social Services

Community Health Nursing Grant (Grant Number: 06-2359)

Finding 2002-2 – The Municipality is required to submit quarterly activity and financial reports to the State of Alaska no later than fifteen days following the end of the quarter. During 2002 the fourth quarter report was not submitted timely

Questioned Costs – None.



701 West Eighth Avenue
Suite 600
Anchorage, AK 99501

**Independent Auditors' Report on Compliance and on Internal Control over
Financial Reporting Based on an Audit of Basic Financial Statements
Performed in Accordance with *Government Auditing Standards***

Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska:

We have audited the basic financial statements of the Municipality of Anchorage, Alaska as of and for the year ended December 31, 2002, and have issued our report thereon dated May 7, 2003. We did not audit the financial statements of the Anchorage School District and Anchorage Historic Properties, which are discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us. The Municipality of Anchorage, Alaska adopted Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, GASB Statement No. 38, *Certain Financial Statement Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, effective January 1, 2002. Our report with respect thereto states that we did not audit the financial statements of the Anchorage School District as of June 30, 2002 or Anchorage Historic Properties, Inc. as of December 31, 2002, and therefore our opinion is based upon our audit and reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Municipality of Anchorage, Alaska's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material





Honorable Members of the Municipal Assembly
Municipality of Anchorage, Alaska

weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting which we have reported to management of the Municipality of Anchorage in a separate letter dated May 7, 2003.

This report is intended solely for the information and use of the Municipal Assembly, management, and the federal and state awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

May 7, 2003

Section III

**Federal
Summary Schedule of Prior Year Audit Findings**

MUNICIPALITY OF ANCHORAGE, ALASKA

Schedule of Expenditures of Federal Awards

Summary Schedule of Prior Audit Findings

Year Ended December 31, 2002

For Fiscal Year Ended December 31, 2001:

Findings and Questioned Costs Related to Federal Awards:

U.S. Department of Housing and Urban Development, Community Development Block Grant (CDBG) and HUD administered Small Cities Cluster, CFDA#14.218

Finding 2001-1

According to the A-133 compliance supplement, not more than 20 percent of the total grant, plus 20 percent of program income received during a program year, may be obligated during that year for activities that qualify as planning and administration. Administrative expenditures for grant number B-00-MC-02-0001 exceeded the allowable 20 percent limitation by \$14,196.

Questioned Costs - \$ 14,196

Status of Finding- The Municipality has implemented a monitoring review plan that will ensure the consistent review and update of all projects, programs and services. This plan stresses the need to separate out the project costs from the administration costs and to maintain an accurate accounting of each. This deficiency has been corrected and the administrative expenditures for grant number B-00-MC-02-0001 are under the 20 percent limitation.

Finding 2001-2

According to A-133 compliance supplement, a pass-through entity is responsible for monitoring the subrecipients' activities, such as reviewing the subrecipients' single audit results and evaluating audit finding and the subrecipients' correction plan. The Municipality did not request and review the OMB Circular A-133 audit report for one of its subrecipients of CDBG funds.

Questioned Costs- None

Status of Finding- This finding has been corrected. The Municipality requests and reviews the OMB Circular A-133 audit report for all subrecipients.

Section IV
Federal
Corrective Action Plan

MUNICIPALITY OF ANCHORAGE, ALASKA

Schedule of Expenditures of Federal Awards

Corrective Action Plan

No Federal Findings to Report.

Section V

State

Summary Schedule of Prior Year Audit Findings

MUNICIPALITY OF ANCHORAGE, ALASKA

State Financial Assistance Reports

Summary Schedule of Prior Audit Findings

Year Ended December 31, 2002

For Fiscal Year Ended December 31, 2001:

Alaska Department of Community and Economic Development

Elmore Street Upgrade - Huffman Road Grant (01-MG-013)
Major Municipal Facility Upgrade Projects Grant (00/510-9-002)
Maintenance of and Safety Upgrades to Highways, Roads, and Streets Grant (02-DC-046)
Major Municipal Facility Upgrade Projects Grant (01-MG-015)
Midtown/South Anchorage Sports Park & Softball Complex Grant (01-MG-012)

Finding 2001-1

The Municipality is required to submit monthly or quarterly, until the project is completed, municipal matching grant financial reports on the forms provided by the State of Alaska, regardless of whether or not expenditures have been made. During 2001, these reports were not submitted timely.

Questioned Costs - None.

Status of Finding- Corrected. All required reports have been filed.

Alaska Department of Education and Early Development

Child Care Licensing FY02 Grant (Grant Number: N/A)
FY01 Child Care Licensing Registry Program (Grant Number: 514050)

Finding 2001-2

The Municipality is required to retain on file current copies of the State of Alaska Business License for each provider of child care facilities. Seven out of thirty child care facility provider files reviewed did not have a copy of current business licenses.

Questioned Costs - None.

Status of Finding- This deficiency has been corrected. The Child Adult Care providers present their business license to the Child Care Assistance administrators with their paperwork for approval.

MUNICIPALITY OF ANCHORAGE, ALASKA

State Financial Assistance Reports

Summary Schedule of Prior Audit Findings

Finding 2001-3

The Municipality is required to submit quarterly activity and financial reports to the State of Alaska no later than fifteen days following the end of the quarter. During 2001, first and second (FY01 Child Care Licensing Registry Program) and third and fourth (Child Care Licensing FY02 Grant) quarter reports were not submitted timely.

Questioned Costs - None.

Status of Finding- Corrected. All required reports have been filed.

Alaska Department of Health and Social Services

FY01 Human Services Matching Grant (Grant Number: 06-1671)
Human Services Matching Grant (Grant Number: 06-2697)

Finding 2001-4

The Municipality is required to submit quarterly activity and financial reports to the State of Alaska no later than fifteen days following the end of the quarter. During 2001, first and second (FY01 Human Services Matching Grant- 06-1671) and third and fourth (Human Services Matching Grant- 06-2697) quarter reports were not submitted timely.

Questioned Costs - None.

Status of Finding- Corrected. All required reports have been filed.

Chugiak Adult Day Care Center Grant (Grant Number: 06-8-C-4620)
Community Health Nursing Grant (Grant Number: 06-1359)
Community Health Nursing Grant (Grant Number: 06-2359)

Finding 2001-5

The Municipality is required to submit quarterly activity and financial reports to the State of Alaska no later than fifteen days following the end of the quarter. During 2001 the following reports were not submitted timely:

MUNICIPALITY OF ANCHORAGE, ALASKA

State Financial Assistance Reports

Summary Schedule of Prior Audit Findings

- Chugiak Adult Day Care Center Grant (Grant Number: 06-8-C-4620) – second, third, and fourth quarter reports;
- Community Health Nursing Grant (Grant Number: 06-1356) – first and second quarter reports;
- Community Health Nursing Grant (Grant Number: 06-2359) – third and fourth quarter reports.

Questioned Costs - None.

Status of Finding- Corrected. All required reports have been filed.

Section VI

**State
Corrective Action Plan**

MUNICIPALITY OF ANCHORAGE, ALASKA

State Financial Assistance Reports

Corrective Action Plan

Alaska Department of Education and Early Development

Child Care Licensing FY02 Grant (Grant Number: N/A)

Finding 2002-1

Anchorage strives to provide all grant reports to grantors as soon as accurate information is available and the reports are complete. We will continue to make every effort to submit future financial reports on or before the due date.

Alaska Department of Health and Social Services

Community Health Nursing Grant (Grant Number: 06-2359)

Finding 2002-2

Anchorage strives to provide all grant reports to grantors as soon as accurate information is available and the reports are complete. We will continue to make every effort to submit future financial reports on or before the due date.