

FY 2002–2003 Budget  
Fairbanks North Star Borough

**GOVERNMENTAL FUNDS**

The accounts of the Borough are organized on the basis of funds and account groups; each is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid in financial management by segregating transactions of various Borough functions and activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into three generic fund types: governmental, proprietary, and fiduciary. In addition, the School District is classified as a component unit of the Borough. More detailed information about the funds of the Borough can be found at the beginning of the Budget By Funds section of this budget.

**GENERAL FUND.** The general fund is the general operating fund of the Borough. This fund accounts for all transactions not recorded in other funds and receives financial support from such sources as areawide property taxes, licenses, permits, and intergovernmental revenues. Expenditures are authorized for the following Departments:

**Assembly**  
**Mayor** (except Economic Development)  
**Law**  
**Assessing**  
**Community Planning** (except Community Research)  
**Computer Services**  
**Direct Services**  
**Emergency Operations** (except Emergency Medical Services and Enhanced 911)  
**Financial Services** (except Child Care)  
**General Services**  
**Human Resources**  
**Library Services**  
**Parks & Recreation** (except Carlson Community Activity Center)  
**Public Works** (except Solid Waste Collections and Solid Waste Disposal)

Expenditures are controlled by means of this annual budget appropriation. All unencumbered appropriations to this fund lapse at the end of the fiscal year.

**SPECIAL REVENUE FUNDS.** Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. Revenues are provided by local taxation and fees, state shared revenues, and state and federal grants (such as the grant for Child Care/Health and Social Services found in the Financial Services Department). Funds categorized as special revenue include the non-areawide fund (Economic Development and Emergency Medical Services), the Solid Waste Collection fund (transfer sites and transfer stations), the Enhanced 911 fund, and the Service Area funds (primarily fire protection and roads). Expenditures for the Divisions/Department below are controlled by means of this annual budget appropriation. Any unencumbered appropriations to these funds lapse at the end of the fiscal year. However, because the Child Care Division is primarily funded by state grants, the appropriation does not lapse until the purpose, of the grants have been accomplished.

**Economic Development /Mayor's Department**  
**Community Research/Community Planning Department**  
**Emergency Medical Services and Enhanced 911/Emergency Operations Department**  
**Child Care – Health and Social Services/Financial Services Department**  
**Solid Waste Collections/Public Works Department**  
**Service Area Funds**

All other special revenue funds are controlled through the use of project budgets by comparing project-to-date expenditures with project budgets. The appropriations for these funds do not lapse until the purpose of the project has been accomplished. Some projects funded through the capital budget are accounted for in these funds.

**DEBT SERVICE FUND.** The debt service fund accounts for the payment of principal and interest on general obligation debt for education, general government, and non-areawide solid waste transfer station construction. Expenditures are controlled by means of this annual budget appropriation. All unencumbered appropriations of this fund lapse at the end of the fiscal year.