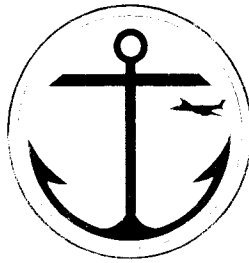


Municipality of Anchorage



P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 343-4438
Fax: (907) 343-4370
<http://www.ci.anchorage.ak.us>

Rick Mystrom, Mayor

OFFICE OF THE INTERNAL AUDITOR

December 23, 1999

Internal Audit Report 99-13 Police and Fire Bonds

Introduction. Six bonds have been approved by the voters since 1997 for the Anchorage Fire Service Area and Emergency Medical Services. In addition, seven other Police and Fire bonds approved prior to 1997 had recent expenditures and/or remaining balances. See Schedule 1, attached, for a list of the bonds included in this audit.

Scope. The objective of this audit was to determine whether bond funds had been used for the designated purpose as approved by the voters for the bonds shown in Schedule 1. Specifically, we reviewed all expenditures charged to the selected bonds since 1997. The audit was conducted in accordance with generally accepted government auditing standards, except for the requirement of an external quality control review, and accordingly, included tests of accounting records and such other auditing procedures as we considered necessary in the circumstances. The audit was requested by the Municipal Assembly.

Summary of Findings. Bond funds were generally used for the designated purpose. However, some costs associated with professional services for the design of the new jail totaling \$61,528.88 had been inadvertently charged to Anchorage Fire Protection Bond funds. A correcting journal entry was processed to correct the errors during the course of the audit. Schedule 1 provides a breakdown of the amounts approved, issued, expended and remaining, by each bond.

Discussion With Responsible Officials. The results of this audit were discussed with appropriate Municipal officials on December 16, 1999.

Audit Staff:
Lily Li
Guy M. Bailly, CPA

FINANCIAL SUMMARY AS OF NOVEMBER 1999

Bond Proposition Number/ Title	Approved Amount	Year Issued/ Amount	Expended		Remaining	Unissued
			Year	Amount		
1990 Proposition 11 Emergency Medical and Communications Services Bonds	\$2,025,000	1992:	1992-1996:	\$1,995,980.30	\$13,737.97	\$0.00
			1998:	\$15,281.73		
			1999:	\$0.00		
				\$2,011,262.03		
1990 Proposition 12 Police Protection Services Bonds	\$2,025,000	1992:	1992-1996:	\$1,715,000.00		
			1992:	\$1,535,000		
			1994:	\$180,000		
				\$1,715,000.00		\$225,000
1990 Proposition 15 Fire Protection Services Bonds	\$1,940,000	1992:	1992-1996:	\$2,865,331.72		
			1997:	\$12,879.89		
			1998:	\$37,429.30		
				\$2,915,640.91	\$4,359.09	\$0.00
1995 Proposition 8 Anchorage Police Service Area Public Safety (Police Protection Services) and Related Capital Improvement Projects Bonds	\$2,920,000	1995:	1992-1996:	\$1,714,552.96		
			1997:	\$544,971.42		
			1998:	\$18,423.97		
			1999:	\$4,251.02		
				\$2,282,199.37	\$467,800.63	\$0.00
1996 Proposition 6 Public Safety (Police Protection Services) and Related Capital Improvements Bonds	\$900,000					
						\$900,000

FINANCIAL SUMMARY AS OF NOVEMBER 1999

Bond Proposition Number/ Title	Approved Amount	Year Issued/ Amount	Expended		Remaining	Unissued
			Year	Amount		
1996 Proposition 1 Emergency Operations Center, Ambulances and Related Capital Improvements Bonds. \$500,000 in Bonds for Emergency Operations Center were redirected per 1997 Proposition 5.	\$950,000	Redirected in 1997: \$500,000	1996:	\$10,000.00	\$346,681.70	\$450,000
			1997:	\$17,024.74		
			1998:	\$15,400.62		
			1999:	\$110,892.94		
				\$153,318.30		
1996 Proposition 4 Anchorage Fire Service Area Bonds	\$730,000	1997:	1996:	\$14,600.00	\$29,778.70	\$0.00
			1997:	\$629,463.33		
			1998:	\$56,157.97		
				\$700,221.30		
1997 Proposition 6 Emergency Medical Service Facility and Ambulance Bonds	\$425,000	1997:	1997:	\$2,815.42	\$45,306.03	\$300,000
			1998:	\$2,885.75		
			1999:	\$73,992.80		
				\$79,693.97		
1997 Proposition 9 Girdwood Valley Fire Protection Bonds	\$370,000	1997:	1997:	\$11,874.35	\$5,885.52	\$55,000
			1998:	\$286,022.83		
			1999:	\$11,217.30		
				\$309,114.48		
1997 Proposition 12 Anchorage Fire Protection Bonds	\$1,460,000	1997:	1997:	\$383,181.78	\$529,212.00	\$0.00
			1998:	\$399,659.85		
			1999:	\$147,946.37		
				\$930,788.00		
1998 Proposition 5 Fire Protection Improvement Bonds	\$4,820,000	1999:	1998:	\$279,793.94	\$3,928,059.52	\$0.00
			1999:	\$612,146.54		
				\$891,940.48		

FINANCIAL SUMMARY AS OF NOVEMBER 1999

Bond Proposition Number/ Title	Approved Amount	Year Issued/ Amount	Expended Year Amount	Remaining	Unissued
1999 Proposition 4 Anchorage Fire Service Area Bonds	\$9,540,000		1999: \$29,545.05 \$29,545.05		\$9,540,000
1999 Proposition 2 Emergency Services and Cemetery Bonds	\$3,605,000				\$3,605,000