

UNIVERSITY OF ALASKA

(A Component Unit of the State of Alaska)

Financial Statements

June 30, 2004 and 2003

(With Independent Auditors' Report Thereon)

University of Alaska  
(A Component Unit of the State of Alaska)  
Financial Statements  
June 30, 2004 and 2003

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

**Introduction**

The following discussion and analysis provides an overview of the financial position and activities of the University of Alaska (university) for the years ended June 30, 2004 (fiscal year 2004) and June 30, 2003 (fiscal year 2003), with selected comparative information for the year ended June 30, 2002. This discussion has been prepared by management and should be read in conjunction with the financial statements including the notes thereto, which foll

MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Assets:			
Current assets	\$ 109,721	\$ 107,186	\$ 89,340
Other assets	182,960	173,719	154,987
Capital assets, net of depreciation	<u>760,757</u>	<u>703,855</u>	<u>651,268</u>
Total assets	<u>1,053,438</u>	<u>984,760</u>	<u>895,595</u>
Liabilities:			
Current liabilities	69,631	74,547	62,551
Noncurrent liabilities	<u>133,576</u>	<u>127,699</u>	<u>98,412</u>
Total liabilities	<u>203,207</u>	<u>202,246</u>	<u>160,963</u>
Net assets			
Invested in capital assets, net of debt	648,016	602,274	564,771
Restricted – expendable	36,591	31,102	32,631
Restricted – nonexpendable	111,142	108,303	100,716
Unrestricted	<u>54,482</u>	<u>40,835</u>	<u>36,514</u>
Total net assets	<u>\$ 850,231</u>	<u>\$ 782,514</u>	<u>\$ 734,632</u>

The financial position of the university improved during fiscal year 2004. This is primarily evidenced by the overall growth in net assets of \$67.7 million, or 8.7 percent. Unrestricted net assets, a common indicator of financial strength or flexibility, increased 33.4 percent to \$54.5 million at June 30, 2004. Other indicators of an improved financial position include an increase in working capital, reduced accounts receivable, and growth in endowment investments. Despite new general revenue bond issues of \$21.0 million, reductions in accounts payable and consumption of advanced capital appropriations resulted in total liabilities increasing by only \$1.0 million. Each of these changes is discussed in more detail in the sections that follow.

Working capital (current assets less current liabilities) over the past year increased from \$32.6 million to \$40.1 million. Working capital at year end represents 27 days of operating expenses, as compared to 23 days in 2003. The improvement can be attributed primarily to the increase in tuition revenue.

Net accounts receivable decreased 23 percent, from \$74.9 million at June 30, 2003 to \$58.0 million at June 30, 2004. The decrease is primarily due to capital project receivables decreasing by \$10.6 million to \$11.7 million at June 30, 2004. The other components of accounts receivable consist of those from operations, such as tuition and fees and sponsored programs (primarily research). Days of operating revenue in accounts receivable from operations decreased from 70 in 2003 to 56 in 2004. Management is continuing to work on improving the billing and collection process. See Note 4 of the financial statements for accounts receivable detail.

The decrease in accounts payable from \$20.7 million at June 30, 2003 to \$13.0 million in 2004 is a reflection of the decrease in capital construction activity in process at year end. At June 30, 2004, construction activity constituted about half, or \$6.7 million, of the accounts payable

MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

expenditure of \$5.5 million for the Hutchison Career Center expansion and renovation, which was nearly complete at June 30, 2004. Further discussion of capital activity is in the *Capital and Debt Activities* section that follows.

Unrestricted net assets increased \$13.6 million from June 30, 2003 to June 30, 2004. At year end, \$37.9 million of the \$54.5 million total is designated by the Board of Regents for specific purposes or otherwise limited by contractual agreements with external parties. See Note 2 of the financial statements for a detailed list of these designations.

***Fiscal Year 2003 Comparisons (Statement of Net Assets)***

For comparative purposes, significant comments about changes between 2002 and 2003 that were noted in fiscal year 2003 Management's Discussion and Analysis are summarized below:

Major changes from 2002 to 2003 on the Statement of Net Assets include those with accounts receivable, working capital and accounts payable. Net accounts receivable increased 19 percent, from \$62.9 million at June 30, 2002, to \$74.9 million at June 30, 2003. The growth was primarily due to the increase in receivables from cnion at June 30,

MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

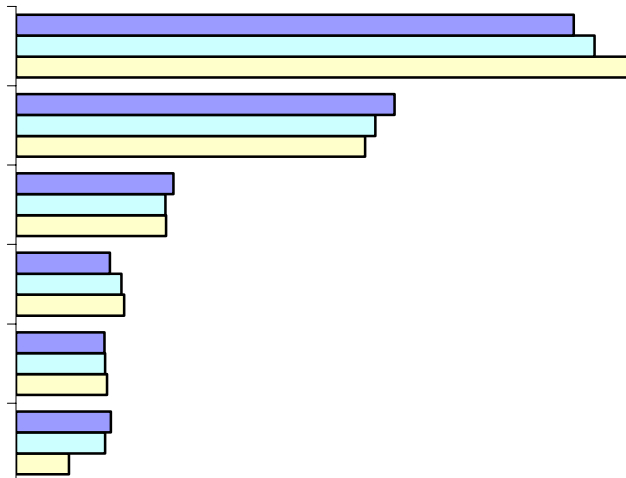
The Statement of Revenues, Expenses and Changes in Net Assets reflects an overall increase in net assets of 8.7 percent, or \$67.7 million. The primary factor for the increase in net assets is attributed to \$86.6 million revenue recognized from capital funding sources, such as state capital appropriations. Revenue from capital sources is generally recognized as expenditures for capital projects occur. Fiscal year 2004 represents a year of significant capital construction activity as discussed further in the *Capital and Debt Activities* section which follows.

Student enrollment and tuition rate increases for the 2003-2004 academic year provided for gross student tuition and fee revenue of \$67.8 million in fiscal year 2004 as compared to \$59.8 million in fiscal year 2003. This was due in large part to a 10 percent increase in tuition rates for academic year 2003-2004. Student full-time equivalent enrollment for Fall 2003 was 17,319, a 4.2 percent increase from the prior Fall period.

Endowment proceeds and investment income contributed positively to the increase in net assets by providing \$16.2 million in 2004 as compared to \$11.8 million in 2003. A significant component of these amounts is investment income, generated from the endowment principal. Total return from the endowment was approximately 14 percent, or \$10.6 million, in 2004 as compared to a 1 percent return, or \$0.9 million, in the prior year. The other major component in this category is yield from, or sales of, trust land, timber and mineral interests, the net proceeds of which are required to be deposited to the land grant endowment trust fund. These sources generated revenue of \$5.6 million in 2004 as compared to \$10.9 million in 2003. The decrease was primarily due to poor market conditions for timber production leading to decreased timber sales.

State of Alaska general fund appropriations continue to be the single major source of revenue for the university, providing \$217.7 million in 2004, as compared to \$211.2 million in 2003. Historically, the Legislature has funded the university at an amount equal to or above the prior period's appropriation.

A comparison of operating and nonoperating revenues by source for fiscal year 2004, 2003 and 2002 follows:

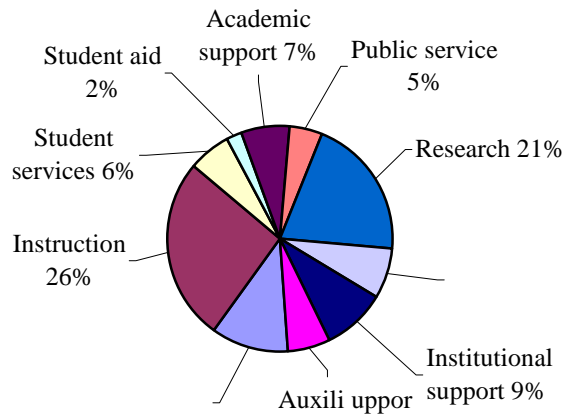


MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

Revenues from federal and other sources for sponsored research and education-related programs increased 9 percent, from \$169.9 million in 2003 to \$184.4 million in 2004. Facility and administrative cost recovery provided \$29.7 million in 2004 as compared to \$26.5 million in 2003. This increased funding enables the university to expand existing programs and start new programs, like those in fisheries, data analysis and basic research. In addition to supporting new programs, facility and administrative cost recovery reimburses the university for facilities and administrative costs necessary to operate and support sponsored programs, and provides cash flow to service debt on, and renew, research facilities.

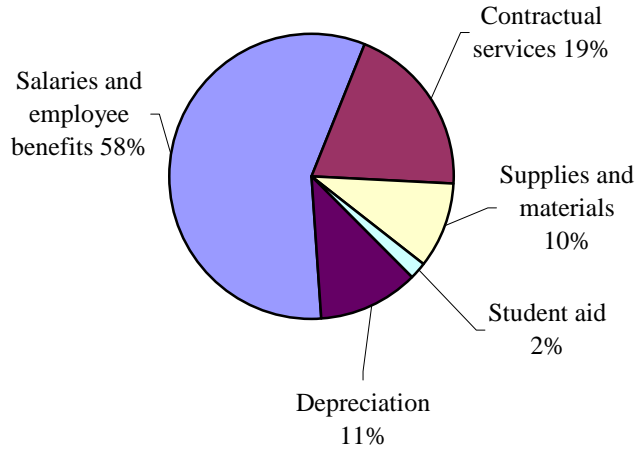
A comparison of operating expenses by functional and natural classification for selected fiscal years follows (see Note 16 of the financial statements for more information):

**Fiscal Year 2004  
Functional Classification**



MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

**Fiscal Year 2004  
Natural Classification**



**Operating Expenses**

**Natural Classification (in millions)**

	FY2004		FY2003		FY2002	
Salaries and Employee Benefits	\$319.2	58.1%	\$300.9	57.0%	\$275.4	55.4%
Contractual Services	102.1	18.6%	105.3	19.9%	100.8	20.3%
Supplies and Materials	54.4	9.9%	51.8	9.8%	53.6	10.8%
Student Aid	13.0	2.4%	10.4	2.0%	9.4	1.9%
Depreciation	60.5	11.0%	59.7	11.3%	57.8	11.6%
	<u>\$549.2</u>	<u>100.0%</u>	<u>\$528.1</u>	<u>100.0%</u>	<u>\$497.0</u>	<u>100.0%</u>

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

Other major revenue sources include state general fund appropriations, sponsored programs and tuition revenue. State general fund appropriations increased to \$211.2 million in 2003, as compared to \$201.6 million in 2002. Sponsored program

MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Unaudited – see accompanying accountants' report)

Bonds were issued in prior years to finance construction of student residences at three campuses, the West Ridge Research Building, a student recreation center, a research facility to house the International Arctic Research Center, the acquisition and renovation of several properties adjacent to the university's campuses, additions to the university's self-operated power, heat, water and telephone utility systems in Fairbanks, and to refund previously issued general revenue bonds and other contractual obligations in order to realize debt service savings.

The university has traditionally utilized both tax exempt and non-tax exempt equipment lease financings to provide for its capital needs or to facilitate systematic renewals. Short-term lines of credit are available to provide interim cash flow financing for facilities intended to be funded with general revenue bond proceeds.

**Other Economic and Financial Conditions**

The following is a description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position (net assets) or results of operations (revenues, expenses, and other changes in net assets) of the university.

At their September 2003 meeting, the Board of Regents approved a 10 percent increase in tuition for resident students (20 percent for non-residents) for the 2004 - 2005 academic year. During Spring semester 2005, the administration will institute a network charge equal to 2 percent of tuition that will be used to fund information technology network. (2300079 0 0 10.98 381.5(nt0.1.5(nt0.1.5(nt0.8



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## Independent Auditors' Report

The Board of Regents  
University of Alaska:

We have audited the accompanying basic financial statements of the University of Alaska (University), a component unit of the State of Alaska, as of and for the years ended June 30, 2004 and 2003 as listed in the table of contents. These financial statements are the responsibility of the university's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. in note 1 to t

he financial statements efective July 1, 2002, he University of Alaska adopted Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2004 on our consideration of the University of Alaska's internal control over financial reporting and on our tests of its compliance with certain provisionges

1 through 8 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

**KPMG LLP**

September 30, 2004

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<b>Assets</b>	2004	2003
Currents assets:		
Cash and cash equivalents	\$ 41,815	\$ 22,147
Short-term investments	1,231	1,215
Accounts receivable, less allowance of \$3,990 in 2004 and \$4,118 in 2003	57,974	74,926
Other assets	640	1,254
Inventories	8,061	7,644
Total current assets	109,721	107,186
Noncurrent assets:		
Restricted cash and cash equivalents	19,164	21,577
Notes receivable	5,212	5,802
Endowment investments	93,834	81,579

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**UNIVERSITY OF ALASKA FOUNDATION**  
**(A Component Unit of the University of Alaska)**  
**Statements of Financial Position**  
**June 30, 2004 and 2003**  
**(in thousands)**

**Assets**

Cash and cash equivalents	\$	3,662	\$	2,802
Interest receivable		281		270
Short term investments		48		-
Contributions receivable		7,621		8,499
Escrows receivable		621		692
Inventory		74		78
Other assets		410		434
Remainder trust receivable		391		407
Pooled endowment funds		69,246		55,386
Other long term investments		46,658		47,362

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**UNIVERSITY OF ALASKA**  
**(A Component Unit of the State of Alaska)**  
**Statements of Revenues, Expenses and Changes in Net Assets**  
**For the Years Ended June 30, 2004 and 2003**  
**(in thousands)**

	2004	2003
<b>Operating revenues</b>		
Student tuition and fees	\$ 67,756	\$ 59,825
less tuition allowances	(6,260)	(5,256)
	61,496	54,569
Federal grants and contracts	133,897	115,996
State grants and contracts	10,520	11,775
Local grants and contracts	3,313	3,547
Private grants and contracts	36,641	38,617
Federal appropriations	2,758	2,214
Local appropriations	705	705
Sales and services, educational departments	3,415	3,681
Sales and services, auxiliary enterprises, net of tuition allowances of \$1,298 in 2004 and \$1,151 in 2003	34,605	32,283
Other	12,327	11,739
Total operating revenues	299,677	275,126
<b>Operating expenses</b>		
Instruction	144,115	134,192
Academic support		

**UNIVERSITY OF ALASKA FOUNDATION**

**Statements of Activities**

**Revenues, gains and other support**

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2003</u>
\$ 1,200	\$ 10,183	\$ 1,983	\$ 13,366
1,485	993	-	2,478
(144)	719	-	575
-	90	4	94
-	(1)	(17)	(18)
9	-	-	9
92	24	-	116
<u>9,553</u>	<u>(9,553)</u>	<u>-</u>	<u>-</u>
<u>12,195</u>	<u>2,455</u>	<u>1,970</u>	<u>16,620</u>
230	-	-	230
<u>8,687</u>	<u>-</u>	<u>-</u>	<u>8,687</u>
<u>8,917</u>	<u>-</u>	<u>-</u>	<u>8,917</u>
<u>3,278</u>	<u>2,455</u>	<u>1,970</u>	<u>7,703</u>
<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**UNIVERSITY OF ALASKA**  
**(A Component Unit of the State of Alaska)**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2004 and 2003**  
**(in thousands)**

	2004	2003
<b>Cash flows from operating activities</b>		
Student tuition and fees, net	\$ 61,900	\$ 53,911
Grants and contracts	190,920	171,403
Sales and services, educational departments	3,415	3,680
Sales and services, auxiliary enterprises	34,554	32,666
Federal appropriations	2,758	2,214
Local appropriations	705	705
Other operating receipts	11,046	10,418
Payments to employees for salaries and benefits	(316,830)	(299,886)
Payments to suppliers	(158,595)	(154,653)
Payments to students for financial aid	(12,655)	(10,381)
	(182,782)	(189,923)
<b>Net cash used by operating activities</b>		
<b>Cash flows from noncapital financing activities</b>		
State appropriations	217,050	211,401
Other revenue, net	45	170
Direct lending receipts	51,397	45,418
Direct lending payments	(51,815)	(45,920)
	216,677	211,069
<b>Net cash provided by noncapital financing activities</b>		
<b>Cash flows from capital and related financing activities</b>		
Capital appropriations, grants and contracts	90,875	69,335
Proceeds from issuance of capital debt	21,134	33,515
Redemption of general revenue bonds	(4,392)	(3,885)
Purchases of capital assets	(122,016)	(102,479)
Principal paid on capital debt and leases	(4,486)	(3,650)
Interest paid on capital debt and leases	(4,002)	(3,302)
	(22,887)	(10,466)
<b>Net cash used by capital and related financing activities</b>		
<b>Cash flows from investing activities</b>		
Proceeds from sales and maturities of investments	9,340	3,776
Purchase of investments	(10,466)	(9,137)
Interest received on investments	608	709
Interest and other sales receipts from endowment assets	6,765	10,763
	6,247	6,111
<b>Net cash provided by investing activities</b>		
<b>Net increase in cash and cash equivalents</b>	17,255	16,791
Cash and cash equivalents, beginning of the year	43,724	26,933
Cash and cash equivalents, end of the year	\$ 60,979	\$ 43,724
Cash and cash equivalents (current)	\$ 41,815	\$ 22,147
Restricted cash and cash equivalents (noncurrent)	19,164	21,577
<b>Total cash and cash equivalents</b>	\$ 60,979	\$ 43,724



## NOTES TO FINANCIAL STATEMENTS

June 30, 2004 and 2003

1. Organization and Summary of Significant Accounting Policies:

Organization and Basis of Presentation:

The University of Alaska (university) is a constitutionally created corporation of the State of Alaska which is authorized to hold title to real and personal property and to issue debt in its own name. The university is a component unit of the State of Alaska for purposes of financial reporting. As an instrumentality of the State of Alaska, the university is exempt from federal income tax under Internal Revenue Code Section 115, except for unrelated business activities as covered under Internal Revenue Code Sections 511 to 514.

The University of Alaska Foundation (foundation) is a legally separate, non profit component unit of The

## NOTES TO FINANCIAL STATEMENTS

### Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared on the economic resources measurement focus and the accrual basis of accounting. All significant intra-university transactions have been eliminated. The university reports as a business type activity, as defined by GASB Statement No. 35. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The university has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The university has elected not to apply FASB pronouncements issued after the applicable date.

### **Cash and Cash Equivalents**

All highly liquid investments, not held for long-term investment, with original maturities of three months or less are reported as cash and cash equivalents.

### **Inventories**

Inventories are stated at the lower of cost (first-in, first-out method) or market.

### **Investments**

Investments are stated at fair value. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets. Long-term investments include those restricted by outside parties as to withdrawal or use for other than current operations, or are designated for expenditure in the acquisition or construction of noncurrent assets or held with an intent not to be used for operations.

### **Capital Assets**

Capital assets are stated at cost when purchased and at fair value when donated. Equipment with a unit value of less than \$2,500 is not capitalized. Certain land and other resources acquired through land grants and donated museum collections for which fair value at date of acquisition was not determinable are reported at zero basis in the financial statements.

Depreciation is computed on a straight-line basis with useful lives of building and building components ranging from 12 to 50 years, 10 to 35 years for infrastructure and other improvements, and 5 to 11 years for equipment. Library and museum collections are not depreciated because they are preserved and cared for and have an extraordinarily long useful life.

### **Endowments**

Endowments consist primarily of the land grant endowment trust fund established pursuant to the 1929 federal land grant legislation and its related inflation proofing funds. AS 14.40.400 provides that the net income from the sale or use of grant lands must be held in trust in perpetuity. At June 30, 2004 and 2003 the accumulated net earnings and appreciation on investments is \$24.0 million and \$16.5 million, respectively. These amounts, which are recorded in the restricted expendable net asset category, are available for expenditure in accordance with spending policies established by the Board of Regents in its capacity as trustee. Alaska Statute 14.40.400 provides the Board of Regents with authority to manage the endowments under the total return principles which are intended to preserve and maintain the purchasing power of the endowment principal. The investable resources of the fund are invested in the consolidated fund, a unitized investment fund. The annual spending allowance is currently based on five percent of a five-year moving average of the invested balance. Withdrawals of net earnings of grant lan

## NOTES TO FINANCIAL STATEMENTS

appreciation to meet the spending allowance are limited to the unexpended accumulated net earnings of the endowments.

### **Operating Activities**

The university's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations and investment earnings.

### **Tuition Allowances**

Student tuition and fee revenues and certain other revenues from students are reported net of tuition allowances in the statement of revenues, expenses and changes in net assets. Tuition allowances are the difference between the stated charge for tuition and room and board provided by the university and the amount paid by the student and/or third parties making paym



## NOTES TO FINANCIAL STATEMENTS

### 3. Cash and Investments:

Alaska Statutes and Board of Regents' policy provide the university with broad authority to invest funds. GASB requires that bank balances and investment securities be disclosed or classified by category of credit risk as follows:

Deposits: Insured or collateralized with securities held by the university

## NOTES TO FINANCIAL STATEMENTS

of a non-interest bearing deposit in the amount of \$4.2 million maintained as a compensating balance in exchange for banking services.

Repurchase agreements represent overnight investments secured under tri-party agreements with various bank trust departments to hold the collateral for the benefit of the university; however, the securities are not held in the name of the university. The Commonfund is a not-for-profit provider of



NOTES TO FINANCIAL STATEMENTS

	<u>Balance</u> <u>July 1, 2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2003</u>
Capital assets not depreciated				
Land	\$ 24,303	\$ 1,799	\$ 153	\$ 25,949
Construction in progress	52,942	82,007	40,737	94,212
Library and museum collections	46,347	1,570	-	47,917
Other capital assets				
Buildings	714,759	40,368	43	755,084
Infrastructure	33,515	-	1	33,514
Equipment	142,466	27,872	8,835	161,503
Leasehold improvements	4,840	10,981	103,320	119,501

NOTES TO FINANCIAL STATEMENTS

Long-term debt consisted of the following at June 30, 2004 and 2003 (in thousands):

	<u>2004</u>	<u>2003</u>
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## NOTES TO FINANCIAL STATEMENTS

In prior years, the university defeased housing system revenue bonds and certain general revenue bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Trust assets and related liabilities for the defeased bonds are not included in the university's financial statements. At June 30, 2004 and 2003, outstanding defeased bonds were \$0.4 million and \$0.6 million, respectively.

Under the terms of the 1992 General Revenue Bonds Trust Indenture, the university is required to maintain a reserve account with a trustee at an amount equal to one-half of the maximum

## NOTES TO FINANCIAL STATEMENTS

### 11. Capital Appropriations and Construction Commitments:

Major construction projects of the university are funded primarily by State of Alaska appropriations and university revenue bonds. The appropriations are financed through state-issued general obligation bonds or capital project bonds issued by the Alaska Housing Finance Corporation, a component unit of the State of Alaska, while other appropriations are received directly from the state or state agencies.

Unexpended and unbilled capital funds appropriated by the State of Alaska in prior years, which are not reflected as appropriation revenue or receivables on the university's books at June 30, 2004, totaled \$47.5 million. In addition, unexpended proceeds of university-issued general revenue bonds designated for construction projects totaled \$10.2 million at June 30, 2004.

Construction commitments at June 30, 2004 aggregated \$20.8 million. At June 30, 2004, the university had received \$8.6 million from State of Alaska capital

## NOTES TO FINANCIAL STATEMENTS

The university's annual pension cost for the current year and related information is as follows:

<u>Pension</u>	Postemployment healthcare
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NOTES TO FINANCIAL STATEMENTS

Pension and Postemployment Healthcare Benefits  
(in thousands)

Actuarial valuation year ended	Actuarial value of plan	Actuarial accrued liability	(Unfunded) overfunded actuarial accrued	UAAL as a percentage of
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NOTES TO FINANCIAL STATEMENTS

	<u>Balance</u> <u>July 1, 2002</u>	<u>Provision</u> <u>for Claims</u>	<u>Claims</u> <u>Payment</u>	<u>Balance</u> <u>June 30, 2003</u>
Health	\$ 7,563	\$ 28,518	\$ (29,153)	\$ 6,928
General liability	7,885	724	(433)	8,176
Workers' compensation	4,012	1,463	(1,295)	4,180
Unemployment	<u>118</u>	<u>544</u>	<u>(525)</u>	<u>137</u>
	<u>\$ 19,578</u>	<u>\$ 31,249</u>	<u>\$ (31,406)</u>	<u>\$ 19,421</u>

14. Commitments and Contingencies:

Amounts ra38. 1 5B37e872rs e0(\$ (31,449d/3ndTmb82001 638.21997 Tm( o50.0ee )(e0go 998 617.27997 41.4000

## NOTES TO FINANCIAL STATEMENTS

16.